CITY OF COALINGA
The Sunny Side of the Valley

AMENDED
CITY COUNCIL/SUCCESSOR AGENCY/PUBLIC FINANCE AUTHORITY MEETING AGENDA

August 7, 2014
7:00 PM

The Mission of the City of Coalinga is to provide for the preservation of the community character by delivering quality, responsive City services, in an efficient and cost-effective manner, and to develop, encourage, and promote a diversified economic base in order to ensure the future financial stability of the City for its citizens.

Notice is hereby given that the City Council will hold a Regular Meeting, on August 7, 2014 in the City Council Chambers, 155 West Durian Avenue, Coalinga, CA. Persons with disabilities who may need assistance should contact the Deputy City Clerk at least 24 hours prior to the meeting at 935-1533 x113. The Meeting will begin at 7:00 p.m. and the Agenda will be as follows:

1. CALL TO ORDER

1. Pledge of Allegiance
2. Changes to the Agenda

2. AWARDS, PRESENTATIONS, APPOINTMENTS AND PROCLAMATIONS

1. Elections Update from the Fresno County Clerk's Office, Brandi L. Orth
2. Mid Valley Disposal - 2nd Quarter Report, Shaun Kalpakoff

3. CITIZEN COMMENTS

This section of the agenda allows members of the public to address the City Council on any item not otherwise on the agenda. Members of the public, when recognized by the Mayor, should come forward to the lectern, identify themselves and use the microphone. Comments are normally limited to three (3) minutes. In accordance with State Open Meeting Laws, no action will be taken by the City Council this evening and all items will be referred to staff for follow up and a report.

4. PUBLIC HEARINGS (NONE)

5. CONSENT CALENDAR

1. Check Register: 06/01/14 - 6/30/14
2. Monthly Treasurer's Report - June 2014
3. Waive Second Reading and Adopt Ordinance No. 776 (Amending Article 9 of the

Coalinga Municipal Code related to Planning and Zoning)

4. Second Reading and Adoption of Ordinance No. 777, which Establishes a Utility User Tax in the Municipal Code Should Voters Approve Measure P during the November 4, 2014 Election.
5. COPS Spending Plan for 2014/2015
6. Authorization for the Police Department to Purchase 2 Marked Patrol Vehicles Using the 2014/2015 COPS Grant
7. Adoption of Resolution No. 3651 Regarding Certifications and Claims for Collection of Measure "C" Funds for Fiscal Year 2014-15 and Authorization for the City Manager to Sign the Local Transportation Pass Through Revenue Certifications and Claim Forms.
8. Adopt Resolution No. 3652–Ad Valorem Property Tax Assessment for Public Safety Employees of the City of Coalinga
9. Authorization for City Manager to Sign a One-Year Contract for Professional Services with Bryant L. Jolley, CPA, to Conduct the Annual Audit of the City's Financial Statements for Fiscal Year 2014 for an Amount Not to Exceed $36,000.

6. ORDINANCE PRESENTATION, DISCUSSION AND POTENTIAL ACTION ITEMS

1. City Council Consideration to Make a Finding and Allow a Swimming Pool Construction Permit for a Member of the Community with Multiple Sclerosis

   Rene A. Ramirez, City Manager
2. Future Agenda Item - Discussion and Direction Regarding Speed Bumps

   Rene A. Ramirez, City Manager
3. Consideration of Request from Mr. Viebach for Lease Term of One Year for Business Incubator Unit Located at 108 E. Cedar Street

   Mercedes Garcia, Senior Administrative Analyst
4. Input and Direction Regarding a Draft Utility User Tax - Fact Sheet

   Rene A. Ramirez, City Manager
5. Successor Agency Consideration of a Request by Kit Sang Laan, USA, Inc. to Amend an Existing Loan Agreement and Secured Promissory Note that Does Not Extend Term of Agreement but Considers a Lower Interest Rate, and Successor Agency Direction on an Interest Rate.

   Rene A. Ramirez, Successor Agency Executive Director
6. Council Consideration of the Warthan Place Apartments Pool Construction

   Sean Brewer, Assistant Community Development Director
7. Consideration of the City Council to Designate Tri-City Engineering as City Engineer and Direct the City Manager to Enter into a New Professional Services Agreement

   Sean Brewer, Assistant Community Development Director
8. Police Department - Monthly Report

   Police Chief Cal Minor
9. Fire Department - Monthly Report

   Fire Chief Steve Henry

7. ANNOUNCEMENTS

1. City Manager's Announcements

2. Councilmembers' Announcements/Reports

3. Mayor's Announcements

8. FUTURE AGENDA ITEMS

9. CLOSED SESSION

1. CONFERENCE WITH LEGAL COUNSEL – Potential Litigation. Significant Exposure to Litigation Pursuant to Government Code Section 54956.9(b) - 1 case

2. CONFERENCE WITH LABOR NEGOTIATORS – Government Code 54957.6. CITY NEGOTIATORS: City Manager, Rene A. Ramirez; Human Resources Director, Marissa Chavez; City Attorney, Laurie Avedisian. EMPLOYEE (ORGANIZATION): General Employees

10. ADJOURNMENT

Closed Session: A "Closed" or "Executive" Session of the City Council, Successor Agency, or Public Finance Authority may be held as required for items as follows: personnel matters; labor negotiations; security matters; providing instructions to real property negotiators; legal counsel regarding pending litigation; and protection of records exempt from public disclosure. Closed session will be held in the Administration Building at 155 W. Durian Avenue and any announcements or discussion will be held at the same location following Closed Session.

QUARTER 2

GREEN Living

www.midvalleydisposal.com
15300 W. Jensen Ave. Kerman, CA 93630
559.843.2467

RECYCLING EDUCATION OUTREACH

During the 2nd quarter, Mid Valley Disposal attended the Coalinga Career Fair! We reached out to high school students not only with recycling information to use at their homes & at school, but with resources and firsthand knowledge from our excellent outreach staff on the multitude of careers that exist within the recycling field.
It is a growing industry that will benefit from the innovation and influence of young minds and ideas! All participating students received take-home information on green living, and a free premium giveaway made entirely of recyclable material!
We hope that with this event, and with our continued participation in others like it, we will be able to encourage our brightest local students to take an interest in recycling, and the career opportunities it can offer!

Subway

Earth Day at the Library

Career Fair

COMMERCIAL SITE VISITS

During the 2nd quarter of 2014, Mid Valley Disposal's Outreach Specialists visited over 35 commercial businesses in the City of Coalinga, along with 5 multi-family dwellings. During these visits, Recycling Specialists made sure that all businesses fully understand current recycling mandates, and the ways in which they can make their businesses environmentally friendly.
Results of these visits show that businesses are continuing to move forward with their recycling efforts, and each visit shows less and less contamination! Businesses that showed exceptional recycling efforts include:
Taqueria y Mariscos, Rite-Aid, Me N Eds, and the Post Office. We would like to congratulate these businesses for doing a terrific job with their diversion, quarter after quarter.
Multi-Family dwellings also all seem to be doing a great job with their recycling. No contamination was noticed in <u>any</u> of the multi-family recycling bins, showing that managers are on board with MVD staff, keeping tenants educated and informed, and well-equipped to recycle!

COMMUNITY OUTREACH

In addition to the Coalinga Career Fair, Mid Valley Disposal attended the Week of the Child Event and Earth Day at the Library! Close to 20 students attended the Earth Day festivities, and made arts and crafts with our Outreach Team, all while taking home valuable knowledge on recycling and living "green"!
Over 200 Coalinga residents were reach at the Day of the Child Event, and Earth Day Awareness was raised. Kids and adults both enjoyed playing fun learning games and taking home prizes for their attendance and attention.

2014 Quarter 2 Tonnage	Recycling	Green Waste	Refuse	Total Diversion
Residential	136.7	342.2	640	**43%**
Commercial	105.9		582.6	**15%**

STAFF REPORT - CITY COUNCIL/SUCCESSOR AGENCY/PUBLIC FINANCE AUTHORITY

Subject:	Check Register: 06/01/14 - 6/30/14
Meeting Date:	August 7, 2014
From:	Rene A. Ramirez, City Manager
Prepared by:	Rene A. Ramirez, City Manager

I. RECOMMENDATION:

II. BACKGROUND:

III. DISCUSSION:

IV. ALTERNATIVES:

V. FISCAL IMPACT:

ATTACHMENTS:

File Name	Description

No Attachments Available

STAFF REPORT - CITY COUNCIL/SUCCESSOR AGENCY/PUBLIC FINANCE AUTHORITY

Subject:	Monthly Treasurer's Report - June 2014
Meeting Date:	August 7, 2014
From:	Rene A. Ramirez, City Manager
Prepared by:	Olga Keough, City Treasurer

I. RECOMMENDATION:

II. BACKGROUND:

III. DISCUSSION:

IV. ALTERNATIVES:

V. FISCAL IMPACT:

ATTACHMENTS:

File Name	Description
Fund_Balances_Report_6-30-2014_Revised_Beg_Balances.xlsx	Monthly Treasurer's Report - June 2014

City of Coalinga Fund BalancesJune 30, 2014

Fund #	Fund Name	Beg. Balance 7-1-2013	Revenue	Expenses	End. Balance 6-30-2014	Subtotal for Category
	Govermental Activities					
101	General Fund	686,945	5,986,129	(7,600,484)	(927,410)	
140	General Capital Projects Fund	3,099,147	125,077	(241,008)	2,983,216	2,055,806
	Transportation Funds:					
107	Gas Tax Fund	798,332	532,459	(892,567)	438,224	
109	Trans. Development Act Fund	63,355	9,968		73,323	
110	LTF - Article VIII Fund	504,174	275,860	(558,872)	221,162	
125	Measure C - Street Maintenace	131,634	167,645		299,280	
126	Measure C - ADA Compliance	26,683	5,619		32,301	
127	Measure C - Flexible Funding	1,170,324	200,004	(504,103)	866,226	
128	Prop 1B Local Streets & Roads	155,543		(15,553)	139,989	2,070,504
	Police Asset Forfeiture					
103	PD FED Forfeiture Fund	74,808	10,933	(58,169)	27,573	
105	Cops Grant Fund	29,741	90,000	(101,386)	18,354	
106	JAG Grant - Police Department	2,744		(2,179)	565	
116	PD Forfeiture/Unclaimed Fund	8,367	50,524	(1,144)	57,747	104,239
	Impact Fees					
114	Habitat Conservation Fund	117,842		(2,418)	115,425	
141	Public Building/Facilities	46,485	100		46,585	
142	Law Inforcement Impact Fees	(178,361)			(178,361)	
143	Fire Protection Impact Fees	(227,111)	982		(226,129)	
144	Storm Drainage & Flood Control	127,226		(98,023)	29,202	
145	Streets, Bridges Impact Fees	97,346			97,346	(115,932)
	Special Revenue Funds					
130	Special Assessment Districts	304,292	180,037	(231,108)	253,221	
150	Coalinga Public Financing Auth.	1,850,972	1,135,861	(1,343,909)	1,642,924	
453	Claremont Custody Center General Operations Fund	(2,866,422)	96,737	(130,742)	(2,900,427)	
506	Transit System	(9,435)	148,830	(272,502)	(133,108)	
851	EDA Community Bldg. Rentals	108,135	62,253	(35,722)	134,666	
802	RDA 2009 Bonds	1			1	
852	EDA Revolving Loan Fund	428,766	624	-	429,390	(573,334)

Prepared by Olga Keough

City of Coalinga Fund BalancesJune 30, 2014

	Business-Type Activities - Enterprise Funds					
501	Water Enterprise Fund	4,552,538	6,419,662	(6,063,716)	4,908,485	
502	Gas Enterprise Fund	2,865,021	1,621,061	(1,675,655)	2,810,427	
503	Sewer Enterprise Fund	6,840,208	1,060,084	(898,127)	7,002,164	
504	Sanitation Enterprise Fund	(26,999)	1,740,369	(1,633,146)	80,224	
651	Ent. Internal Service Fund	57,567	184,681	(503,396)	(261,147)	14,540,152
	Trust Funds				-	
104	Scholarship Fund	52,651		(1,000)	51,651	
804	Low/Mod Income Housing Fund	-			-	
815	Low/Mod Income Housing Asset Fund	4,230	117,744	(10,429)	111,545	
950	Payroll Trust & Agency Fund	12,221			12,221	
820	Redevelopment Obligation Retirement Fund	(5,341,050)	1,859,842	(1,770,170)	(5,251,378)	(5,075,962)
	Total	**$ 15,567,919**	**$ 22,083,084**	**$ (24,645,529)**	**$ 13,005,474**	

Prepared by Olga Keough

STAFF REPORT - CITY COUNCIL/SUCCESSOR AGENCY/PUBLIC FINANCE AUTHORITY

Subject:	Waive Second Reading and Adopt Ordinance No. 776 (Amending Article 9 of the Coalinga Municipal Code related to Planning and Zoning)
Meeting Date:	August 7, 2014
From:	Rene A. Ramirez, City Manager
Prepared by:	Sean Brewer, Assistant Community Development Director

I. RECOMMENDATION:

Waive the second reading and adopt Ordinance No. 776 related to the comprehensive update to Article 9 of the Coalinga Municipal Code which deals with all planning and zoning related regulations. This ordinance will replace Article 9 in its entirety.

II. BACKGROUND:

In July 2009 the Coalinga City Council adopted the General Plan Update. The updated General Plan (Plan) established several policies and implementation measures to meet the intended goals of the City to ensure clear and orderly growth within and adjacent to the City over the next several years. The Plan establishes long-term goals, policies, and implementation measures for the City's future, and the Zoning Ordinance implements those parts of the Plan related to development.

State law requires that the each city's Zoning Ordinance be consistent with its Plan. The Coalinga Zoning Ordinance pre-dates the newly adopted Plan, having not been updated for over 20 years except for piecemeal amendments. The Zoning Ordinance must be updated so that it is consistent with the Plan, and so that new development reflects the goals and objectives of the new Plan.

Over the course of the last two years the Community Development Department for the City of Coalinga has been working on a comprehensive zoning code update in order to ensure consistency with the recently adopted 2025 General Plan. The Zoning Ordinance Update implements the sustainable and smart growth vision of the City's 2025 General Plan, including new Zoning Districts to implement the Land Use Element. The Zoning Ordinance Update also presents an opportunity for the City to update its Ordinance language, align with State laws, and reorganize the document for easier comprehension. Modifications to implement Housing Element programs to comply with State Law have been included, to allow the City to qualify for a Streamlined Housing Element Update process in the 2014-2022 update cycle.

As part of the Sustainable Communities Grant, the City of Coalinga collaborated with Fresno COG and their circuit planners provided an audit of the draft zoning ordinance of the City of Coalinga to determine the draft ordinance's consistency with the 12 smart-growth principles of the San Joaquin Valley Blueprint. Comments have been provided from the Circuit Planners and their recommendations have been included within the appropriate sections of the draft.

During the course of the development of the draft document, staff has worked closely with the Planning Commission and stakeholders by holding bi-weekly Planning Commission meetings in order to discuss each chapter of the draft in depth and obtain feedback for changes. In addition, staff has conducted multiple Council workshops to discuss the working document to ensure a well and informed collaborative process during its development. The 30-day public review began on March 24, 2014 and to this date have not received any comments related to the draft document. The document was available at the Chamber of Commerce, Public Library, City Hall and on the City of Coalinga's website.

On April 22, 2014 the Planning Commission conducted a duly noticed public hearing to consider the draft zoning ordinance update and adopted Resolution No. 014P-002 recommending adoption by the City Council.

On July 10, 2014 the City Council held a duly noticed public hearing to consider the draft ordinance, take testimony and introduced and waived the second reading of Ordinance No. 776.

III. DISCUSSION:

The main highlights of the Draft Zoning Ordinance are organized by Chapter headings below. All Chapters are attached for your review and comment. The summaries below will help in your facilitation of the content provided in the attachments.

Chapter 1: Introduction
This section lays out the goals and objectives of the Zoning Ordinance, as well as the 12 Smart Growth Principles of the San Joaquin Valley Blueprint that the Zoning Ordinance implements. The Definitions section now includes Use Classifications (i.e. definition of land uses allowed in a specific Zoning District) for ease of reference.

Chapter 2: Zoning Districts and Allowable Land Uses
The Zoning Districts implement the Land Uses laid out in the General Plan Update, for example, the new Mixed Use Zoning District, which implements the Mixed Use Land Use designation in the General Plan. Tables showing permitted uses and general development standards help readers to know at a glance which uses are allowed, and what the development standards are. In particular, transitional setbacks between Residential and Commercial or Manufacturing Districts have been described and illustrated. Please note that height limits are based on the height limits of existing Zoning, but are not a direct match to existing heights due to the inclusion of new Zoning Districts. The height limit for Residential High Density (RHD) is now at 50 feet to support the density range prescribed in the General Plan, while allowing flexibility in building design.

Chapter 3: Special Districts and Overlays
This chapter implements the Special and Overlay Districts in the General Plan, including the Downtown District Overlay, Flood Hazard Overlay, Gateway Overlay, Master Plan Overlay, Planned Development District, and Resource Extraction Overlay. The Downtown District and Gateway Overlays are tools to focus on building and streetscape design of specific areas in the City. The Flood Hazard Overlay addresses environmental constraints, and the Resource Extraction Overlay acknowledges and protects existing resource extraction activities.
The Master Plan Overlay and Planned Development District are important tools that guide the development of larger land areas and properties according to smart growth principles. Key features of these tools include the push to preserve or create open space, cluster rather than spread out development, provide connections to the rest of the City, and require fiscal impact analyses to identify long-term costs and benefits to the City. These tools are also tied to the requirements of base districts in the Zoning Ordinance to avoid creating mini zoning-codes out of every new Planned Development or Master Plan application.

Chapter 4: Development Standards and Signage
Measurement standards have been described and illustrated to assist applicants and property owners to determine measurements such as building height and lot coverage. This Chapter also takes the City requirements for various aspects of a development project, such as landscaping, lighting, and screening, and groups them into a single go-to section under Development Standards. These standards are currently described in separate sections of the existing Zoning Ordinance.

Included in this section are development standards for applicants and owners related to signage and the regulations that are placed on the location, size and shape of signs throughout the City.

Chapter 5: Specific Uses
This section details such requirements for specific uses, including findings for approval and standards for operations. The text has been updated to include Golf Courses and Country Clubs, Solar Power Generating Facilities, Housing Element requirements for Emergency Shelters and Single Room Occupancy facilities. The Telecommunication facilities section is consistent with the 2012 Job Creation Act to streamline approvals for qualifying modifications to telecommunication facilities.
<!--[endif]-->
"NEW MATERIAL" TEMPORARY FARMING: During the course of the development of the draft document, the City received an application for a zoning text amendment related to approving temporary farming activities on primarily residentially zoned land with a minimum land size of 20 acres. After discussion with the applicant, staff is in support of such a regulation and has attached the recommended draft language as part of this process. There are a few locations in the City where farming has historically occurred and development has since been planned however, nothing has moved forward in terms of physical development and land owners have wanted to farm until development occurs in an effort to utilize the land and/or maintain dust and weed control.

Chapter 6: Code Administration
Chapter 6 provides guidance to public administrators as well as interested applicants on the required process and City's expectations for various planning applications. A chart clearly shows the approving authorities for different types of projects. Criteria, findings, and potential conditions of approval are included for development certainty and the predictability of outcomes. The environmental review process is also explained in this section.

Chapter 7: Subdivisions
This chapter was updated to be consistent with the latest Subdivision Map Act, and provides guidance on the subdivision process. Smart growth principles and basic design standards have been included in this chapter.

Chapter 8: Floodplain Management Ordinance
This chapter was reorganized based on the existing Floodplain Management Ordinance. The purpose is to provide review standards for proposed development within flood zones.

IV. ALTERNATIVES:

State law requires that the each city's Zoning Ordinance be consistent with its Plan. The Coalinga Zoning Ordinance pre-dates the newly adopted Plan, having not been updated for over 20 years except for piecemeal amendments. The Zoning Ordinance must be updated so that it is consistent with the Plan, and so that new development reflects the goals and objectives of the new Plan.

V. FISCAL IMPACT:

This project has been fully funded through the Sustainable Community's Grant the City received. The fiscal impact to the adoption of this ordinance is undetermined at this time as the implementation of the ordinance will not be evident until it has been in place for a period of time.

ATTACHMENTS:

File Name	Description
ORDINANCE_NO._776.docx	Ordinance No. 776
Exhibit_A_-_Zoning_Code_Update_Reduced.pdf	Exhibit A (Zoning Code Update)

ORDINANCE NO. 776

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF COALINGA AMENDING TITLE 9 OF THE COALINGA MUNICIPAL CODE (ZONING)

The City Council of the City of Coalinga does ordain as follows:

Section 1. Title 9 of the Coalinga Municipal Code is hereby revised in its entirety as described in Exhibit "A" (Zoning Code Update).

Section 2. This Ordinance shall take effect 30 days after its adoption.

Section 3. The City Clerk is further directed to cause this ordinance or a summary of this ordinance to be published once in a newspaper of general circulation published and circulated within the City of Coalinga, within fifteen (15) days after its adoption. If a summary of the ordinance is published, then the City Clerk shall cause a certified copy of the full text of the proposed ordinance to be posted in the office of the City Clerk at least five days prior to the Council meeting at which the ordinance is adopted and again after the meeting at which the ordinance is adopted. The summary shall be approved by the City Attorney.
The foregoing Ordinance was introduced by the City Council of the City of Coalinga, California, at a special meeting held on ____________________, and was passed and adopted by the City Council at a regular meeting held on ____________________, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED:

____
Mayor
City of Coalinga

ATTEST:

____
City Clerk/Deputy City Clerk
City of Coalinga

STAFF REPORT - CITY COUNCIL/SUCCESSOR AGENCY/PUBLIC FINANCE AUTHORITY

Subject:	Second Reading and Adoption of Ordinance No. 777, which Establishes a Utility User Tax in the Municipal Code Should Voters Approve Measure P during the November 4, 2014 Election.
Meeting Date:	August 7, 2014
From:	Rene A. Ramirez, City Manager
Prepared by:	Rene A. Ramirez, City Manager

I. RECOMMENDATION:

Staff recommends the City Council waive the second reading and adopt Ordinance No. 777, which would establish a Utility User Tax in the Municipal Code should voters pass ballot Measure P at the November 4, 2014 election.

II. BACKGROUND:

Over the past several weeks the Council has deliberated on options to generate revenue for the General Fund. At their July 10 meeting, the Council directed staff to prepare a resolution that would ask the County Clerk's office to place Measure P, a special utility user tax, on the November ballot and prepare an ordinance that would codify Measure P into the Municipal Code should Measure P pass in November. At a special meeting on July 17, 2014, the Council made some slight modifications to the resolution and ordinance to exempt businesses and low-income seniors from the electricity component of a utility user tax among other slight modifications to the ordinance.

The purpose of Measure P is to allow the community to decide if they want to maintain their current level of public safety services. The City's General Fund finds itself about $1.0 million short of an operational balance with little reserves to draw from for FY15. In order to support current levels of public safety, the Police and Fire Departments, are budgeted to make use of 77% of General Fund revenue. Regionally, only Selma appropriates more General Fund revenue (86.3%) to support public safety.

The remnants of the economic recession and loss of revenue from the contract with the State CDCR has reduced the City's annual General Fund revenues by some $1.0 million. Without a tax measure or some other large source of revenue, cuts in public safety services are necessary to balance the General Fund and reduce the negative Fund Balance in the General Fund. Over the past several years, appropriations for General Fund departments have been reduced to a point where there are very few places to reduce expenses other than reductions in staffing, which affects service levels.

The Council, during their most recent meetings, after discussing several tax measures, chose and directed staff to pursue a Utility User Tax, as a Special Tax, over other such taxing measures as a parcel or sales tax. The City Attorney's office drafted both a resolution which goes to the County Clerk in order for a ballot measure to appear on the ballot, and also an ordinance, so that if voters pass Measure P, the City has the legal right to collect a utility user tax.

III. DISCUSSION:

As it currently stands, Measure P contemplates a 5.5% utility user tax to all residential and non-residential customers, excluding local government, and exempts businesses and low-income seniors from a tax on their electricity bills. The ordinance, as written, provides this Council and future Council's with some flexibility to exempt other utility customers, review the tax during the first quarter of each calendar year to determine if a reduction in the utility user tax is warranted for one-year period, and allows the Council the ability to repeal the tax. There is no sunset provision to the tax.

It was mentioned in the July 17, 2014 staff report that in order for a utility user tax to take effect, it must be codified in the Municipal Code. This requires adoption of an ordinance. Ordinance No. 777 was introduced, a public hearing held, and the first reading waived at the special meeting on July 17. A second reading and adoption is now necessary. Ordinance No. 777 will only be effective if Measure P is passed by a two-thirds majority vote during the November 4, 2014 election.

IV. ALTERNATIVES:

Staff has no alternatives to recommend at this time.

V. FISCAL IMPACT:

The intent of Measure P is to generate approximately $1.0 million in additional revenue for the General Fund to support public safety by taxing the use of several utility services rendered to community customers such as water, sewer, natural gas, trash, power, telephone, internet and television services.

ATTACHMENTS:

	File Name	Description
🗋	UUT_Ordinance_(00331529-4)_2nd_Reading_Final.doc	UUT Ordinance Final Version

Ordinance No. <u>777</u>

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF COALINGA, ADDING CHAPTER 9 TO TITLE 3 OF THE COALINGA MUNICIPAL CODE WITH RESPECT TO A UTILITY USERS TAX TO FUND PUBLIC SAFETY.

WHEREAS, the City Council of the City of Coalinga ("Council"), has determined that there is an immediate need to finance public safety;

WHEREAS, the Council seeks to establish a utility users tax as a special tax dedicated to finance public safety;

WHEREAS, the Council seeks to submit the utility users tax to the voters in the upcoming regular election on November 4, 2014.

THE CITY COUNCIL OF THE CITY OF COALINGA DOES HEREBY ORDAIN AS FOLLOWS:

<u>SECTION 1</u>: The City of Coalinga Municipal Code is hereby amended by adding Chapter 9 of Title 3 to read as follows:

Chapter 9 Utility Users Tax

3-9.100 Short title.

This Chapter shall be known as the "Utility Users Tax Ordinance."

3-9.102 Special tax.

The taxes enacted by this Ordinance are special taxes as defined in Article XIIIC of the California Constitution to create needed revenue to preserve the safety and quality of life of the City of Coalinga. The tax revenue generated by the utility users taxes described in this Ordinance will be used only to fund law enforcement, fire protection, and emergency medical response services.

3-9.103 Definitions.

Except where the context otherwise requires, the definitions given in this Section govern the construction of this Chapter:

(a) "Ancillary telecommunication services" means services that are associated with or incidental to the provision, use, or enjoyment of telecommunications services, including but not limited to the following services:

(1) "Conference bridging service" means an ancillary service that links two or more participants of an audio or video conference call and may include the provision of a telephone number. Conference bridging service does not include the telecommunications services used to reach the conference bridge.

(2) "Detailed telecommunications billing service" means an ancillary service of separately stating information pertaining to individual calls on a customer's billing statement.

(3) "Directory assistance" means an ancillary service of providing telephone number information and/or address information.

(4) "Vertical service" means an ancillary service that is offered in connection with one or more telecommunications services, which offers advanced calling features that allow customers to identify callers and to manage multiple calls and call connections, including conference bridging services.

(5) "Voice mail services" means an ancillary service that enables the customer to store, send, or receive recorded messages. Voice mail service does not include any vertical services that the customer may be required to have in order to utilize the voice mail service.

(b) "Ancillary video services" means services that are associated with or incidental to the provision or delivery of video services, including but not limited to electronic program guide services, search functions, or other interactive services or communications that are associated with or incidental to the provision, use, or enjoyment of video programming.

(c) "Billing address" means the mailing address of the service where the service supplier submits invoices or bills for payment by the service user.

(d) "City" means the City of Coalinga.

(e) "City Manager" means the City Manager of the City, or his or her authorized representative.

(f) "Commercial User" means a for-profit business, including industrial users.

(g) "Communication services" means: "telecommunication services," "ancillary telecommunication services," "video services," and "ancillary video services."

(h) "Gas" means natural or manufactured gas or any alternate hydrocarbon fuel, which may be substituted therefore.

(i) "Mobile telecommunications service" has the same meaning and usage as set forth in the Mobile Telecommunications Sourcing Act (4 U.S.C., § 124) and the regulations thereunder.

(j) "Month" means a calendar month.

(k) "Municipal Organization" shall mean that statewide organization sanctioned by the League of California Cities, or created by statute or by voluntary action, whose purpose is to facilitate the development and dissemination of uniform rulings or interpretations regarding the application of utility users taxes to communication services in the state of California.

(l) "Non-Utility Service Supplier" means:

(1) a service supplier, other than a supplier of electric distribution services to all or a significant portion of the City, which generates electricity for sale to others, and shall include, but is not limited to, any publicly-owned electric utility, investor-owned utility, cogenerator, distributed generation provider, municipal utility district, federal power marketing agency, electric rural cooperative, or other supplier or seller of electricity;

(2) an electric service provider (ESP), electricity broker, marketer, aggregator, pool operator, or other electricity supplier other than a supplier of electric distribution services to all or a significant portion of the City, which sells or supplies electricity or supplemental services to electricity users within the City; and

(3) a gas service supplier, aggregator, marketer or broker, other than a supplier of gas distribution services to all or a significant portion of the City, which sells or supplies gas or supplemental services to gas users within the City.

(m) "Person" means, without limitation, any domestic, non-profit, or foreign corporation; firm; association; syndicate; joint stock company; partnership of any kind; limited liability company; joint venture; club; trust; California business or common law trust; estate; society; cooperative; receiver, trustee, guardian, or other representative appointed by order of any court; any natural individual; municipal district or municipal corporation, other than the City.

(n) "Place of primary use" means the street address representative of where the customer's use of the telecommunications service primarily occurs, which must be the residential street address or the primary business street address of the customer.

(o) "Post-paid telecommunication service" means the telecommunication service obtained by making a payment on a communication-by-communication basis either through the use of a credit card or payment mechanism such as a bank card, travel card, credit card, or debit card, or by charge made to a service number which is not associated with the origination or termination of the telecommunication service.

(p) "Prepaid telecommunication service" means the right to access telecommunication services, which must be paid for in advance and which enables the origination of communications using an access number or authorization code, whether manually or electronically dialed, and that is sold in predetermined units or dollars of which the number declines with use in a known amount.

(q) "Private telecommunication service" means a telecommunication service that entitles the customer to exclusive or priority use of a communications channel or group of channels between or among termination points, regardless of the manner in which such channel or channels are connected, and includes switching capacity, extension lines, stations, and any other associated services that are provided in connection with the use of such channel or channels. A communications channel is a physical or virtual path of communications over which signals are transmitted between or among customer channel termination points (i.e., the location where the customer either inputs or receives the communications).

(r) "Refuse collection" means services provided for the collection, recycling, destruction, or shredding of any refuse, debris, or unwanted materials including but not limited to garbage, chemicals, paper, plastic, and metals.

(s) “Service address” means the residential street address or the business street address of the service user. For a telecommunication service user, “service address” means either:

(1) The location of the telecommunication equipment from which the communication originates or terminates, regardless of where the communication is billed or paid; or

(2) If the location in subsection (1) of this definition is unknown (e.g., mobile telecommunications service or VoIP service), the service address means the location of the service user’s place of primary use.

(3) For prepaid telecommunications service, “service address” means the location associated with the service number.

(t) “Service Supplier” means any person, including the City, who provides or sells communication, electric, gas, refuse collection service, sewage service, water service, or video service to a user of such service within the City. The term shall include any person required to collect, or self-collect, under this Chapter, and remit tax as imposed by this Chapter, including its billing agent in the case of electric, gas, refuse collection, water, sewage, or video service suppliers. In the case of video service, where the purchaser of bulk video service (e.g., an apartment owner) resells the video service to individual users, the purchaser of the bulk video service shall be deemed the “service supplier” for tax collection and remittance purposes.

(u) “Service user” means a person required to pay a tax imposed by this Chapter.

(v) “Sewage” means services provided for the collection, treatment, and disposal of water-carried waste through the use of plumbing, septic tanks, or other methods.

(w) “State” means the State of California.

(x) “Tax Administrator” means the City Manager of the City of Coalinga or his or her designee.

(y) “Telecommunication services” means the transmission, conveyance, or routing of voice, data, audio, video, or any other information or signals to a point, or between or among points, whatever the technology used, and includes broadband service (e.g., digital subscriber line (DSL), fiber optic, coaxial cable, and wireless broadband, including Wi-Fi, WiMAX, and wireless MESH) to the extent federal and/or state law permits taxation of such broadband services, now or in the future. The term “telecommunication services” includes such transmission, conveyance, or routing in which computer processing applications are suited to act on the form, code, or protocol of the content for purposes of transmission, conveyance, or routing without regard to whether such service is referred to as voice over internet protocol (VoIP) services or is classified by the Federal Communications Commission as enhanced or value added, and includes video and/or data service that is functionally integrated with "telecommunication services." Telecommunications services include, but is not limited to the following services, regardless of the manner or basis on which such services are calculated or billed: ancillary telecommunication services; intrastate, interstate, and international telecommunication services; broadband service (to the extent federal and/or state law permits taxation of such service); mobile telecommunications service; prepaid telecommunication service; paging service, 800 service (or any other toll-free numbers designated by the Federal Communications Commission); 900 service (or any similar numbers designated by the Federal Communications Commission for services whereby subscribers who call in to pre-recorded or live service); and value-added non-voice data service.

(z) "Value-added non-voice data service" means a service that otherwise meets the definition of "telecommunications services" in which computer processing applications are used to act on the form, content, code, or protocol of the information or data primarily for a purpose other than transmission, conveyance, or routing.

(aa) "Video programming" means those programming services commonly provided to subscribers by a "video service supplier" including but not limited to basic services, premium services, audio services, video games, pay-per-view services, video on demand, origination programming, or any other similar services, regardless of the content of such video programming, or the technology used to deliver such services and regardless of the manner or basis on which such services are calculated or billed.

(bb) "Video services" means any an all services related to the providing or delivering of "video programming" (including origination programming and programming using internet protocol, e.g., IP-TV and IP-Video) using one or more channels by a "video service supplier," regardless of the technology used to deliver or provide such services, and regardless of the manner or basis on which such services are calculated or billed, and includes data services, "telecommunication services," or interactive communication services that are functionally integrated with "video services."

(cc) "Video Service Supplier" means any person, company, or service which provides or sells one or more channels of video programming, or provides or sells the capability to receive one or more channels of video programming, including any communications that are ancillary, necessary, or common to the provision, use or enjoyment of the video programming, to or from a business or residential address in the City, where some fee is paid, whether directly or included in dues or rental charges for that service, whether or not public rights-of-way are utilized in the delivery of the video programming or communications. A "video service supplier" includes but is not limited to, multichannel video programming distributors (as defined in 47 U.S.C., § 522(13)); open video systems (OVS) suppliers; and suppliers of cable television; master antenna television; satellite master antenna television, multichannel multipoint distribution services (MMDS); video services using internet protocol (e.g., IP-TV and IP-Video, which provide, among other things, broadcasting and video on demand), direct broadcast satellite to the extent federal law permits taxation of its video services, nor or in the future; and other suppliers of video programming or communications (including two-way communications), whatever their technology.

3-9.104 Communications users tax.

(a) There is hereby imposed a tax upon every person in the City using communication services. The tax imposed by this section shall be at the rate of five and one-half percent (5.5%) of the charges made for such services and shall be collected from the service user by the communication services supplier or its billing agent. There is a rebuttable presumption that communication services, which are billed to a billing or service address in the City, are used in whole or in part, within the City's boundaries and such services are subject to taxation under this Chapter. If the billing address of the service user is different from the service address, the service address of the service user shall be sued for purposes of imposing the tax. As used in this Section, the term "charges" shall include the value of any other services, credits, property of every kind or nature, or other consideration provided by the service in exchange for the communication services.

(b) "Mobile telecommunications service" shall be sourced in accordance with the sourcing rules set forth in the Mobile Telecommunications Sourcing Act (4 U.S.C., § 124). The Tax Administrator may issue and disseminate to communication service suppliers, which are subject to the tax collection requirements of this Chapter, sourcing rules for the taxation of other communication services, including but not limited to post-paid communications services, prepaid communication services, and private communication services, provided that such rules are based upon custom and common practice that further administrative efficiency and minimize multi-jurisdictional taxation.

(c) The Tax Administrator may issue and disseminate to communication service suppliers, which are subject to the tax collection requirements of this Chapter, an administrative ruling identifying those communication services, or charges therefore, that are subject to the tax of subsection (a) above. This administrative ruling shall not impose a new tax, revise an existing tax methodology as stated in this Section, or increase an existing tax, but shall be deemed an administrative adjustment as provided by California Government Code section 53750(h)(2)(A).

(d) To facilitate the uniform interpretation and application of similar ordinance provisions in other local jurisdictions in the state, the Tax

Administrator shall, prior to issuing and disseminating a sourcing rule or an administrative tax ruling, submit its proposed sourcing rule, or administrative tax ruling to the Municipal Organization for review and comment, according to the rules and procedures of that organization, or its successor organization.

(e) As used in this section, the term "communication services" shall not include charges for service paid for by inserting coins in coin-operated telephones except that where such coin-operated telephone service is furnished for a guaranteed amount, the amounts paid under such guarantee plus any fixed monthly or other periodic charge shall be included in the base for computing the amount of tax due.

(f) Charges for communication services shall include, but are not limited to, charges for the following:

(1) franchise fees and access fees (PEG);
(2) initial installation of equipment necessary for provision and receipt of communication services;
(3) late fees, collection fees, bad debt recoveries, and return check fees;
(4) activation fees, reactivation fees, and reconnection fees;
(5) all video programming services (e.g., basic services, premium services, audio services, video games, pay-per-view services, or on demand programming);
(6) ancillary programming services (e.g.), electronic program guide services, search functions, or other interactive services or communications that are ancillary, necessary or common to the use or enjoyment of the video programming);
(7) equipment leases (e.g., converters, remote devices); and,
(8) service calls, service protection plans, name changes, changes of services, and special services.

(g) To prevent actual multi-jurisdictional taxation of communication services subject to tax under this section, any service user, upon proof to the Tax Administrator that the service user has previously paid the same tax in another state or city on such communication services, shall be allowed a credit against the tax imposed to the extent of the amount of such tax legally imposed in such other state or city; provided, however, the amount of credit shall not exceed the tax owed to the City under this section.

(h) The tax on communication services imposed by this section shall be collected from the service user by the service supplier. The amount of tax collected in one (1) month shall be remitted to the Tax Administrator, and must be received by the Tax Administrator on or before the twentieth (20th) day of the following month.

3-9.105 Electricity users tax.

(a) There is hereby imposed a tax upon every person using electricity in the City. The tax imposed by this section shall be at the rate of five and one-half percent (5.5%) of the charges made for such electricity, and for any supplemental services or other associated activities directly related to and/or necessary for the provision of electricity to the service user, which are provided by a service supplier or non-utility service supplier to a service user. The tax shall be collected from the service user by the service supplier or non-utility service supplier, or its billing agent.

(b) As used in this section, the term "charges" shall apply to all services, components and items that are: i) necessary for or common to the receipt, use, or enjoyment of electric service; or ii) currently are or historically have been included in a single or bundled rate for electric service by a local distribution company to a class of retail customers. The term "charges" shall include, but is not limited to, the following charges:

(1) energy charges;
(2) distribution or transmission charges;
(3) metering charges;
(4) stand-by, reserves, firming, ramping, voltage support, regulation, emergency, or other similar charges for supplemental services to self-generation service users;
(5) customer charges, late charges, service establishment or reestablishment charges, demand charges, fuel or other cost adjustments, power exchange charges, independent system operator (ISO) charges, stranded investment or competitive transition charges (CTC), public purpose program charges, nuclear decommissioning charges, trust transfer amounts (bond financing charges), franchise fees, franchise surcharges, annual and monthly charges, and other charges, fees, or surcharges which are necessary for or common to the receipt, use or enjoyment of electric service; and
(6) charges, fees, or surcharges for electricity services or programs which are mandated by the California Public Utilities Commission or the Federal Energy Regulatory Commission, whether or not such charges, fees, or surcharges appear on a bundled or line item basis on the customer billing.

(c) As used in this section, the term "charges" shall include the value of any other services, credits, property of every kind or nature, or other consideration provided by the service user in exchange for the electricity or services related to the provision of such electricity.

(d) The Tax Administrator, from time to time, may survey the electric service suppliers to identify the various unbundled billing components of electric retail service that they commonly provide to residential and commercial/industrial customers in the City, and the charges therefor, including those items that are mandated by state or federal regulatory agencies as a condition of providing such electric service. The Tax Administrator, thereafter, may issue and disseminate to such electric service suppliers an administrative ruling identifying those components and items which are: i) necessary for or common to the receipt, use or enjoyment of electric service; or ii) currently are or historically have been included in a single or bundled rate for electric service by a local distribution company to a class of retail customers. Charges for such components and items shall be subject to the tax of subsection (a) above.

(e) As used in this section, the term "using electricity" shall not include the mere receiving of such electricity by an electrical corporation or governmental agency at a point within the City for resale.

(f) The tax on electricity provided by self-production or by a non-utility service supplier not under the jurisdiction of this Chapter shall be collected and remitted in the manner set forth in Section 3-9.107 of this Chapter. All other taxes on charges for electricity imposed by this section shall be collected from the service user by the electric service supplier or its billing agent.

(g) The amount of tax collected in one (1) month shall be remitted to the Tax Administrator, and must be received by the Tax Administrator on or before the twentieth (20th) day of the following month.

(h) An exemption from the electricity users tax only is available to Commercial Users and users over the age of 65 who are enrolled in PG&E's CARE program upon approval of a completed application submitted pursuant to Section 3-9.115 below.

3-9.106 Gas users tax.

(a) There is hereby imposed a tax upon every person using gas in the City, which is transported and delivered through a pipeline distribution system. The tax imposed by this section shall be at the rate of five and one-half percent (5.5%) of the charges made for such gas, including all services related to the storage, transportation, and delivery of such gas. The tax shall be collected from the service user by the service supplier or non-utility service supplier, or its billing agent.

(b) As used in this section, the term "charges" shall apply to all services, components and items for gas service that are: i) necessary for or common to the receipt, use, or enjoyment of gas service; or ii) currently are or historically have been included in a single or bundled rate for gas service by a local distribution company to a class of retail customers. The term "charges" shall include, but is not limited to, the following charges:

(1) the commodity charges for purchased gas, or the cost of gas owned by the service user (including the actual costs attributed to drilling, production,

lifting, storage, gathering, trunkline, pipeline, and other operating costs associated with the production and delivery of such gas), which is delivered through a gas pipeline distribution system;

(2) gas transportation charges (including interstate charges to the extent not included in commodity charges);

(3) storage charges; provided, however, that the service supplier shall not be required to apply the tax to any charges for gas storage services when the service supplier cannot, as a practical matter, determine the jurisdiction where such stored gas is ultimately used; but it shall be the obligation of the service user to self-collect the amount of tax not applied to any charge for gas storage by the service supplier and to remit the tax to the appropriate jurisdiction;

(4) capacity or demand charges, late charges, service establishment or reestablishment charges, transition charges, customer charges, minimum charges, annual and monthly charges, and any other charges which are necessary for or common to the receipt, use or enjoyment of gas service; and

(5) charges, fees, or surcharges for gas services or programs which are mandated by the California Public Utilities Commission or the Federal Energy Regulatory Commission, whether or not such charges, fees, or surcharges appear on a bundled or line item basis on the customer billing.

(c) As used in this section, the term “charges” shall include the value of any other services, credits, property of every kind or nature, or other consideration provided by the service user in exchange for the gas or services related to the delivery of such gas.

(d) The Tax Administrator, from time to time, may survey the gas service suppliers to identify the various unbundled billing components of gas retail service that they commonly provide to residential and commercial/industrial customers in the City, and the charges therefor, including those items that are mandated by state or federal regulatory agencies as a condition of providing such gas service. The Tax Administrator, thereafter, may issue and disseminate to such gas service suppliers an administrative ruling identifying those components and items which are: i) necessary for or common to the receipt, use, or enjoyment of gas service; or ii) currently are or historically have been included in a single or bundled rate for gas service by a local distribution company to a class of retail customers. Charges for such components and items shall be subject to the tax of subsection (a) above.

(e) There shall be excluded from the calculation of the tax imposed in this section, charges made for gas which is to be resold and delivered through a pipeline distribution system.

(f) The tax on gas provided by self-production or by a non-utility service supplier not under the jurisdiction of this Chapter shall be collected and remitted in the manner set forth in Section 3-9.107 of this Chapter. All other taxes on charges for gas imposed by this section shall be collected from the service user by the gas service supplier or its billing agent. The amount of tax collected in one (1) month shall be remitted to the Tax Administrator, and must be received by the Tax Administrator, on or before the twentieth (20th) day of the following month.

3-9.107 Collection of tax from service users receiving direct purchase of gas or electricity.

(a) Any service user subject to the tax imposed by Section 3-9.105 or by Section 3-9.106 of this Chapter, which produces gas or electricity for self-use; which receives gas or electricity, including any related supplemental services, directly from a non-utility service supplier not under the jurisdiction of this Chapter; or which, for any other reason, is not having the full tax collected and remitted by its service supplier, a non-utility service supplier, or its billing agent on the use of gas or electricity in the City, including any related supplemental services, shall report said fact to the Tax Administrator and shall remit the tax due directly to the Tax Administrator within thirty (30) days of such use. In lieu of paying said actual tax, the service user may, at its option, remit to the Tax Administrator within thirty (30) days of such use an estimated amount of tax measured by the tax billed in the previous month, or upon the payment pattern of similar customers of the service supplier using similar amounts of gas or electricity, provided that the service user shall submit an adjusted payment or request for credit, as appropriate, within sixty (60) days following each calendar quarter. The credit, if approved by the Tax Administrator, may be applied against any subsequent tax bill that becomes due.

(b) The Tax Administrator may require said service user to identify its non-utility service supplier and provide, subject to audit: invoices; books of account; or other satisfactory evidence documenting the quantity of gas or electricity used, including any related supplemental services, and the cost or price thereof. If the service user is unable to provide such satisfactory evidence, or if the administrative cost of calculating the tax in the opinion of the Tax Administrator is excessive, the Tax Administrator may determine the tax by applying the tax rate to the equivalent charges the service user would have incurred if the gas or electricity used, including any related supplemental services, had been provided by the service supplier that is the primary supplier of gas or electricity within the City. Rate schedules for this purpose shall be available from the City.

3-9.108 Refuse collection users tax.

(a) There is hereby imposed a tax upon every person using refuse collection services in the City. There is also imposed a tax upon every person in the City that delivers refuse directly to a transfer station or disposes of trash or refuse at any landfill or other facility accepting waste material within the City. The tax imposed by this Section shall be at the rate of five and one-half percent (5.5%) of the charges made for such refuse collection services, including all services related to the collection, transportation, and disposal of such refuse. The tax shall be collected from the service user by the service supplier or non-utility service supplier, or its billing agent.

(b) As used in this section, the term “charges” shall apply to all services, components and items for refuse collection service that are: i) necessary for or common to the receipt, use, or enjoyment of refuse collection service; or ii) currently are or historically have been included in a single or bundled rate for refuse collection service by a local distribution company to a class of retail customers. The term “charges” shall include, but is not limited to, the following charges:

(1) the commodity charges for purchased refuse collection service, or the cost of refuse collection services provided by the service user (including the actual costs attributed to operating costs associated with refuse collection);
(2) refuse transportation charges (including interstate charges to the extent not included in commodity charges);
(3) storage charges; provided, however, that the service supplier shall not be required to apply the tax to any charges for services when the service supplier cannot, as a practical matter, determine the jurisdiction where the refuse is stored; but it shall be the obligation of the service user to self-collect the amount of tax not applied to any charge for refuse storage by the service supplier and to remit the tax to the appropriate jurisdiction;
(4) capacity or demand charges, late charges, service establishment or reestablishment charges, transition charges, customer charges, minimum charges, annual and monthly charges, and any other charges which are necessary for or common to the receipt, use or enjoyment of refuse collection service; and
(5) charges, fees, or surcharges for refuse collection services or programs which are mandated by a state or federal agency, whether or not such charges, fees, or surcharges appear on a bundled or line item basis on the customer billing.

(c) As used in this section, the term “charges” shall include the value of any other services, credits, property of every kind or nature, or other consideration provided by the service user in exchange for the refuse collection services related to the delivery of such refuse collection service.

(d) The Tax Administrator, from time to time, may survey the refuse collection service suppliers to identify the various unbundled billing components of refuse collection service that they commonly provide to residential and commercial/industrial customers in the City, and the charges therefor, including those items that are mandated by state or federal regulatory agencies as a condition of providing such refuse collection service. The Tax Administrator, thereafter, may issue and disseminate to such refuse collection service suppliers an administrative ruling identifying those components and items which are: i) necessary for or common to the receipt, use, or enjoyment of refuse collection service; or ii) currently are or historically have been included in a single or bundled rate for refuse collection service by a local distribution company to a class of retail customers. Charges for such components and items shall be subject to the tax of subsection (a) above.

(e) All taxes on charges for refuse collection imposed by this section shall be collected from the service user by the refuse collection service supplier or its billing agent. The amount of tax collected in one (1) month shall be remitted to the Tax Administrator, and must be received by the Tax Administrator, on or before the twentieth (20th) day of the following month.

3-9.109 Water users tax.

(a) There is hereby imposed a tax upon every person using water in the City, which is transported and delivered through a pipeline distribution system. The tax imposed by this section shall be at the rate of five and one-half percent (5.5%) of the charges made for such water, including all services related to the storage, transportation, and delivery of such water. The tax shall be collected from the service user by the service supplier or non-utility service supplier, or its billing agent.

(b) As used in this section, the term "charges" shall apply to all services, components and items for water service that are: i) necessary for or common to the receipt, use, or enjoyment of water service; or ii) currently are or historically have been included in a single or bundled rate for water service by a local distribution company to a class of retail customers. The term "charges" shall include, but is not limited to, the following charges:

(1) water commodity charges (potable and non-potable);
(2) distribution and transmission charges (including interstate charges to the extent not included in commodity charges);
(3) metering charges;
(4) customer charges, late charges, service establishment or reestablishment charges, transition charges, minimum charges, annual and monthly charges, and any other charges which are necessary for or common to the receipt, use or enjoyment of water service; and
(5) charges, fees, or surcharges for water services or programs which are mandated by a water district or a state or federal agency, whether or not such charges, fees, or surcharges appear on a bundled or line item basis on the customer billing.

(c) As used in this section, the term "charges" shall include the value of any other services, credits, property of every kind or nature, or other consideration provided by the service user in exchange for the water or services related to the delivery of such water.

(d) The Tax Administrator, from time to time, may survey the water service suppliers to identify the various unbundled billing components of water retail service that they commonly provide to residential and commercial/industrial customers in the City, and the charges therefor, including those items that are mandated by state or federal regulatory agencies as a condition of providing such water service. The Tax Administrator, thereafter, may issue and disseminate to such water service suppliers an administrative ruling identifying those components and items which are: i) necessary for or common to the receipt, use, or enjoyment of water service; or ii) currently are or historically have been included in a single or bundled rate for water service by a local distribution company to a class of retail customers. Charges for such components and items shall be subject to the tax of subsection (a) above.

(e) There shall be excluded from the calculation of the tax imposed in this section, charges made for water which is to be resold and delivered through a pipeline distribution system.

(f) The tax on water provided by self-production or by a non-utility service supplier not under the jurisdiction of this Chapter shall be collected and remitted in the manner set forth in Section 3-9.107 of this Chapter. All other taxes on charges for water imposed by this section shall be collected from the service user by the water service supplier or its billing agent. The amount of tax collected in one (1) month shall be remitted to the Tax Administrator, and must be received by the Tax Administrator, on or before the twentieth (20th) day of the following month.

3-9.110 Sewage users tax.

(a) There is hereby imposed a tax upon every person using sewage services in the City. The tax imposed by this section shall be at the rate of five and one-half percent (5.5%) of the charges made for such sewage services, including all services related to the storage, transportation, treatment, and disposal of such sewage. The tax shall be collected from the service user by the service supplier or non-utility service supplier, or its billing agent.

(b) As used in this section, the term “charges” shall apply to all services, components and items for sewage service that are: i) necessary for or common to the receipt, use, or enjoyment of sewage service; or ii) currently are or historically have been included in a single or bundled rate for sewage service by a local distribution company to a class of retail customers. The term “charges” shall include, but is not limited to, the following charges: customer charges, late charges, service establishment or reestablishment charges, annual and monthly charges, and other charges, fees, and surcharges which are necessary for or common to the receipt, use, or enjoyment of sewer service; and charges, fees, or surcharges for sewer services or programs, which are mandated by the City, a state or federal agency, whether or not such charges, fees, or surcharges appear on a bundled or line item basis on the customer billing.

(c) As used in this section, the term "charges" shall include the value of any other services, credits, property of every kind or nature, or other consideration provided by the service user in exchange for the sewage services related to the providing of such services.

(d) The Tax Administrator, from time to time, may survey the sewage service suppliers to identify the various unbundled billing components of sewage service that they commonly provide to residential and commercial/industrial customers in the City, and the charges therefor, including those items that are mandated by state or federal regulatory agencies as a condition of providing such sewage service. The Tax Administrator, thereafter, may issue and disseminate to such sewage service suppliers an administrative ruling identifying those components and items which are: i) necessary for or common to the receipt, use, or enjoyment of sewage service; or ii) currently are or historically have been included in a single or bundled rate for sewage service by a local distribution company to a class of retail customers. Charges for such components and items shall be subject to the tax of subsection (a) above.

(e) All taxes on charges for sewage service imposed by this section shall be collected from the service user by the sewage service supplier or its billing agent. The amount of tax collected in one (1) month shall be remitted to the Tax Administrator, and must be received by the Tax Administrator, on or before the twentieth (20th) day of the following month.

3-9.111 Effect of commingling taxable items with non-taxable items.

Except as otherwise provided by applicable federal or state law, if any nontaxable charges are combined with and not separately stated from taxable service charges on the customer bill or invoice of a service supplier, the combined charge is subject to tax unless the service supplier identifies, by reasonable and verifiable standards, the portions of the combined charge that are nontaxable and taxable through the service supplier's books and records kept in the regular course of business, and in accordance with generally accepted accounting principles. The service supplier has the burden of proving the proper apportionment of taxable and non-taxable charges.

3-9.112 Constitutional and statutory exemptions.

(a) Nothing in this Chapter shall be construed as imposing a tax upon:

(1) any person or service when imposition of such tax upon that person or service would be in violation of a federal or state statute, the Constitution of the United States or the Constitution of the State of California; and

(2) the City.

(b) Any person that is exempt from the tax imposed by this Chapter pursuant to subsection (a) or Section 3-9.105(h) shall file an application with the Tax Administrator for an exemption; provided, however, this requirement shall not apply to a service user that is a state or federal agency or subdivision with a commonly recognized name. Said application shall be made upon a form approved by the Tax Administrator and shall state those facts, declared under penalty of perjury, which qualify the applicant for an exemption, and shall include the names of all utility service suppliers serving that service user. If deemed exempt by the Tax Administrator, such service user shall give the Tax Administrator timely written notice of any change in utility service suppliers so that the Tax Administrator can properly notify the new utility service supplier of the service user's tax exempt status. A service user that fails to comply with this Section shall not be entitled to a refund of utility users' taxes collected and remitted to the Tax Administrator from such service user as a result of such non-compliance. Upon request of the Tax Administrator, a service supplier or non-utility service supplier, or its billing agent, shall provide a list of the names and addresses of those customers which, according to its billing records, are deemed exempt from the utility users' tax.

(c) The City Council may, by resolution, establish one or more classes of persons or one or more classes of utility service otherwise subject to payment of a tax imposed by this Chapter and provide that such classes of persons or service shall be exempt, in whole or in part from such tax for a specified period of time.

(d) The decision of the Tax Administrator may be appealed pursuant to Section 3-9.125 of this Chapter. Filing an application with the Tax Administrator and appeal to the City Administrator pursuant to Section 3-9.125 of this Chapter is a prerequisite to a suit thereon.

3-9.113 Accurate jurisdictional boundaries.

The City shall make available, upon request, an accurate description of its jurisdictional boundaries based on street addresses and/or ZIP Plus Four, in an electronic format. If a service supplier relies upon such information provided by City, it shall not be responsible for any errors in taxation that may result.

3-9.114 Substantial nexus/minimum contacts.

For purposes of imposing a tax or establishing a duty to collect and remit a tax under this Chapter, "substantial nexus" and "minimum contacts" shall be construed broadly in favor of the imposition, collection and/or remittance of the utility users tax to the fullest extent permitted by state and federal law, and as it may change from time to time by judicial interpretation or by statutory enactment. Any communication service (including VoIP) used by a person with a service address in the City, which service is capable of terminating a call to another person on the general telephone network, shall be subject to a rebuttable presumption that "substantial nexus/minimum contacts" exists for purposes of imposing a tax, or establishing a duty to collect and remit a tax, under this Chapter.

3-9.115 Temporary tax percentage reduction and reinstatement tax percentage without election.

The City Council may, by resolution and upon a majority vote of the Council, temporarily reduce any or all of the tax percentages in Sections 3-9.104 through 3-9.110 for a period of no more than twelve (12) months. The Tax Administrator shall implement the temporary tax reduction by giving sixty (60) day written notice to all affected service suppliers as required by Public Utilities Code section 799. At the end of the twelve month period, the original tax percentage shall be automatically reinstated without further notice or action by the City Council. The City Council shall review this tax each year in the first quarter to determine whether a reduction is warranted.

In a resolution granting a temporary tax rebate or tax reduction, the City Council shall make the following finding: The temporary tax reduction shall not adversely affect the City's ability to meet its financial obligations as contemplated in its current or its proposed budget.

Nothing herein shall prohibit the City Council from adopting consecutive temporary tax percentage reductions, as provided herein.

As provided by Government Code section 9611, the enactment of a temporary tax percentage reduction by the City Council shall not constitute a repeal of one or more of the original provisions of this Chapter. Upon the expiration of the time of the temporary tax percentage reduction, the original provisions of this Chapter shall have the same force and effect as if the temporary tax percentage reduction had not been enacted. Nothing herein is intended to constitute a decrease in a tax, or an increase in a tax requiring election approval under California Constitution Article XIIIC; and to the extent that any aspect of a temporary tax percentage reduction is found to invoke such a requirement, the entire temporary tax percentage reduction shall be deemed null and void ab initio, and there shall be no entitlement to such tax reduction for any service user.

3-9.116 Duty to collect and remit—procedures.

The duty of service suppliers to collect and remit the taxes imposed by the provisions of this Chapter shall be performed as follows:

(a) The tax shall be collected insofar as practicable at the same time as, and along with, the charges made in accordance with the regular billing practice of the service supplier. Where the amount paid by a service user to a service supplier is less than the full amount of the charge and tax which was accrued for the billing period, a proportionate share of both the charge and the tax shall be deemed to have been paid. In those cases where a service user has notified the service supplier of refusal to pay the tax imposed on said charges, Section 3-9.120 shall apply.

(b) The duty of a service supplier to collect the tax from a service user shall commence with the beginning of the first regular billing period applicable to the service user where all charges normally included in such regular billing are subject to the provisions of this Chapter. Where a person receives more than one billing, one or more being for different periods than another, the duty to collect shall arise separately for each billing period.

3-9.117 Filing return and payment.

Each person required by this Chapter to remit a tax shall file a return with the Tax Administrator or his or her designated agent, on forms approved by the Tax Administrator on or before the due date. The full amount of the tax owed shall be included with the return and filed with the Tax Administrator or his or her designated agent. The Tax Administrator is authorized to require such additional information as he or she deems necessary to determine if the tax is being levied, collected and remitted in accordance with this Chapter. Returns are due immediately upon cessation of business for any reason. Pursuant to California Revenue and Tax Code section 7284.6, the Tax Administrator, and its agents, shall maintain such filing returns as confidential information.

3-9.118 Collection penalties—service suppliers and self-collectors.

(a) Taxes collected from a service user, or self-collected by a service user, are delinquent if not received by the Tax Administrator on or before the due date. Should the due date occur on a weekend or legal holiday, the return must be received by the Tax Administrator on or before the first regular working day following the weekend or legal holiday. A direct deposit, including electronic fund transfers and other similar methods of electronically exchanging monies between financial accounts, made by a service supplier in satisfaction of its obligations under this subsection shall be considered timely if the transfer is initiated on or before the due date, and the transfer settles into the City’s account on or before the following business day.

(b) If a service supplier, or a service user subject to Section 3-9.107 of this Chapter, fails to remit any tax collected, on or before the due date, said person shall pay a penalty for such delinquencies at the rate of ten percent (10%) of the total tax that is delinquent in the remittance, and shall pay interest at the rate of three-quarters of one percent (¾%) per month, or any fraction thereof, on the amount of the tax, exclusive of penalties, from the date on which the remittance first became delinquent, until paid.

(c) The Tax Administrator shall have the power to impose additional penalties upon persons required to collect and/or remit taxes pursuant to the provisions of this Chapter for fraud or gross negligence in reporting or remitting at the rate of ten percent (10%) of the amount of the tax collected and/or required to be remitted, or as recomputed by the Tax Administrator.

(d) For collection purposes only, every penalty imposed and such interest that is accrued under the provisions of this section shall become a part of the tax herein required to be paid.

(e) Notwithstanding the foregoing, the Tax Administrator may, in his or her discretion, modify the due dates and/or penalty and interest provisions of this Chapter to be consistent with any uniform standards or procedures that are mutually agreed upon by UUT public agencies, or otherwise legally established, to create a UUT central payment location or mechanism.

3-9.119 Deficiency determination and assessment—tax application errors.

(a) The Tax Administrator shall make a deficiency determination if he or she determines that any person required to collect or self-collect taxes pursuant to the provisions of this Chapter has failed to collect and remit the proper amount of tax by improperly or failing to apply the tax to one or more taxable services or charges.

(b) The Tax Administrator shall mail a notice of such deficiency determination to the person required to pay or remit the tax, which notice shall refer briefly to the amount of the taxes owed, plus interest at the rate of three-quarters of one percent (¾%) per month, or any fraction thereof, on the amount of the tax from the date on which the tax should have been received by the City. Within fourteen (14) calendar days after the date of service of such notice, the person may request in writing to the Tax Administrator for a hearing on the matter. If the person fails to request a hearing within the prescribed time period, the amount of the deficiency determination shall become a final assessment, and shall immediately be due and owing to the City.

(c) If the person requests a hearing, the Tax Administrator shall cause the matter to be set for hearing, which shall be held within thirty (30) days after receipt of the written request for hearing. Notice of the time and place of the hearing shall be mailed by the Tax Administrator to such person at least ten (10) calendar days prior to the hearing, and, if the Tax Administrator desires said person to produce specific records at such hearing, such notice may designate the records requested to be produced.

(d) At the time fixed for the hearing, the Tax Administrator shall hear all relevant testimony and evidence, including that of any other interested parties. At the discretion of the Tax Administrator, the hearing may be continued from time to time for the purpose of allowing the presentation of additional evidence. Within a reasonable time following the conclusion of the hearing, the Tax Administrator shall issue a final assessment (or non-assessment), thereafter, by confirming, modifying or rejecting the original deficiency determination, and shall mail a copy of such final assessment to person owing the tax. The decision of the Tax Administrator may be appealed pursuant to Section 3-9.125 of this Chapter. Filing an application with the Tax Administrator and appeal to the City Manager pursuant to Section 3-9.125 of this Chapter is a prerequisite to a suit thereon.

(e) Payment of the final assessment shall become delinquent if not received by the Tax Administrator on or before the thirtieth (30th) day following the date of receipt of the notice of final assessment. The penalty for delinquency shall be ten percent (10%) on the total amount of the assessment, along with interest at the rate of three-quarters of one percent (¾%) per month, or any fraction thereof, on the amount of the tax, exclusive of penalties, from the date of delinquency, until paid. The applicable statute of limitations regarding a claim by the City seeking payment of a tax assessed under this Section shall commence from the date of delinquency as provided in this subsection (e).

(f) All notices under this section may be sent by regular mail, postage prepaid, and shall be deemed received on the third calendar day following the date of mailing, as established by a proof of mailing.

3-9.120 Administrative remedy—nonpaying service users.

(a) Whenever the Tax Administrator determines that a service user has deliberately withheld the amount of the tax owed by the service user from the amounts remitted to a person required to collect the tax, or whenever the Tax Administrator deems it in the best interest of the City, he or she may relieve such person of the obligation to collect the taxes due under this Chapter from certain named service users for specific billing periods. Whenever the service user has failed to pay the amount of tax owed for a period of two (2) or more billing periods, the service supplier shall be relieved of the obligation to collect taxes due. The service supplier shall provide the City with the names and addresses of such service users and the amounts of taxes owed under the provisions of this Chapter.

(b) In addition to the tax owed, the service user shall pay a delinquency penalty at the rate of ten percent (10%) of the total tax that is owed, and shall pay interest at the rate of three-quarters of one percent (¾%) per month, or any fraction thereof, on the amount of the tax, exclusive of penalties, from the due date, until paid.

(c) The Tax Administrator shall notify the non-paying service user that the Tax Administrator has assumed the responsibility to collect the taxes due for the stated periods and demand payment of such taxes, including penalties and interest. The notice shall be served on the service user by personal delivery or by deposit of the notice in the United States mail, postage prepaid, addressed to the service user at the address to which billing was made by the person required to collect the tax; or, should the service user have a change of address, to his or her last known address.

If the service user fails to remit the tax to the Tax Administrator within thirty (30) days from the date of the service of the notice upon him or her, the Tax Administrator may impose an additional penalty of ten percent (10%) of the amount of the total tax that is owed.

3-9.121 Actions to collect.

Any tax required to be paid by a service user under the provisions of this Chapter shall be deemed a debt owed by the service user to the City. Any such tax collected from a service user which has not been remitted to the Tax Administrator shall be deemed a debt owed to the City by the person required to collect and remit and shall no longer be a debt of the service user. Any person owing money to the City under the provisions of this Chapter shall be liable to an action brought in the name of the City for the recovery of such amount, including penalties and interest as provided for in this Chapter, along with any collection costs incurred by the City as a result of the person's noncompliance with this Chapter, including, but not limited to, reasonable attorneys' fees. In the event that a service user or service supplier owing a tax under this chapter files bankruptcy, then such debt to the City shall be deemed an unsecured priority excise tax obligation under 11 U.S.C. section 507(a)(8)(C).

3-9.122 Additional powers and duties of the tax administrator.

(a) The Tax Administrator shall have the power and duty, and is hereby directed, to enforce each and all of the provisions of this Chapter.

(b) The Tax Administrator may adopt administrative rules and regulations not inconsistent with provisions of this Chapter for the purpose of interpreting, clarifying, carrying out and enforcing the payment, collection and remittance of the taxes herein imposed. A copy of such administrative rules and regulations shall be on file in the Tax Administrator's office.

(c) Upon a proper showing of good cause, the Tax Administrator may make administrative agreements, with appropriate conditions, to vary from the strict requirements of this Chapter and thereby: (1) conform to the billing procedures of a particular service supplier (or service user subject to Section 3-9.107 of this Chapter) so long as said agreements result in the collection of the tax in conformance with the general purpose and scope of this Chapter; or (2) to avoid a hardship where the administrative costs of collection and remittance greatly outweigh the tax benefit. A copy of each such agreement shall be on file in the Tax Administrator's office, and are voidable by the Tax Administrator or the City at any time.

(d) The Tax Administrator may conduct an audit, to ensure proper compliance with the requirements of this Chapter, of any person required to collect and/or remit a tax pursuant to this Chapter. The Tax Administrator shall notify said person of the initiation of an audit in writing. In the absence of fraud or other intentional misconduct, the audit period of review shall not exceed a period of three (3) years next preceding the date of receipt of the written notice by said person from the Tax Administrator. Upon completion of the audit, the Tax Administrator may make a deficiency determination pursuant to Section 3-9.119 of this Chapter for all taxes, penalties and interest owed and not paid, as evidenced by information provided by such person to the Tax Administrator. If said person is unable or unwilling to provide sufficient records to enable the Tax Administrator to verify compliance with this Chapter, the Tax Administrator is authorized to make a reasonable estimate of the deficiency and issue a deficiency determination assessment. Said deficiency determination assessment shall be entitled to a rebuttable presumption of correctness.

(e) Upon receipt of a written request of a taxpayer, and for good cause, the Tax Administrator may extend the time for filing any statement required pursuant to this Chapter for a period of not to exceed forty-five (45) days, provided that the time for filing the required statement has not already passed when the request is received. No penalty for delinquent payment shall accrue by reason of such extension. Interest shall accrue during said extension at the rate of three-quarters of one percent (¾%) per month, prorated for any portion thereof.

(f) The Tax Administrator shall determine the eligibility of any person who asserts a right to exemption from, or a refund of, the tax imposed by this Chapter.

(g) The Tax Administrator, with the written approval of the City Attorney, may compromise a claim pursuant to this Chapter where the portion of the claim proposed to be released is less than the amount set by separate resolution of the City Council relating to the settlement of general liability claims against the City and, with the approval of the City Attorney and the City Council, may compromise such a claim where the portion proposed to be released is equal to or greater than the amount set by separate resolution of the City Council relating to the settlement of general liability claims against the City.

(h) Notwithstanding any provision in this Chapter to the contrary, the Tax Administrator may waive any penalty or interest imposed upon a person required to collect and/or remit for failure to collect the tax imposed by this Chapter if the non-collection occurred in good faith. In determining whether the non-collection was in good faith, the Tax Administrator shall take into consideration industry practice or other precedence.

3-9.123 Records.

(a) It shall be the duty of every person required to collect and/or remit to the City any tax imposed by this Chapter to keep and preserve, for a period of at least three (3) years, all records as may be necessary to determine the amount of such tax that such person may have been liable for the collection of and remittance to the Tax Administrator, which records the Tax Administrator shall have the right to inspect at a reasonable time.

(b) The City, through its City Council, may issue an administrative subpoena to compel a person to deliver, to the Tax Administrator, copies of all records deemed necessary by the Tax Administrator to establish compliance with this Chapter, including the delivery of records in a common electronic format on readily available media if such records are kept electronically by the person in the usual and ordinary course of business. As an alternative to delivering the subpoenaed records to the Tax Administrator on or before the due date provided in the administrative subpoena, such person may provide access to such records outside the City on or before the due date, provided that such person shall reimburse the City for all reasonable travel expenses incurred by the City to inspect those records, including travel, lodging, meals, and other similar expenses, but excluding the normal salary or hourly wages of those persons designated by the City to conduct the inspection.

(c) The Tax Administrator is authorized to execute a non-disclosure agreement approved by the City Attorney to protect the confidentiality of customer information pursuant to California Revenue and Tax Code sections 7284.6 and 7284.7. The Tax Administrator may request from a person providing transportation or distribution services of gas or electricity to service users within the City, a list of the names, billing and service addresses, quantities of gas or electricity delivered, and other pertinent information, of its transportation customers within the City pursuant to California Public Utilities Code Section 6354(e).

(d) If a service supplier uses a billing agent or billing aggregator to bill, collect, and/or remit the tax, the service supplier shall: (1) provide to the Tax Administrator the name, address and telephone number of each billing agent and billing aggregator currently authorized by the service supplier to bill, collect, and/or remit the tax to the City; and (2) upon request of the Tax Administrator, deliver, or effect the delivery of, any information or records in the possession of such billing agent or billing aggregator that, in the opinion of the Tax Administrator, is necessary to verify the proper application, calculation, collection, and/or remittance of such tax to the City.

If any person subject to record-keeping under this section unreasonably denies the Tax Administrator, or the Tax Administrator's designated representative, access to such records, or fails to produce the information requested in an administrative subpoena within the time specified, the Tax Administrator may impose a penalty of five hundred dollars ($500) on such person for each day following: i) the initial date that the person refuses to provide such access; or ii) the due date for production of records as set forth in the administrative subpoena. This penalty shall be in addition to any other penalty imposed under this Chapter.

3-9.124 Refunds.

(a) Whenever the amount of any tax has been overpaid, paid more than once, or has been erroneously or illegally collected or received by the Tax Administrator under this Chapter, it may be refunded as provided in this section.

(b) The Tax Administrator may refund any tax that has been overpaid, paid more than once, or has been erroneously or illegally collected or received by the Tax Administrator under this Chapter, provided that no refund shall be paid under the provisions of this section unless the claimant or his or her guardian, conservator, executor or administrator has submitted a written claim, under penalty of perjury, to the Tax Administrator within one year of the overpayment or erroneous or illegal collection of said tax. Such claim must clearly establish claimant's right to the refund by written records showing entitlement thereto. Nothing herein shall permit the filing of a refund claim on behalf of a class or group of taxpayers. Where the amount of any individual refund claim is in excess of the amount set by separate resolution of the City Council relating to the settlement of general liability claims against the City, City Council approval shall be required.

(c) The Tax Administrator, or the City Council where the claim is in excess of the amount set by separate resolution of the City Council relating to the settlement of general liability claims against the City, shall act upon the refund claim within forty-five (45) days of the initial receipt of the refund claim. Said decision shall be final. If the Tax Administrator/City Council fails or refuses to act on a refund claim within the forty-five (45) day period, the claim shall be deemed to have been rejected by the Tax Administrator/City Council on the forty-fifth (45th) day. The Tax Administrator shall give notice of the action in a form which substantially complies with that set forth in Government Code section 913.

(d) The filing of a written claim is a prerequisite to any suit thereon. Any action brought against the City pursuant to this section shall be subject to the provisions of Government Code sections 945.6 and 946.

(e) Notwithstanding the notice provisions of subsection (a) of this section, in the event that a service supplier, or a service user subject to Section 3-9.107 hereof, remits a tax to City in excess of the amount of tax imposed by this Chapter, said service supplier, or service user subject to Section 3-9.107 hereof, may claim credit for such overpayment against the amount of tax which is due upon any other monthly returns to the Tax Administrator, provided such credit is claimed in a return dated no later than one year from the date of overpayment of said tax. The Tax Administrator shall first determine the validity of the service user’s claim of credit, and the underlying basis for such claim.

(f) Notwithstanding the notice provisions of subsection (a) of this Section, a service supplier that has collected any amount of tax in excess of the amount of tax imposed by this Chapter and actually due from a service user (whether due to overpayment or erroneous or illegal collection of said tax), may refund such amount to the service user, or credit to charges subsequently payable by the service user to the service supplier, and claim credit for such overpayment against the amount of tax which is due upon any other monthly returns to the Tax Administrator, provided such credit is claimed in a return dated no later than one year from the date of overpayment or erroneous or illegal collection of said tax. The Tax Administrator shall first determine the validity of the service user's claim of credit, and the underlying basis for such claim.

3-9.125 Appeals.

(a) The provisions of this section apply to any decision (other than a decision relating to a refund pursuant to Section 3-9.124 of this Chapter), deficiency determination, assessment, or administrative ruling of the Tax Administrator. Any person aggrieved by any decision (other than a decision relating to a refund pursuant to Section 3-9.124 of this Chapter), deficiency determination, assessment, or administrative ruling of the Tax Administrator, shall be required to comply with the appeals procedure of this section. Compliance with this section shall be a prerequisite to a suit thereon. (See Gov. Code, § 935(b).) Nothing herein shall permit the filing of a claim or action on behalf of a class or group of taxpayers.

(b) If any person is aggrieved by any decision (other than a decision relating to a refund pursuant to Section 3-9.124 of this Chapter), deficiency determination, assessment, or administrative ruling of the Tax Administrator; he or she may appeal to the City Manager by filing a notice of appeal with the City Clerk within fourteen (14) days of the date of the decision, deficiency determination, assessment, or administrative ruling of the Tax Administrator which aggrieved the service user or service supplier.

(c) The matter shall be set for hearing no more than thirty (30) days from the receipt of the appeal. The appellant shall be served with notice of the time and place of the hearing, as well as any relevant materials, at least five (5) calendar days prior to the hearing. The hearing may be continued from time to time upon mutual consent. At the time of the hearing, the appealing party, the Tax Administrator, the City Manager, and any other interested person may present such relevant evidence as he or she may have relating to the determination from which the appeal is taken.

(d) Based upon the submission of such evidence and the review of the City's files, the City Manager shall issue a written notice and order upholding, modifying or reversing the determination from which the appeal is taken. The notice shall be given within fourteen (14) days after the conclusion of the hearing and shall state the reasons for the decision. The notice shall specify that the decision is final and that any petition for judicial review shall be filed within ninety (90) days from the date of the decision in accordance with Code of Civil Procedure section 1094.6. If the City Manager fails or refuses to act on a refund claim within the fourteen (14) day period, the claim shall be deemed to have been rejected by the City Manager on the fourteenth (14th) day.

(e) All notices under this section may be sent by regular mail, postage prepaid, and shall be deemed received on the third calendar day following the date of mailing, as established by a proof of mailing.

3-9.126 Independent audit of tax collection, exemption, remittance, and expenditure.

The City shall annually verify that the taxes owed under this Chapter have been properly applied, exempted, collected, and remitted in accordance with this Chapter, and properly expended according to applicable municipal law. The annual verification shall be performed by a qualified independent third party and the review shall employ reasonable, cost-effective steps to assure compliance, including the use of sampling audits. The verification shall not be required of tax remitters where the cost of the verification may exceed the tax revenues to be reviewed.

3-9.127 No injunction/writ of mandate.

No injunction or writ of mandate or other legal or equitable process shall issue in any suit, action, or proceeding in any court against this City or against any officer of the City to prevent or enjoin the collection under this Chapter of any tax or any amount of tax required to be collected and/or remitted.

3-9.128 Remedies cumulative.

All remedies and penalties prescribed by this Chapter or which are available under any other provision of law or equity, including but not limited to the California False Claims Act (Gov. Code, §§ 12650 et seq.) and the California Unfair Practices Act (Business and Professions Code, §§ 17000 et seq.), are cumulative. The use of one or more remedies by the City shall not bar the use of any other remedy for the purpose of enforcing the provisions of this Chapter.

3-9.129 Notice of changes to ordinance.

If a tax under this Chapter is added, repealed, increased, reduced, or the tax base is changed, the Tax Administrator shall follow the notice requirements of California Public Utilities Code section 799. Prior to the effective date of the ordinance change, the service supplier shall provide the Tax Administrator with a copy of any written procedures describing the information that the service supplier needs to implement the ordinance change. If the service supplier fails to provide such written instructions, the Tax Administrator, or his or her agent, shall send, by first class mail, a copy of the ordinance change to all collectors and remitters of the City's utility users taxes according to the latest payment records of the Tax Administrator.

3-9.130 Severability.

If any section, subsection, subdivision, paragraph, sentence, clause or phrase of this Chapter or any part thereof is for any reason held to be invalid, unlawful or unconstitutional, such decision, and the decision not to enforce such, shall not affect the validity of the remaining portion of this Chapter or any part thereof. The City Council hereby declares that it would have passed each section, subsection, subdivision, paragraph, sentence, clause or phrase thereof, irrespective of the fact that any one or more sections, subsections, subdivisions, paragraphs, sentences, clauses or phrases be declared invalid, unlawful or unconstitutional.

3-9.131 Penalties.

Any person violating any of the provisions of this Chapter shall be deemed guilty of a misdemeanor, or an infraction at the discretion of the City Attorney, and upon conviction punished pursuant to this Code.

3-9.132 Future amendment to cited statute.

Unless specifically provided otherwise, any reference to a state or federal statute in this Chapter shall mean such statute as it may be amended from time to time.

3-9.133 Effect of State and Federal Reference – Authorization

Unless specifically provided otherwise, any reference to a state or federal statute in this chapter shall mean such statute as it may be amended from time to time, provided that such reference to a statute herein shall not include any subsequent amendment thereto, or to any subsequent change of interpretation thereto by a state or federal agency or court of law with the duty to interpret such law, to the extent that such amendment or change of interpretation would require voter approval under California law, or to the extent that such change would result in a tax decrease (as a result of excluding all or a part of a utility service, or charge therefore, from taxation). Only to the extent voter approval would otherwise be required or a tax decrease would result, the prior version of the statute (or interpretation) shall remain applicable; for any application or situation that would not require voter approval or result in a decrease of a tax, provisions of the amended statute (or new interpretation) shall be applicable to the maximum possible extent.

To the extent that the City's authorization to collect or impose any tax imposed under this chapter is expanded or limited as a result of changes in state or federal law, no amendment or modification of this chapter shall be required to conform the tax to those changes, and the tax shall be imposed and collected to the full extent of the authorization up to the full amount of the tax imposed under this chapter.

SECTION 2: The City of Coalinga Municipal Code is hereby amended by adding Article 3 to Chapter 3 of Title 3 to read as follows:

Article 3. – Public Safety Fund

Section 3-3.301 Created.

There is herby created in the City treasury a special fund to be known as the "Special Public Safety Tax Fund."

Section 3-3.302 Deposits.

All moneys received by the City from the taxes paid under Chapter 9 of Title 3 of this Code, for Public Safety, shall be paid into the Special Public Safety Tax Fund.

Section 3-3.303 Expenditures.

All moneys in the Special Public Safety Tax Fund shall be expended exclusively for the purposes authorized by, and subject to, all of the provisions of Chapter 9 of Title 3 of this Code.

SECTION 3: If any part of this Ordinance is held to be invalid or inapplicable to any situation by a court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance or the applicability of this Ordinance to other situations.

SECTION 4. Amendment or Repeal. Chapter 9 of Title 3 of the Municipal Code may be repealed or amended by the City Council without a vote of the people. However, as required by Article XIIIC of the California Constitution, voter approval is required for any amendment provision that would increase the rate of any tax levied pursuant to this Ordinance. The People of the City of Coalinga affirm that the following actions shall not constitute an increase of the rate of a tax:

1. The restoration of the rate of the tax to a rate that is no higher than that set by this Ordinance, if the City Council has acted to reduce the rate of the tax;

2. An action that interprets or clarifies the methodology of the tax, or any definition applicable to the tax, so long as interpretation or clarification (even if contrary to some prior interpretation or clarification) is not inconsistent with the language of this Ordinance;

3. The establishment of a class of person that is exempt or excepted from the tax or the discontinuation of any exemption or exception (other than the discontinuation of an exemption or exception specifically set forth in this Ordinance); and

4. The collection of the tax imposed by this Ordinance, even if the City had, for some period of time, failed to collect the tax.

SECTION 5: If two-thirds (2/3) of the voters voting thereon approve this Ordinance, it shall become effective ten (10) days after the results of the election are declared by the City Council. Within fifteen (15) days of its adoption, the City Clerk shall cause the full text of the ordinance, with the names of those City Council Members voting for and against the ordinance, to be published one time in a newspaper of general circulation within the community.

* * * *

This ordinance was introduced and duly passed at a regular meeting of the City Council of the City of Coalinga held on the _____ day of July, 1014, by the following roll call vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

____

Mayor

ATTEST

____

City Clerk

J:\wdocs\01904\001\ord\00331529.DOC

STAFF REPORT - CITY COUNCIL/SUCCESSOR AGENCY/PUBLIC FINANCE AUTHORITY

Subject:	COPS Spending Plan for 2014/2015
Meeting Date:	August 7, 2014
From:	Rene Ramirez, City Manager
Prepared by:	Darren Blevins, Police Lieutenant

I. RECOMMENDATION:

Staff recommends the Council approve spending the COPS 2014-2015 funding for the purchase of two (2) marked Police Department (Department) vehicles/equipment and overtime for additional patrol/ special operations.

II. BACKGROUND:

For the past few years the State of California has provided a $100,000.00 grant to the Department for particular expenditures that serve or assist front line law enforcement. This grant requires the Department's proposed expenditures be approved by the City Council at a public meeting. Last year the COPS Grant was expended on the purchase of 2 marked patrol vehicles, overtime for additional patrol/ special operations and additional paid work hours for reserve officers.

III. DISCUSSION:

The Department has five patrol vehicles with over 100,000 miles on the odometer and are costing the Department a lot of money to keep them operational. One new SUV patrol vehicle would be assigned to a Patrol Sergeant and the other a Chevy Caprice will be assigned to a patrol officer. These additional vehicles would be marked patrol vehicles and would be equipped with overhead emergency lights, police decals and equipment.

Due to fiscal constraints the Department is facing, it needs the ability to fund proactive patrol and suppression details. This additional overtime funding from the 2014-2015 COPS Grant for these types of programs would help tremendously in combating crime with in our community.

These proposals comply with the funding requirements of the COPS Grant. The $100,000.00 will be distributed as follows:

Marked patrol vehicles/equipment purchase: $74,000.00

Additional salary funding: $26,000.00

IV. ALTERNATIVES:

The City Council could direct the Police Department to develop a different Spending Plan, but it must be approved prior to October 1, 2014.

The City Council could choose not to adopt the Spending Plan and the City would not be awarded the COPS Grant funding for the 2014-2015 fiscal year.

V. FISCAL IMPACT:

No fiscal impact to the General Fund. Funding is provided through the COPS Grant.

ATTACHMENTS:

File Name	Description
No Attachments Available	

STAFF REPORT - CITY COUNCIL/SUCCESSOR AGENCY/PUBLIC FINANCE AUTHORITY

Subject:	Authorization for the Police Department to Purchase 2 Marked Patrol Vehicles Using the 2014/2015 COPS Grant
Meeting Date:	August 7, 2014
From:	Rene Ramirez, City Manager
Prepared by:	Darren Blevins, Police Lieutenant

I. RECOMMENDATION:

Staff recommends the Council authorize the Police Department to purchase 2 marked patrol vehicles using the 2014/2015 COPS Grant, if the COPS spending plan is approved.

II. BACKGROUND:

The State of California has provided a $100,000.00 grant to the Department for particular expenditures that serve or assist front line law enforcement with their duties. The police department requests councils approval to spend $74,000.00 of the COPS Grant money to purchase 2 new marked patrol vehicles.

III. DISCUSSION:

The police department currently has five patrol vehicles with over 100,000 miles on the odometer and is costing the Department money to keep them operational. The department would like to purchase one new Ford Police Interceptor SUV patrol vehicle which will be assigned to a Patrol Sergeant and a Chevy Caprice PPV which will be assigned to a patrol officer. The vehicles would be equipped with overhead emergency lights, police decals and equipment.

The police department has received the following quotes:

Ford Police Interceptor SUV

Groppetti Automotive Group: $27,147.25 (after a $500.00 discount if paid within 30 days).

Keller Ford: $28,624.52

Folsom Lake Ford: $28,072.57 (after a $500.00 discount if paid within 20 days).

Chevy Caprice PPV

Keller Chevy: $31,043.35 (Order)

Wondries: $32,242.48 (In-stock)

Hedricks Chevrolet: Did not provide a quote.

IV. ALTERNATIVES:

None.

V. FISCAL IMPACT:

No fiscal impact to the General Fund, funding is provided through the COPS Grant.

ATTACHMENTS:

	File Name	Description
🗋	Groppetti_Ford_Quote.pdf	Groppetti Quote
🗋	Keller_Ford_Quote.pdf	Keller Ford Quote
🗋	Folsom_Lake_Ford_Quote.pdf	Folsom Lake Ford Quote
🗋	Keller_Chevy_Quote.pdf	Keller Chevy Quote
🗋	Wondries_Chevy_Quote.docx	Wondries Chevy Quote

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Visalia Toyota-Scion
559.627.4777
Visalia Honda
559.624.4444
Visalia Ford
559.625.1000
Visalia Buick-GMC
559.802.1700
Visalia Hyundai
559.733.3325
GA Motorsports
559.635.8544

Coalinga Police Department
270 N 6th St
Coalinga, CA 93210

July 1, 2014

Daren Blevins
RE: 2015 Ford Interceptor utility AWQ Quote

Daren,

Here is a breakdown on the pricing for the vehicle with price matching the State of California Contract # 1-12-23-14. (See attached for full description of bid vehicle)

Price	$23,808.00	(without Ballistic Panels)
	221.00	Front Head Lamp Housing only
	337.00	Spot Lamp-Dual Incandescent
	116.00	Perimeter Anti-theft Alarm
	250.00	Remote Key-less Entry Fob
	806.00	Two-Tone Vinyl Package #1
	$25,538.00	Total Selling Price
	2,100.50	Sales Tax (8.225%)
	8.75	CA Tire Fee
	$27,647.25	Total Price

Payment terms: $500.00 Discount 20 Days or net 30.

Delivery to Coalinga $75.00

Thank you,

Michael Mora
Visalia Ford

2015 UTILITY POLICE INTERCEPTOR AWD STANDARD EQUIPMENT 7/1/2014

MECHANICAL
- Alternator – 220-Amp
- Axle Ratio – 3.65 (AWD)
- Battery – H.D. maintenance-free 78A/750-CCA
- Brakes – 4-Wheel Heavy-Duty Disc w/H.D. Front and Rear Calipers
- Column Shifter
- Drivetrain – All-Wheel-Drive
- Electric Power-Assist Steering (EPAS) – Heavy-Duty
- Engine – 3.7L V6 Ti-VCT

HORSEPOWER
H.P. @ RPM-304 @ 6,500
TORQUE
FT. LBS. @ RPM-279 Ft. Lbs. @ 4000rpm
- Engine Hour Meter
- Engine Oil Cooler
- Fuel Tank – 18.6 gallons
- Suspension – independent front & rear
- Transmission – 6-speed automatic

EXTERIOR
- Antenna, Roof-mounted
- Cladding – Lower bodyside cladding (Black)
- Door Handles – Black (MIC)
- Exhaust True Dual
- Front Door-Lock Cylinders (Front Driver / Passenger / Liftgate)
- Glass – 2nd Row, Rear Quarter and Liftgate Privacy Glass
- Grille – Black
- Headlamps – Halogen Projector (Bi-Functional)
- Liftgate – Manual 1-Piece – Fixed Glass w/Door-Lock Cylinder
- Mirrors – Black Caps (MIC), Power Electric Remote, Manual Folding with Integrated Spotter
- Spare – Full size 18" Tire w/TPMS
- Spoiler – Painted Black
- Tailgate Handle – Painted Black
- Tail lamps – LED
- Tires – 245/55R18 A/S BSW
- Wheel-Lip Molding – Black (MIC)
- Wheels – 18" x 8.0 painted black steel with wheel hub cover
- Windshield – Acoustic Laminated

INTERIOR/COMFORT
- Cargo Hooks
- Climate Control – Single-Zone Manual
- Door-Locks — Power

— **Rear-Door Handles and Locks Operable**
- Floor – Flooring – Heavy-Duty Thermoplastic Elastomer
- Glove Box – Locking/non-illuminated
- Grab Handles – (1 – Front-passenger side, 2-Rear)
- Lighting

— Overhead Console with sunglass holder

INTERIOR/COMFORT (continued)

— 1st row task lights (driver and passenger)
— Dome Lamp – 1st row (red/white)
— 2nd/3rd row overhead map light
- Mirror – Day/night Rear View
- Particulate Air Filter
- Power-Adjustable Pedals (Driver Dead Pedal)
- Powerpoints – (2) First Row
- Scuff Plates – Front & Rear
- Seats

— 1st Row Police Grade Cloth Trim, Dual Front Buckets
— 1st Row – Driver 6-way Power track (fore/aft. Up/down, tilt with manual recline, 2-way manual lumbar)
— 1st Row – Passenger 2-way manual track (fore/aft. With manual recline)
— Built-in steel intrusion plates in both driver/passenger seatbacks
— 2nd Row Vinyl, 60/40 Split Bench Seat (manual fold-flat, no tumble) – fixed seat track
- Speed (Cruise) Control
- Speedometer – Calibrated (includes digital readout)
- Steering Wheel – Manual / Tilt, Urethane wheel finish w/Silver Painted Bezels) with Speed Controls and Redundant Audio Controls
- Sun visors, color-keyed, non-illuminated
- Universal Top Tray – Center of I/P for mounting aftermarket equipment
- Windows, Power, 1-touch Down Driver-Side with disable feature

SAFETY/SECURITY
- AdvanceTrac® w/RSC® (Roll Stability Control™) w/Hydraulic Brake Assist
- Airbags, 2nd generation driver & front-passenger, side seat, Roll Curtain Airbags and Safety Canopy®
- Anti-Lock Brakes (ABS) with Traction Control
- Belt-Minder® (Front Driver / Passenger)
- Child Safety Locks (capped)
- LATCH (Lower Anchors and Tethers for Children) system on rear outboard seat locations
- Seat Belts, Pretensioner/Energy-Management System w/adjustable height in 1st Row
- SOS Post-Crash Alert System™
- Tire Pressure Monitoring System (TPMS)

FUNCTIONAL
- Easy Fuel® Capless Fuel-Filler
- Front door tether straps (driver/passenger)
- MyFord®

— AM/FM / CD / MP3 Capable / Clock / 6 speakers
— 4.2" Color LCD Screen Center-Stack "Smart Display"
— 5-way Steering Wheel Switches, Redundant Controls
Note: Radio does “not” include USB Port or Aux. Audio Input Jack
Note: USB Port and Aux. Audio Input Jack requires SYNC® (53M)
- Power pigtail harness
- Recovery Hooks, Rear Only
- Simple Fleet Key (w/o microchip, easy to replace)
- Two-way radio pre-wire

- Windows – Rear Defroster
- Wipers – Front Speed-Sensitive Intermittent; Rear Dual Speed Wiper

OPTIONAL EQUIPMENT

Front Headlamp / Police Interceptor Housing Only
– Pre-drilled hole for side marker police use, does not include LED installed lights (eliminates need to drill housing assemblies)
– Pre-molded side warning LED holes with standard twist lock sealed capability (does not include LED installed lights)

Spot Lamp – Incandescent Bulb:
Dual (driver and passenger)

Two-Tone Vinyl Package #1
- Roof Vinyl
- RH/LH Front Doors Vinyl
- RH/LH Rear-Doors Vinyl
- White (YZ) Only

Perimeter Anti-Theft Alarm
– Activated by Hood, Door or Liftgate
– Requires Key Fob

Remote Keyless-Entry Key Fob (w/o Keypad, less PATS)

Interior Color Charcoal Black
Cloth Front Buckets / Vinyl Rear
Front – Unique Heavy-Duty Cloth, Front Bucket Seats
Driver 6-way Power track (fore/aft. Up/down, tilt with manual recline, 2-way manual lumbar)
Passenger – 2-way manual track (fore/aft. with manual recline)
Rear – 60/40 Split Vinyl

EXTERIOR COLOR Charcoal Black POLICE
Ebony

KELLER FORD

" YOUR AUTO CENTER "

1073 W. CADILLAC LANE - HANFORD, CA 93230 **(559) 582-1000**

PRICE..............................	$26,361.00
DOC FEE..........................	80.00
SALES TAX.......................	2,174.77
TIRE FEE..........................	8.75
DMV FEES	EXEMPT
TOTAL............................	$28,624.52

*** BUYER ***

CITY OF COALINGA POLICE DEPT
155 W. DURIAN AVE
COALINGA, CA. 93210

*** PURCHASE ***

STOCK# T.B.D.
VIN# T.B.D.
YEAR: 2015
MAKE: FORD
MODEL: UTILITY POLICE INTERCEPTOR
COLOR: EBONY / WHITE DOORS
TRIM: CHARCOAL BLACK
ODOMETER: TBD

CHRIS HILL

FLEET MANAGER

Prepared By:
CHRIS HILL
KELLER MOTORS
700 W. CADILLAC LN
HANFORD, CA 93230
Phone: (559) 582-1000
Fax: (559) 212-2037

2015 Fleet/Non-Retail Ford Utility Police Interceptor AWD 4dr K8A

WINDOW STICKER

2015 Ford Utility Police Interceptor AWD 4dr	Interior: - Charcoal Black
3.7 L/227 CID Regular Unleaded V-6	Exterior 1: - Ebony
* 6-Speed Automatic w/OD	Exterior 2: - No color has been selected.

CODE	MODEL	MSRP
K8A	2015 Ford Utility Police Interceptor AWD 4dr	$30,185.00
	OPTIONS	
99R	ENGINE: 3.7L V6 TI-VCT	$0.00
44C	TRANSMISSION: 6-SPEED AUTOMATIC	$0.00
500A	PREFERRED EQUIPMENT PACKAGE 500A	$0.00
___	3.65 AXLE RATIO	$0.00
UA	EBONY	$0.00
___	STANDARD PAINT	$0.00
9W	CHARCOAL BLACK, HEAVY-DUTY CLOTH FRONT BUCKET SEATS/VINYL REA	$0.00
422	CALIFORNIA EMISSIONS SYSTEM	$0.00
153	FRONT LICENSE PLATE BRACKET	$0.00
86P	FRONT HEADLAMP/POLICE INTERCEPTOR HOUSING ONLY	$125.00
51Z	DUAL INCANDESCENT SPOT LAMPS	$350.00
595	REMOTE KEYLESS ENTRY KEY FOB W/O KEY PAD	$260.00
68G	REAR DOOR HANDLES & LOCKS INOPERABLE	$35.00
43D	DARK CAR FEATURE	$20.00
53M	SYNC BASIC VOICE-ACTIVATED COMMUNICATIONS SYSTEM	$295.00
60R	NOISE SUPPRESSION BONDS (GROUND STRAPS)	$100.00
18W	REAR POWER WINDOW DELETE	$35.00
593	PERIMETER ANTI-THEFT ALARM	$120.00
	SUBTOTAL	**$31,525.00**

Report content is based on current data version referenced. Any performance-related calculations are offered solely as guidelines. Actual unit performance will depend on your operating conditions.

GM AutoBook, Data Version: 339.0, Data updated 6/24/2014

Customer File:

Prepared By:
CHRIS HILL
KELLER MOTORS
700 W. CADILLAC LN
HANFORD, CA 93230
Phone: (559) 582-1000
Fax: (559) 212-2037

2015 Fleet/Non-Retail Ford Utility Police Interceptor AWD 4dr K8A

WINDOW STICKER

Advert/Adjustments	$0.00
Destination Charge	$895.00
TOTAL PRICE	**$32,420.00**

Est City: 16.00 mpg
Est Highway: 21.00 mpg
Est Highway Cruising Range: 390.60 mi

Customer File:

FOLSOM LAKE FORD
THE FORD SOURCE

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DANIEL A. RAIMONDI
Fleet Director

(916) 353-2000, Ext. 376
Toll Free 1-800-655-0555
Cell. (916) 825-1622
Fax (916) 353-2078

ORDER BASIS
12-14 WEEKS

7/3/2014

K8A	4DR AWD POLICE
	.112.6" WB
UA	BLACK
YZ	POLICE WHITE
9	CLTH BKTS/VNL R
W	BLACK INTERIOR
500A	EQUIP GRP
99R	.3.7L V6 TIVCT
44C	.6-SPD AUTO TRAN
53M	SYNC SYSTEM
	FRT LICENSE BKT
16D	BADGE DELETE
423	CAL EM NOT REQD
43D	COURTESY DISABL
51Z	DUAL SPOT LAMPS
60R	NOISE SUPPRESS
64E	18" PAINTED WHL
68L	RR DR HND INOP
68Z	RRACK BLCK RAIL
86P	FRT LMP HOUSING
91A	VINYL PACKAGE 1
92R	SOLAR TINT 2ND
936	CAL SER VEH EXP

$26,393.00 PLUS TAX
PLUS $8.75 CA TIRE FEE
LESS $500.00 DISCOUNT
20 DAY PAYMENT FOB FOLSOM

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Hanford, CA 93230

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CHEVROLET Cadillac GMC BUICK

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PRICE……………………………	$28,596.00
DOC FEE………………………	80.00
SALES TAX……………………	2,358.60
TIRE FEE………………………	8.75
DMV FEES ………………………	EXEMPT
TOTAL…………………………	$31,043.35

*** BUYER ***

CITY OF COALINGA
155 W. DURIAN AVE
COALINGA, CA. 93210

*** PURCHASE ***

STOCK# T.B.D.
VIN# T.B.D.
YEAR: 2014
MAKE: CHEVROLET
MODEL: CAPRICE POLICE PATROL
COLOR: BLACK / WHITE DOORS
TRIM: BLACK
ODOMETER: TBD

CHRIS HILL
FLEET MANAGER

Prepared By:
CHRIS HILL
KELLER MOTORS
700 W. CADILLAC LN
HANFORD, CA 93230
Phone: (559) 582-1000
Fax: (559) 212-2037

2014 Fleet/Non-Retail Chevrolet Caprice Police Patrol Vehicle 4dr Sdn Polic

WINDOW STICKER

2014 Chevrolet Caprice Police Patrol Vehicle 4dr Sdn Police	Interior: - Jet Black
3.6/217 CID Gas V6	Exterior 1: - Phantom Black Metallic
* 6-Speed Automatic w/OD	Exterior 2: - No color has been selected.

CODE	MODEL	MSRP
1EW19	2014 Chevrolet Caprice Police Patrol Vehicle 4dr Sdn Police	$32,475.00
	OPTIONS	
YF5	EMISSIONS, CALIFORNIA STATE REQUIREMENTS	$0.00
LFX	ENGINE, 3.6L SIDI DOHC V6 VVT	$0.00
MX0	TRANSMISSION, 6-SPEED AUTOMATIC, ELECTRONICALLY CONTROLLED	$0.00
1SB	POLICE PREFERRED EQUIPMENT GROUP	$0.00
9C1	POLICE PACKAGE	$0.00
GIE	PHANTOM BLACK METALLIC	$0.00
___	STANDARD PAINT	$0.00
HCQ	SEATS, FRONT BUCKET, CLOTH WITH HEAVY-DUTY FOAM, VINYL REAR BE	$110.00
4AA	JET BLACK, CLOTH SEAT TRIM	$0.00
UFU	AUDIO SYSTEM, CHEVROLET MYLINK RADIO, AM/FM STEREO WITH CD PLA	$0.00
SG8	WHEEL, FULL-SIZE SPARE AND TIRE	$170.00
7X6	SPOTLAMP, DRIVER-SIDE	$460.00
6A3	FLOOR COVERING, HEAVY-DUTY VINYL, FRONT AND REAR	INC
6N5	REAR WINDOW SWITCHES, INOPERATIVE	$70.00
6N6	REAR DOOR LOCKS AND HANDLES, INSIDE DOOR INOPERATIVE	$66.00
VQ2	FLEET PROCESSING OPTION	$0.00
	SUBTOTAL	**$33,351.00**

Report content is based on current data version referenced. Any performance-related calculations are offered solely as guidelines. Actual unit performance will depend on your operating conditions.

GM AutoBook, Data Version: 339.0, Data updated 6/24/2014

Customer File:

Prepared By:
CHRIS HILL
KELLER MOTORS
700 W. CADILLAC LN
HANFORD, CA 93230
Phone: (559) 582-1000
Fax: (559) 212-2037

2014 Fleet/Non-Retail Chevrolet Caprice Police Patrol Vehicle 4dr Sdn Polic

WINDOW STICKER

Advert/Adjustments	$0.00
Destination Charge	$825.00
TOTAL PRICE	**$34,176.00**

Est City: - TBD - mpg
Est Highway: - TBD - mpg
Est Highway Cruising Range: - TBD - mi

Report content is based on current data version referenced. Any performance-related calculations are offered solely as guidelines. Actual unit performance will depend on your operating conditions.

Wondries

FLEET GROUP

1247 W. Main Street, P.O. Box 3850, Alhambra, CA 91803
626/457/5590 626/457-5593 Fax

July 22, 2014

Lt. Darren Blevins
Coalinga Police Department
270 North Sixth Street
Coalinga, CA 93210-1908
Delivery Via Email

Dear Lt. Blevins,

In response to your inquiry, we are pleased to submit the following for your consideration:

Wondries Fleet Group will sell, service and deliver at Coalinga, new/unused 2014 Chevrolet Caprice PPV 9C1 sedans responding to your requirement with the attached specifications for $ 29,784.00 plus State Sales Tax and $8.75 tire tax (non-taxable). These vehicles are available under the Orange County Contract # PO-080-14010355. Delivery is 5 days from A.R.O.

Terms are net 30 days.

Sincerely

John Oviyach
Wondries Fleet Group

Vehicle:	$29,784.00
Tax:	$ 2,449.73
Tire Tax:	$ 8.75
Total	**$32,242.48**

STAFF REPORT - CITY COUNCIL/SUCCESSOR AGENCY/PUBLIC FINANCE AUTHORITY

Subject:	Adoption of Resolution No. 3651 Regarding Certifications and Claims for Collection of Measure "C" Funds for Fiscal Year 2014-15 and Authorization for the City Manager to Sign the Local Transportation Pass Through Revenue Certifications and Claim Forms.
Meeting Date:	August 7, 2014
From:	Rene A. Ramirez, City Manager
Prepared by:	Rene A. Ramirez, City Manager

I. RECOMMENDATION:

Staff recommends the Council adopt Resolution No. 3651, which provides for submission of the Local Transportation Pass Through Revenue Certifications and Claim Forms to Fresno County Transportation Authority (FCTA) in order for the City to collect its share of Measure "C" funds for fiscal year 2014-15 (FY15), and authorize the City Manager to sign the Local Transportation Pass Through Revenue Certifications and Claim Forms.

II. BACKGROUND:

On May 28, 2014, the FCTA Board adopted their Board Resolution No. 2014-01, which provides for the distribution of the one-half cent sales tax known as Measure "C" so that apportionments can be disbursed to the County's cities (FCTA Resolution attached). The following bullet points show the City's share of Measure "C" for FY15, known as the Local Transportation Program Pass-Through Revenue and sub-programs:

· 1.83% of $10,114,831 for the Street Maintenance Category sub-program, or the City's share, $185,539;

· 1.83% of $354,017 for the ADA Compliance Category sub-program, or the City's share, $6,494; and

· 2.21% of $10,157,201 for the Flexible Funding Category sub-program, or the City's share, $221,871.

Each sub-program has various requirements and exemptions for spending the funds and is outlined in the Measure "C" Extension 2007 Local Agency Handbook. The City's share of Measure "C" funds are the estimated apportionments scheduled for FY15 based on sales tax estimates.

In order for the City to receive these funds on a monthly basis, the City must file a separate 2014-2015 Certification and Claim form for each sub-program (attached to staff report) along with a Council Resolution (attached – Resolution No. 3651), with the FCTA. Once the FCTA receives the City's Certification and Claim forms and the Council Resolution, a separate check for each sub-program will be received by the City from Measure "C" sales tax proceeds received by the FCTA on a proportional basis as the tax proceeds are received.

III. DISCUSSION:

Staff requests the Council adopt Resolution No. 3651 in order to submit the City's Local Transportation Pass Through Revenue Certifications and Claim forms to the FCTA and authorize the City Manager to sign the claim forms in order for the City to begin receiving its share of Measure "C" proceeds for FY15 totaling $413,904, or about $10,000 more than FY14.

IV. ALTERNATIVES:

If this action is not taken, then those Measure "C" apportionments available to the City will be re-distributed to the other cities in Fresno County.

V. FISCAL IMPACT:

The FY15 Measure "C" funding will be used to augment other local transportation fund sources to carry out street maintenance and other public transportation related programs throughout the FY15. There are no General Fund resources used to augment the Measure "C" program funding.

ATTACHMENTS:

	File Name	Description
🗋	Resolution_3651_Measure_C_Funding_FY15.docx	Resolution No. 3651
🗋	FCTA_Claim_Forms.pdf	Claim Forms for FY15
🗋	FCTA_Res_2014-01.pdf	FCTA Resolution 2014-01

RESOLUTION NO. 3651

RESOLUTION OF THE CITY OF COALINGA IN THE MATTER CONCERNING LOCAL TRANSPORTATION PURPOSE FUNDS (MEASURE "C" EXTENSION FUNDS)

WHEREAS, the City of Coalinga is an eligible claimant of funds for Measure C Extension Local Transportation Pass-Through Projects and Program Funds pursuant to California Public Utilities Code Section 142257; and

WHEREAS, the Fresno County Transportation Authority has adopted a Resolution of Apportionment for FY 2014-2015 Measure C Extension Local Transportation Pass-Through Projects and Program Funds, setting the City of Coalinga's percentages at the following:

- 1.83% of $10,114,831 (or $185,539) for the Local Transportation Program, Local Allocation – Street Maintenance Category sub program;
- 1.83% of $354,017 (or $6,494) for the Local Transportation Program, Local Allocation – ADA Compliance Category sub program;
- 2.21% of $10,157,201 (or $221,871) for the Local Transportation Program, Local Allocation – Flexible Funding Category sub program, which shall be the proportionate share of Measure C Extension Local Transportation Pass-Through Projects and Program Funds to the City shall be entitled within the fiscal year.

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

1) The City of Coalinga hereby submits its Local Transportation Purposes Certification and Claims for Fiscal Year 2014-2015 Measure C Extension Local Transportation Pass-Through Projects and Program Funds;

2) The City of Coalinga hereby requests the release of funds to the City on a monthly payment basis consistent with the adopted percentages listed above, based on actual receipts;

3) The City Council of the City of Coalinga further certifies:

a) That Local Transportation Purpose Funds will not be used to substitute for property tax funds which the City of Coalinga had previously used for local transportation purposes; and

b) That the City of Coalinga has and will segregate property tax revenues used to support local transportation purposes so that verification of non-substitution can be proved through audit; and

c) That the City of Coalinga shall separately account for Local Transportation Purpose Funds received, pursuant to Public Utilities Code Section 142257. The City shall maintain records in accordance with generally accepted accounting principles, and shall separately record expenditures for each type of eligible purpose. The City shall make such records available to the Authority for inspection or audit at any time.

4) The City of Coalinga understands that should a financial or compliance audit reveal that the City of Coalinga violated any of the requirements set forth in paragraph 3 (a) (b) or (c), that the Fresno County Transportation Authority may seek to take immediate steps to resolve the violation in accordance with its adopted procedures.

5) The City of Coalinga understands that it intends to complete the reporting requirements for the 2014-2015 Measure C expenditures to the Board by November 15, 2014.

* * * *

This resolution was introduced and duly passed at a regular meeting of the City Council of the City of Coalinga held on the 7th day of August, 2014, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

____

Tony Garcia, Mayor

ATTEST:

____

Shannon Jensen, City Clerk

MEASURE C EXTENSION
LOCAL TRANSPORTATION PASS THROUGH REVENUES
CERTIFICATION AND CLAIM FOR FY2014-15

TO: Fresno County Transportation Authority

FROM: City of Coalinga
Local Agency Name

Address: 155 W. Duran, Coalinga, CA 93210 Contact: Rene Ramirez, City Manager
Telephone: (559) 935-1533 FAX: ____ Email Address: rramirez@coalinga.com

1. Applicable Funding Program: (Check One)

Regional Public Transit Program
- ☐ Fresno Area Express
- ☐ Clovis Transit
- ☐ FCRTA
- ☐ PTIS/Transit Consolidation
- ☐ ADA/Seniors/Paratransit
- ☐ Farmworker Van Pools
- ☐ Car/Van Pools
- ☐ New Technology Reserve

Local Transportation Program
- ☒ Street Maintenance
- ☐ ADA Compliance
- ☐ Flexible Funding
- ☐ Pedestrian/Trails Urban
- ☐ Pedestrian/Trails Rural
- ☐ Bicycle Facilities

Regional Transportation Program
- ☐ Fresno Airports

Alternative Transportation Program
- ☐ Rail Consolidation Subprogram

Environmental Enhancement Program
- ☐ School Bus Replacement
- ☐ Transit Oriented Infrastructure for In-Fill

Administrative/Planning Program
- ☐ Fresno COG

2. The **City of Coalinga** ("claimant") is an eligible claimant of funds for local transportation purposes pursuant to California Public Utilities Code Section 142257.
Local Agency Name

3. The Fresno County Transportation Authority has adopted a Resolution of Apportionment for Fiscal Year 2014-2015 setting **1.83** % of **$10,114,831** (or $185,539) for the Subprogram or Category of funds checked above and available to the claimant. On behalf of claimant, I hereby request release of the funds to claimant in accordance with:
   (a) Monthly payments consistent with adopted percentage, based on actual receipts
   (b) Compliance with Steps 5 and 6 of the Local Agency Handbooks – Local Agency Pass-Through Funding programs and Other Revenue Program Funding

4. On behalf of claimant, I hereby certify as follows:
   (a) That the Subprogram or Category of funds checked above are not being used to substitute for property tax funds which claimant had previously used for local transportation purposes. Such substitution of property tax funds is prohibited by California Public Utilities Code Section 142257.
   (b) That claimant has segregated property tax revenues from claimant's other general fund revenues used to support the Subprogram or Category of funds checked above so that verification of non-substitution can be proved through audit <u>or</u> that the non-substitution of funds shall apply to claimant's entire general fund.
   (c) That claimant shall account for Subprogram or Category of checked above and received pursuant to Public Utilities Code Section 142257. Claimant shall maintain current records in accordance with generally accepted accounting principles, and shall separately record expenditures for each type of eligible purpose. Claimant shall make such records available to the Authority for inspection or audit at any time.

5. Claimant understands that should financial or compliance audit exceptions be found, the Fresno County Transportation Authority will take immediate steps to resolve the exceptions in accordance with its adopted procedures.

Authorized Signature: ____________________

Title: City Manager

Date: ____________________

ATTACHMENT: Evidence of Formal Action for Approval and Submittal
Approved by: Fresno County Transportation Authority Board on: ____________________

MEASURE C EXTENSION
LOCAL TRANSPORTATION PASS THROUGH REVENUES
CERTIFICATION AND CLAIM FOR FY2014-15

TO: Fresno County Transportation Authority

FROM: City of Coalinga
Local Agency Name

Address: 155 W. Duran, Coalinga, CA 93210 Contact: Rene Ramirez, City Manager
Telephone: (559) 935-1533 FAX: _____ Email Address: rramirez@coalinga.com

1. Applicable Funding Program: (Check One)

Regional Public Transit Program
- ☐ Fresno Area Express
- ☐ Clovis Transit
- ☐ FCRTA
- ☐ PTIS/Transit Consolidation
- ☐ ADA/Seniors/Paratransit
- ☐ Farmworker Van Pools
- ☐ Car/Van Pools
- ☐ New Technology Reserve

Local Transportation Program
- ☐ Street Maintenance
- ☒ ADA Compliance
- ☐ Flexible Funding
- ☐ Pedestrian/Trails Urban
- ☐ Pedestrian/Trails Rural
- ☐ Bicycle Facilities

Regional Transportation Program
- ☐ Fresno Airports

Alternative Transportation Program
- ☐ Rail Consolidation Subprogram

Environmental Enhancement Program
- ☐ School Bus Replacement
- ☐ Transit Oriented Infrastructure for In-Fill

Administrative/Planning Program
- ☐ Fresno COG

2. The **City of Coalinga** ("claimant") is an eligible claimant of funds for local transportation purposes pursuant to California Public Utilities Code Section 142257.
Local Agency Name

3. The Fresno County Transportation Authority has adopted a Resolution of Apportionment for Fiscal Year 2014-2015 setting **1.83** % of **$354,017** (or $6,494) for the Subprogram or Category of funds checked above and available to the claimant. On behalf of claimant, I hereby request release of the funds to claimant in accordance with:
   (a) Monthly payments consistent with adopted percentage, based on actual receipts
   (b) Compliance with Steps 5 and 6 of the Local Agency Handbooks – Local Agency Pass-Through Funding programs and Other Revenue Program Funding

4. On behalf of claimant, I hereby certify as follows:
   (a) That the Subprogram or Category of funds checked above are not being used to substitute for property tax funds which claimant had previously used for local transportation purposes. Such substitution of property tax funds is prohibited by California Public Utilities Code Section 142257.
   (b) That claimant has segregated property tax revenues from claimant's other general fund revenues used to support the Subprogram or Category of funds checked above so that verification of non-substitution can be proved through audit or that the non-substitution of funds shall apply to claimant's entire general fund.
   (c) That claimant shall account for Subprogram or Category of checked above and received pursuant to Public Utilities Code Section 142257. Claimant shall maintain current records in accordance with generally accepted accounting principles, and shall separately record expenditures for each type of eligible purpose. Claimant shall make such records available to the Authority for inspection or audit at any time.

5. Claimant understands that should financial or compliance audit exceptions be found, the Fresno County Transportation Authority will take immediate steps to resolve the exceptions in accordance with its adopted procedures.

Authorized Signature: ______________________

Title: City Manager

Date: ______________________

ATTACHMENT: Evidence of Formal Action for Approval and Submittal
Approved by: Fresno County Transportation Authority Board on: ____________

MEASURE C EXTENSION
LOCAL TRANSPORTATION PASS THROUGH REVENUES
CERTIFICATION AND CLAIM FOR FY2014-15

TO: Fresno County Transportation Authority

FROM: City of Coalinga
Local Agency Name

Address: 155 W. Duran, Coalinga, CA 93210 Contact: Rene Ramirez, City Manager

Telephone: (559) 935-1533 FAX: _____ Email Address: rramirez@coalinga.com

1. Applicable Funding Program: (Check One)

Regional Public Transit Program
- ☐ Fresno Area Express
- ☐ Clovis Transit
- ☐ FCRTA
- ☐ PTIS/Transit Consolidation
- ☐ ADA/Seniors/Paratransit
- ☐ Farmworker Van Pools
- ☐ Car/Van Pools
- ☐ New Technology Reserve

Local Transportation Program
- ☐ Street Maintenance
- ☐ ADA Compliance
- ☒ Flexible Funding
- ☐ Pedestrian/Trails Urban
- ☐ Pedestrian/Trails Rural
- ☐ Bicycle Facilities

Regional Transportation Program
- ☐ Fresno Airports

Alternative Transportation Program
- ☐ Rail Consolidation Subprogram

Environmental Enhancement Program
- ☐ School Bus Replacement
- ☐ Transit Oriented Infrastructure for In-Fill

Administrative/Planning Program
- ☐ Fresno COG

2. The **City of Coalinga** ("claimant") is an eligible claimant of funds for local transportation purposes pursuant to
Local Agency Name
California Public Utilities Code Section 142257.

3. The Fresno County Transportation Authority has adopted a Resolution of Apportionment for Fiscal Year 2014-2015 setting **2.18** % of **$10,157,201** (or $221,871) for the Subprogram or Category of funds checked above and available to the claimant. On behalf of claimant, I hereby request release of the funds to claimant in accordance with:
   (a) Monthly payments consistent with adopted percentage, based on actual receipts
   (b) Compliance with Steps 5 and 6 of the Local Agency Handbooks – Local Agency Pass-Through Funding programs and Other Revenue Program Funding

4. On behalf of claimant, I hereby certify as follows:
   (a) That the Subprogram or Category of funds checked above are not being used to substitute for property tax funds which claimant had previously used for local transportation purposes. Such substitution of property tax funds is prohibited by California Public Utilities Code Section 142257.
   (b) That claimant has segregated property tax revenues from claimant's other general fund revenues used to support the Subprogram or Category of funds checked above so that verification of non-substitution can be proved through audit or that the non-substitution of funds shall apply to claimant's entire general fund.
   (c) That claimant shall account for Subprogram or Category of checked above and received pursuant to Public Utilities Code Section 142257. Claimant shall maintain current records in accordance with generally accepted accounting principles, and shall separately record expenditures for each type of eligible purpose. Claimant shall make such records available to the Authority for inspection or audit at any time.

5. Claimant understands that should financial or compliance audit exceptions be found, the Fresno County Transportation Authority will take immediate steps to resolve the exceptions in accordance with its adopted procedures.

Authorized Signature: ______________________

Title: City Manager

Date: ______________________

ATTACHMENT: Evidence of Formal Action for Approval and Submittal
Approved by: Fresno County Transportation Authority Board on: ______________

BEFORE THE
FRESNO COUNTY TRANSPORTATION AUTHORITY BOARD
RESOLUTION NO. 2014-01

In the Matter of:	)	
FRESNO COUNTY TRANSPORTATION	)	RETAIL TRANSACTIONS AND USE
IMPROVEMENT ACT.	)	TAX FUNDS FOR EXTENSION
CALIFORNIA PUBLIC UTILITIES	)	LOCAL TRANSPORTATION
CODE SECTION 142257	)	PURPOSES PASS-THROUGH
	)	PROJECTS AND PROGRAMS FOR
	)	FY 2014-2015.

WHEREAS, the Fresno County Transportation Authority is the administrator of the Retail Transactions and Use Tax (1/2 cent) Funds collected pursuant to the Fresno County Transportation Improvement Act as provided by Part 1.6 (commencing with Section 7251) of Division 2 of the Revenue and Taxation Code and Public Utilities Code Sections 142000, et seq.,

WHEREAS, California Public Utilities Code Section 142257 provides that the 2006 Measure C Extension Expenditure Plan, which was approved prior to and provided the basis for the ballot measure considered by the voters at the November 7, 2006 election, shall specify the amount and the formula by which the retail transactions and use tax shall be allocated to each participating jurisdiction for Measure C Extension Program and Project Funds Local Transportation Purposes determined to be priority projects by local governments to which funds are allocated, and

WHEREAS, the 2006 Measure C Extension Expenditure Plan creates a number of transportation programs to be funded by participating jurisdictions with Measure C funds passed-through from the Authority to the jurisdiction submitting eligible project claims, and

WHEREAS, these various programs have differing requirements, exemptions and formulas for calculating pass-through funding levels, and

WHEREAS, the programs and subprograms identified below are eligible for pass-through funding,

Regional Public Transit Program
- Public Transit Agencies
- Public Transportation Infrastructure Study (PTIS)
- ADA/Seniors/Paratransit
- Farmworker/Ca/Van Pools

Local Transportation Program
- Local Allocation
- Pedestrian/Trails
- Bicycle Facilities

Regional Transportation Program
Fresno Airports

Administration/Planning Program
Council of Fresno County Governments

and

WHEREAS, the program requirements and exemptions for these programs may change from time to time as local jurisdiction population changes or mandated programs are satisfied, and

WHEREAS, in an effort to fully explain the various program provisions, the Authority, together with the Council of Fresno County Governments, created and will update as needed the Measure C Extension Strategic Implementation Plan which among other things discusses each pass-through program in detail and calculates pass-through funding levels for each in the 2014-15 fiscal year, and

WHEREAS, the Authority Procedures for Administration of Funds for Local Transportation Purposes calls for an annual Resolution of Apportionment to determine the percentage and amount of funds to be available within the forthcoming fiscal year, and

WHEREAS, the attached schedule of apportionment for FY 2014-2015 is based upon the Measure C Extension Strategic Implementation Plan,

NOW THEREFORE, BE IT RESOLVED, that the Fresno County Transportation Authority hereby approves the attached schedule of apportionment for FY 2014-2015 as indicated in the Measure C Extension Strategic Implementation Plan, which schedule is hereby made a part of this resolution, and approves the allocations, to be distributed as they are received and in accordance with claims submitted by eligible claimants.

BE IT FURTHER RESOLVED, that the Fresno County Auditor-Controller/Treasurer-Tax Collector cause the revised Resolution of Apportionment to be paid in the manner and time directed by the Executive Director of the Fresno County Transportation Authority.

THE FOREGOING RESOLUTION was passed and adopted by the Fresno County Transportation Authority Board this 28th day of May, 2014.

AYES: (7) Chairman Harry Armstrong; Supervisor Judy Case; Supervisor Andreas Borgeas; Council Member Steve Brandau; Mayor Amarpreet Dhaliwal; Mayor David Cardenas; Rural Public Member at Large John Clements.

NOES: (0)

ABSTAIN: (0)

ABSENT: (1) Mayor Ashley Swearengin

VACANT: (1) Urban Public Member at Large Position

SIGNED: Harry Armstrong
Harry Armstrong, Chairman
Fresno County Transportation Authority

ATTEST:
I hereby certify that the foregoing is a true copy of a resolution of the Fresno County Transportation Authority duly adopted at a regular meeting thereof held on May 28, 2014.

SIGNED:
Ron Peterson, Executive Director
Fresno County Transportation Authority

/sm/reso/PassThru-Aallocation-2014-01

Table 1
Measure "C" Sales Tax Revenue
20014/15

Approved by FCTA Board 05/28/14

Sales Tax Estimate	$66,841,854
Program Services and Supplies	$731,852
Net Distributed Sales Tax Estimate	$66,110,002

Funding Allocation Programs	Percent	Allocation
Regional Public Transit Program		
Public Transit Agencies		
Fresno Area Express (FAX)	13.70%	9,057,070
Clovis Transit	1.97%	1,302,367
Fresno County Rural Transit Agency (FCRTA)	3.99%	2,637,789
Public Transportation Infrastructure Study (PTIS)	0.29%	191,719
ADA / Seniors / Paratransit	0.79%	522,269
Farmworker / Car / Van Pools		
Farmworker Van Pools	0.58%	383,438
Car/Van Pools	0.58%	383,438
New Technology Reserve	2.10%	1,388,310
Local Tranpsortation Program		
Local Allocation	30.60%	20,229,661
Pedestrian/Trails		
Urban (Fresno/Clovis)	2.15%	1,421,365
Rural	0.95%	628,045
Bicycle Facilities	0.90%	594,990
Regional Transportation Program		
Urban	14.70%	9,718,170
Rural	14.70%	9,718,170
Airports	1.00%	661,100
Alternative Transporation Program		
Rail Consolidation	6.00%	3,966,600
Environmental Enhancement		
School Bus Replacement	2.30%	1,520,530
Transit Oriented Infrastructure for In-Fill	1.20%	793,320
Administration/Planning Program		
Fresno County Transporatation Authority (FCTA)	1.00%	661,101
Council of Fresno County Governments (COFCG)	0.50%	330,550
Total	100.00%	66,110,002

Table 2

FRESNO COUNTY TRANSPORTATION AUTHORITY
MEASURE "C" FUND APPORTIONMENT
Local Allocation Sub Program
FY2014/15

5/28/2014 Approved by FCTA Board

	Street Maintenance		ADA Compliance		Flexible Funding		Ped/Trails Urban		Ped/Trails Rural		Bicycle Facilities		Total
Clovis	912,013	9.02%	31,920	9.02%	880,093	8.66%	219,619	15.45%			55,062	10.73%	2,098,707
Coalinga	185,539	1.83%	6,494	1.83%	221,871	2.18%							413,903
Firebaugh	114,944	1.14%	4,023	1.14%	131,272	1.29%							250,239
Fowler	109,066	1.08%	3,817	1.08%	121,229	1.19%							234,111
Fresno	4,392,700	43.43%	153,745	43.43%	4,238,955	41.73%	1,108,124	77.96%			277,392	54.05%	10,170,916
Huron	104,957	1.04%	3,673	1.04%	118,993	1.17%							227,623
Kerman	165,596	1.64%	5,796	1.64%	196,937	1.94%							368,329
Kingsburg	152,543	1.51%	5,339	1.51%	178,000	1.75%							335,881
Mendota	151,488	1.50%	5,302	1.50%	175,960	1.73%							332,749
Orange Cove	127,128	1.26%	4,449	1.26%	147,131	1.45%							278,708
Parlier	169,433	1.68%	5,930	1.68%	202,295	1.99%							377,657
Reedley	259,320	2.56%	9,076	2.56%	250,244	2.46%			52,127	16.63%	13,370	2.61%	584,137
San Joaquin	104,831	1.04%	3,669	1.04%	113,080	1.11%							221,579
Sanger	236,612	2.34%	8,281	2.34%	291,934	2.87%							536,827
Selma	258,194	2.55%	9,037	2.55%	312,206	3.07%							579,437
County of Fresno	2,670,470	26.40%	93,466	26.40%	2,577,004	25.37%	93,621	6.59%	261,314	83.37%	167,385	32.62%	5,863,259
TOTAL	10,114,831		354,017		10,157,201		1,421,364		313,441		513,209		22,874,062
													22,874,062

Table 3
FRESNO COUNTY TRANSPORTATION AUTHORITY
MEASURE "C" FUND APPORTIONMENT CALCULATIONS
Local Allocation Sub Program
FY2014/15 5/28/2014 Approved by FCTA Board

	2014 Population 75%	2012 Road Miles 25%	Percent	Percent		$100,000 Min	Formula Above Minimum	Local Allocation Program	Street Maint. 50% of Local Allocation	Total Allocable to Program	*Redistribute Ped/Trails*	*Redistribute Bic.Fac.*	ADA Compliance	Flexible Funding	Ped/Trails Urban	Ped/Trails Rural	Bicycle Facilities	Total
	***	***																
Clovis	102,188	317.3	0.0795	0.013042	9.25%	100,000	1,724,026	1,824,026	912,013	2,098,707	*0*	0	31,920	880,093	219,619	0	55,062	2,098,707
Coalinga	16,467	42.3	0.012811	0.00174	1.46%	100,000	271,077	371,077	185,539	413,903	*34,168*	8,658	6,494	221,871	0	0	0	413,903
Firebaugh	7,809	21.8	0.006075	0.000897	0.70%	100,000	129,888	229,888	114,944	250,239	*16,203*	4,148	4,023	131,272	0	0	0	250,239
Fowler	5,883	42.9	0.004577	0.001764	0.63%	100,000	118,131	218,131	109,066	234,111	*12,207*	3,773	3,817	121,229	0	0	0	234,111
Fresno	515,609	1,583.4	0.401131	0.065082	46.62%	100,000	8,685,400	8,785,400	4,392,700	10,170,916	*0*	0	153,745	4,238,955	1,108,124	0	277,392	10,170,916
Huron	6,843	14.0	0.005324	0.000576	0.59%	100,000	109,914	209,914	104,957	227,623	*14,199*	3,510	3,673	118,993	0	0	0	227,623
Kerman	14,339	30.5	0.011155	0.001254	1.24%	100,000	231,192	331,192	165,596	368,329	*29,753*	7,384	5,796	196,937	0	0	0	368,329
Kingsburg	11,685	46.7	0.009091	0.001918	1.10%	100,000	205,085	305,085	152,543	335,881	*24,246*	6,550	5,339	178,000	0	0	0	335,881
Mendota	11,225	52.6	0.008733	0.002162	1.09%	100,000	202,975	302,975	151,488	332,749	*23,291*	6,483	5,302	175,960	0	0	0	332,749
Orange Cove	9,410	23.3	0.007321	0.000959	0.83%	100,000	154,256	254,256	127,128	278,708	*19,525*	4,927	4,449	147,131	0	0	0	278,708
Parlier	15,019	27.7	0.011684	0.001137	1.28%	100,000	238,865	338,865	169,433	377,657	*31,163*	7,629	5,930	202,295	0	0	0	377,657
Reedley	25,122	71.2	0.019544	0.002927	2.25%	100,000	418,640	518,640	259,320	584,137	*0*	0	9,076	250,244	0	52,127	13,370	584,137
San Joaquin	4,056	66.4	0.003155	0.002731	0.59%	100,000	109,661	209,661	104,831	221,579	*8,416*	3,502	3,669	113,080	0	0	0	221,579
Sanger	24,908	16.0	0.019378	0.000656	2.00%	100,000	373,224	473,224	236,612	536,827	*51,683*	11,920	8,281	291,934	0	0	0	536,827
Selma	23,977	90.0	0.018654	0.003697	2.24%	100,000	416,388	516,388	258,194	579,437	*49,751*	13,298	9,037	312,206	0	0	0	579,437
County of Fresno	169,500	3,636.1	0.131867	0.149455	28.13%	100,000	5,240,939	5,340,939	2,670,470	5,863,259	*0*	0	93,466	2,577,004	93,621	261,314	167,385	5,863,259
TOTAL	964,040	6,082.2	0.750000	0.250000	100.00%	1,600,000	18,629,661	20,229,661	10,114,831	22,874,062	*314,605*	*81,782*	354,017	10,157,201	1,421,364	313,441	513,209	22,874,062
								FY15 LTP Allocation										
							18,629,661											

	Urban Population	Rural Population	Pedestrian/Trials Urban	Rural	*Redistribute to Flexible Fundng*	Bicycle Fac. Sub Program	*Redistribute to Flexible Fundng*
Clovis	102,188		219,619	0	*0*	55,062	*0*
Coalinga		16,467		34,168	*34,168*	8,658	*8,658*
Firebaugh		7,809		16,203	*16,203*	4,148	*4,148*
Fowler		5,883		12,207	*12,207*	3,773	*3,773*
Fresno	515,609		1,108,124	0	*0*	277,392	*0*
Huron		6,843		14,199	*14,199*	3,510	*3,510*
Kerman		14,339		29,753	*29,753*	7,384	*7,384*
Kingsburg		11,685		24,246	*24,246*	6,550	*6,550*
Mendota		11,225		23,291	*23,291*	6,483	*6,483*
Orange Cove		9,410		19,525	*19,525*	4,927	*4,927*
Parlier		15,019		31,163	*31,163*	7,629	*7,629*
Reedley		25,122		52,127	*0*	13,370	*0*
San Joaquin		4,056		8,416	*8,416*	3,502	*3,502*
Sanger		24,908		51,683	*51,683*	11,920	*11,920*
Selma		23,977		49,751	*49,751*	13,298	*13,298*
County of Fresno	43,562 ***	125,939	93,621	261,314	*0*	167,385	*0*
TOTAL	661,359	302,682	1,421,364	628,046	*314,605*	594,991	*81,782*
		964,040	1,421,365	628,045		594,990	

STAFF REPORT - CITY COUNCIL/SUCCESSOR AGENCY/PUBLIC FINANCE AUTHORITY

Subject:	Adopt Resolution No. 3652–Ad Valorem Property Tax Assessment for Public Safety Employees of the City of Coalinga
Meeting Date:	August 7, 2014
From:	Rene A. Ramirez, City Manager
Prepared by:	Mari Jimenez, Financial Services Director

I. RECOMMENDATION:

It is recommended that the City Council adopt Resolution No. 3652 to continue an existing ad valorem pension property tax at a rate of $0.0720 per $100 of assessed property value for the purpose of raising revenue to fund the City's obligation to the pension and retirement fund for the City's public safety employees. The property tax will be continued at the same rate that was imposed in the 1982-83 fiscal year as permitted by Revenue and Taxation Code Section 96.31(a)(4).

II. BACKGROUND:

The ad valorem pension property tax is provided through the State of California Revenue and Taxation Code Section 96.31, paragraph, (a) (4) which reads as follows:

"For the 1985-86 fiscal year and for each fiscal year thereafter, a jurisdiction shall not impose a property tax rate pursuant to subdivision (a) of section 93, unless it is imposed for one of more of the following purposes…(4) to make payments in support of pension programs approved by the voters before July 1, 1978, provided that the local agency imposed the property tax rate in the 1982-83 fiscal year."

III. DISCUSSION:

N/A

IV. ALTERNATIVES:

N/A

V. FISCAL IMPACT:

For Fiscal Year 2014, revenue received thus far is $337,315 and retirement program costs thus far has been $380,426. This property tax funded an estimated 89% of retirement program costs for public safety employees appropriated from the general fund for Fiscal Year 2014. Without this property tax, the general fund would have to appropriate another $337,315 to cover public safety pension costs.

ATTACHMENTS:

File Name	Description
Ad_Valorem_Resolution_No.3652_FY_14-15.pdf	Ad Valorem Resolution No. 3652 FY 14-15
Ad_Valorem_Public_Safety_Pension_Rev_vs_Exp.pdf	Ad Valorem Public Safety Pension Costs

RESOLUTION NO. 3652

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COALINGA DETERMINING THE NECESSITY OF RAISING REVENUE BY TAXATION FOR THE PURPOSE OF MEETING THE CITY'S OBLIGATION TO THE PENSION AND RETIREMENT FUND FOR PUBLIC SAFETY EMPLOYEES OF THE CITY

BE IT HEREBY RESOLVED BY THE CITY COUNCIL OF THE CITY OF COALINGA.

WHEREAS, the State Supreme Court has ruled that the indebtedness created by the electorate to pay for a City pension fund is within the specific tax authority provided by the voters in Article XIII-A on pension plans instituted prior to July 1, 1978; and;

WHEREAS, the ad valorem property tax is provided through the State of California Revenue and Taxation Code Section 96.31, paragraph (a) (4).

WHEREAS, it is necessary to raise money in order to meet the City's obligation to the retirement fund for the public safety employees of the City; and;

WHEREAS, it is determined that an amount of $0.0720 on each $100 of assessed property value is necessary to raise sufficient revenue to pay the cost thereof;

NOW, THEREFORE, BE IT HEREBY RESOLVED BY THE CITY COUNCIL OF THE CITY OF COALINGA:

That an ad valorem property tax in the amount of $0.0720 on each $100 of assessed property value is hereby fixed for the Fiscal Year 2014-2015 for the purpose of meeting the City's obligation to the pension and retirement fund for public safety employees of the City and to be collected by the Fresno County Auditor's Office.

The foregoing Resolution was adopted at a regular meeting of the City Council of the City of Coalinga on August 7, 2014, by the following roll call vote.

AYES:
NOES:
ABSENT:
ABSTAIN:

____
Mayor

____
City Clerk/Deputy City Clerk

Ad Valorem Pension Property Tax

Retirement Expense		Actual 06-07	Actual 07-08	Actual 08-09	Actual 09-10	Actual 10-11	Actual 11-12	Actual 12-13	Actual 13-14
POLICE	401	200,629	176,750	199,127	227,735	271,455	199,686	145,548	15,631
PERS:effective 1/1/13	PERS							83,474	177,207
	457	15,978	23,226	17,956	15,849	14,126	16,529	15,089	2,875
FIRE	401	133,449	159,678	175,702	167,986	180,669	176,328	106,855	13,592
PERS:effective 1/1/13	PERS							66,456	144,358
	457	16,752	24,818	26,468	29,998	29,273	28,834	30,480	26,763
Total		366,808	384,473	419,253	441,568	495,523	421,377	447,902	380,426
Revenue 101-400-4008/4009		210,037	265,514	207,648	410,944	210,413	328,304	328,377	337,315
Funded Obligation		0.57	0.69	0.50	0.93	0.42	0.78	0.73	0.89

STAFF REPORT - CITY COUNCIL/SUCCESSOR AGENCY/PUBLIC FINANCE AUTHORITY

Subject:	Authorization for City Manager to Sign a One-Year Contract for Professional Services with Bryant L. Jolley, CPA, to Conduct the Annual Audit of the City's Financial Statements for Fiscal Year 2014 for an Amount Not to Exceed $36,000.
Meeting Date:	August 7, 2014
From:	Rene A. Ramirez, City Manager
Prepared by:	Rene A. Ramirez, City Manager

I. RECOMMENDATION:

Staff recommends the Council authorize the City Manager sign a one-year contract for professional services with Bryant L. Jolley, CPA, to conduct the City's annual audit of its financial statements for fiscal year 2014 for an amount not to exceed $36,000.

II. BACKGROUND:

Cities are required to engage a professional firm to annually audit their financial records. In this case it is normally a certified public accountant that is hired based on their professional skills and knowledge of public agency/local government accounting. These services are professional services and therefore the accountant is selected based on their skill set and knowledge, and not on low bid proposal.

Most cities begin their annual audit process of the recently closed fiscal year within a couple of months following its ending with a goal to complete the audit sometime before the end of the calendar year. If a city is going to change their auditor, they tend to do so in the spring of a year so that the audit firm is ready to hit the ground running after the fiscal year closes.

The City has used Mr. Jolley's firm to conduct the annual audit for many years now, and he and his staff are very familiar with the City's financial information and manner in which City Finance Department carries out their duties. It is not unusual for a city to contract with a specific audit firm for several years.

Mr. Jolley's firm has done a very good job for the City and the Council in conducting the annual audit.

III. DISCUSSION:

Staff is recommending that the City engage Mr. Jolley's firm one more time to carry out the fiscal year 2014 audit. He has prepared a letter describing how his firm will carry out the audit, which is not any different than what his firm has undertaken in the past. Staff is anticipating that the recently ended fiscal year's audit will be completed in a timelier manner, in a large part due to City staff has not been as preoccupied as it was last year in responding to and dealing with a barrage of demands from the State Department of Finance related to the dissolution of the Redevelopment Agency. Staff is in a much better position, in terms of availability, to provide City financial records and answers to questions from Mr. Jolley's staff.

It is staff's intent to seek qualifications from firms early next year in order to recommend a new auditor, a new set of eyes, prior to the audit of fiscal year 2015. It is too late at this time to seek a new auditor and get them engaged in time to complete the fiscal year 2014 audit.

IV. ALTERNATIVES:

The Council could direct staff to seek qualifications for a new auditor to carry out the fiscal year 2014 audit. *(Staff does not recommend. The process to prepare a request for qualifications, interview and select a firm will take at least 75 days. Staff feels that time would be better spent to have Mr. Jolley's firm conduct the audit for fiscal year 2014, and to let staff begin the process to seek and recommend a new auditor for fiscal year 2015.)*

V. FISCAL IMPACT:

The cost of the annual audit is built into the City's budget and its cost proportionately distributed across all funds.

ATTACHMENTS:

File Name	Description
Proposal_from_B_Jolley_for_Audit_Services_FY14.pdf	Proposal from B Jolley for Audit Services FY14

BRYANT L. JOLLEY
CERTIFIED PUBLIC ACCOUNTANTS

Bryant L. Jolley C.P.A.
Ryan P. Jolley C.P.A.
Darryl L. Smith C.P.A.
Travis B. Evenson

July 9, 2014

Rene Ramirez
City of Coalinga
155 W. Durian
Coalinga, CA 93210

Dear Mr. Ramirez:

We are pleased to confirm our understanding of the services we are to provide the City of Coalinga (the City) for the year ended June 30, 2014. We will audit the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information, which collectively comprise the basic financial statements, of the City as of and for the years then ended. Accounting standards generally accepted in the United States provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement the City's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the City's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist principally of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtain during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Audit Objectives

The objective of our audit is the expression of opinions as to whether your basic financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. The objective also includes reporting on—

- Internal control related to the financial statements and compliance with laws, regulations, and the provisions of contracts or grant agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.

- If a Single Audit is required, internal control related to major programs and an opinion (or disclaimer of opinion) on compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a direct and material effect on each major program in accordance with the Single Audit Act Amendments of 1996 and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.

The reports on internal control and compliance will each include a statement that the report is intended solely for the information and use of management, the body or individuals charged with governance, others within the entity specific legislative or regulatory bodies, federal awarding agencies, and if applicable, pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller

General of the United States, and if required, the Single Audit Act Amendments of 1996; and the provisions of OMB Circular A-133, and will include tests of accounting records, a determination of major program(s) in accordance with OMB Circular A-133, and other procedures we consider necessary to enable us to express such opinions and to render the required reports. If our opinions on the financial statements or the Single Audit compliance opinions are other than unqualified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or to issue a report as a result of this engagement.

Management Responsibilities

Management is responsible for the basic financial statements and all accompanying information as well as all representations contained therein. If a Single Audit is required, management is also responsible for identifying government award programs and understanding and complying with the compliance requirements, and for preparation of the schedule of expenditures of federal awards in accordance with the requirements of OMB Circular A-133. As part of the audit, we will assist with preparation of your financial statements, schedule of expenditures of federal awards, and related notes. You are responsible for making all management decisions and performing all management functions relating to the financial statements, schedule of expenditures of federal awards, and related notes and for accepting full responsibility for such decisions. You will be required to acknowledge in the management representation letter that you have reviewed and approved the financial statements, schedule of expenditures of federal awards, and related notes prior to their issuance and have accepted responsibility for them.

Management is responsible for establishing and maintaining effective internal controls, including internal controls over compliance, and for evaluating and monitoring ongoing activities, to help ensure that appropriate goals and objectives are met and that there is reasonable assurance that government programs are administered in compliance with compliance requirements. You are also responsible for the selection and application of accounting principles; for the fair presentation in the financial statements of the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City and the respective changes in financial position and, where applicable, cash flows in conformity with U.S. generally accepted accounting principles; and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

Management is also responsible for making all financial records and related information available to us and for ensuring that management and financial information is reliable and properly recorded. Your responsibilities also include identifying significant vendor relationships in which the vendor has responsibility for program compliance and for the accuracy and completeness of that information. Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud or illegal acts affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud or illegal acts could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the entity complies with applicable laws, regulations, contracts, agreements, and grants. Additionally, if required by OMB Circular A-133, it is management's responsibility to follow up and take corrective action on reported audit findings and to prepare a summary schedule of prior audit findings and a corrective action plan. The summary schedule of prior audit findings should be available for our review. You are responsible for the preparation of the supplementary information in conformity with U.S. generally accepted accounting principles. You agree to include our report on the supplementary information in any document that contains and indicates that we have reported on the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying for us previous financial audits, attestation engagements, performance audits, or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

Audit Procedures—General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. We will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because an audit is designed to provide reasonable, but not absolute assurance and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements or noncompliance may exist and not be detected by us. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements or major programs. However, we will inform you of any material errors and any fraudulent financial reporting or misappropriation of assets that come to our attention. We will also inform you of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential, and of any material abuse that comes to our attention. If required, we will include such matters in the reports required for a Single Audit. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about the financial statements and related matters.

Audit Procedures—Internal Controls

Our audit will include obtaining an understanding of the entity and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

If applicable, we will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each major federal award program. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to OMB Circular A-133.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards, *Government Auditing Standards*, and OMB Circular A-133 if applicable.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the City's compliance with applicable laws and regulations and the provisions of contracts and agreements, including grant agreements. However, the objective of those procedures will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

If applicable, OMB Circular A-133 requires that we also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with applicable laws and regulations and the provisions of contracts and grant agreements applicable to major programs. Our procedures will consist of tests of transactions and other applicable procedures described in the *OMB Circular A-133 Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of the City's major programs. The purpose of these procedures will be to express an opinion on the City's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to OMB Circular A-133.

Engagement Administration, Fees, and Other

We may from time to time, and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers, but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

We understand that your employees will assist in the preparation of requested audit schedules.

Our services also include preparation of the City and Street Annual State Controllers Reports and any required Federal Single Audit reports. If applicable, we will issue a separate Management Letter that includes recommendations for improvements in internal control, accounting procedures and other significant observations that are not considered material weaknesses.

The audit documentation for this engagement is the property of Bryant L. Jolley, CPA and constitutes confidential information. However, pursuant to authority given by law or regulation, we may be requested to make certain audit documentation available to a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Bryant L. Jolley's personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release or for any additional period requested by any federal of state agency. If we are aware that a federal awarding agency, pass-through entity, or auditee is contesting an audit finding, we will contact the party contesting the audit finding for guidance prior to destroying the audit documentation.

Our fee for these services will be at our standard hourly rates plus out-of-pocket costs (such as report reproduction, word processing, postage, travel, copies, telephone, etc.) except that we agree that our gross fee, including expenses, will not exceed $36,000 for June 30, 2014. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered upon audit completion.

Government Auditing Standards require that we provide you with a copy of our most recent external peer review report and any letter of comment, and any subsequent peer review reports and letters of comment received during the period of the contract. Our most current peer review accompanies this letter.

We appreciate the opportunity to be of service to the City of Coalinga and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Sincerely,

Bryant L. Jolley, CPA

RESPONSE:

This letter correctly sets forth the understanding of the City of Coalinga.

____

Rene Ramirez, City Manager

STAFF REPORT - CITY COUNCIL/SUCCESSOR AGENCY/PUBLIC FINANCE AUTHORITY

Subject:	City Council Consideration to Make a Finding and Allow a Swimming Pool Construction Permit for a Member of the Community with Multiple Sclerosis
Meeting Date:	August 7, 2014
From:	Rene A. Ramirez, City Manager
Prepared by:	Rene A. Ramirez, City Manager

I. RECOMMENDATION:

It is recommended the City Council provide a one-time waiver to the current swimming pool construction moratorium for a member of the community under a doctor's care for multiple sclerosis (MS) by making findings that the water therapy offered to a MS patient by a swimming pool and letter from the doctor are sufficient for a one-time waiver in this instance.

II. BACKGROUND:

Because of the ongoing drought in 2014, the City Council adopted Resolution No. 3636 in March 2014 placing a moratorium on the issuance of swimming pool permits until the governor declares the drought to be over. Late in the day on July 31, 2014, Building Official, John Self, was contacted by a member of the community asking to obtain a construction permit for a new pool. Mr. Self explained that due to the drought, the City was not issuing new construction permits for swimming pools. The person explained they had a letter from a doctor indicating the swimming pool was a part of a physical therapy routine the doctor had outlined for a member of their family under his care for MS. The family brought a copy of the letter from the doctor in Fresno. *(to note: the letter has not been provided to protect the privacy of the family)*

As a part of staff due diligence, staff called the doctor's office where they readily verified that the person was a patient and the doctor had provided the letter asking the City issue a permit to construct a swimming pool.

III. DISCUSSION:

The drought has placed a significant strain on water resources across California and parts of the western U.S. The Council acted appropriately to place a moratorium on new pools while a drought still plagued the west. It was impossible for the Council or staff to know at the time that a member of the community with MS would benefit from water therapy (see attached document regarding water therapy for MS patients).

Staff recommends the Council consider the request, and if the Council agrees the request to allow for construction of a pool during a period of moratorium is appropriate it make the following findings in a motion:

1. Water therapy is an appropriate form of physical therapy for patients with MS;

2. An authenticated formal letter from the patient's doctor was provided by the patient to the City; and

3. Therefore there is sufficient reason to provide a one-time waiver to Resolution No. 3636 and allow a permit construct a new swimming pool to be issued.

IV. ALTERNATIVES:

The alternatives include:

1. Do not issue a permit due to the continued drought.

V. FISCAL IMPACT:

There will be permit fees collected for the pool which will add new revenue to the General Fund. The fees will be a function of the amount of work.

ATTACHMENTS:

File Name	Description
Pool_therapy_for_MLS_Patients.pdf	Pool Therapy for MLS Patients
RESO#3636_Moratorium_on_Swimming_Pool__Spa___Hot_Tubs_for_Emergency_Drought_030614.pdf	Resolution No. 3636_Pool Moratorium

Healthline → Multiple Sclerosis → Home → Open Swim: Multiple Sclerosis Water Therapy

Open Swim: Multiple Sclerosis Water Therapy

Written by Ann Pietrangelo
Medically Reviewed on April 18, 2014 by George Krucik, MD, MBA

A A A

Besides all that fatigue-fighting exercise, a little time in a lounge chair by the water can help ease stress and help you feel relaxed all over. Hanging around the pool is also a great way to meet people. Joining a swimmers group or water therapy class is a wonderful opportunity to become part of a support system.

Multiple Sclerosis and Body Temperature

Some people with MS experience a temporary flare-up (pseudo-exacerbation) of symptoms when they become overheated. This can happen in a hot tub, sauna, in high temperatures, or even in a hot bath. If you've ever had a heat-related flare-up, you should avoid overheated pools and prolonged time in the sun.

On the other hand, a dip in a swimming pool can actually cool your body temperature and help you avoid that exacerbation. According to the National MS Society, 81 to 83 degrees Fahrenheit is a good water temperature. You may have to experiment a bit to find your sweet spot.

When you're lounging by the pool on a hot day and start to feel overheated a cool dip may set things right.

Let's Get Started!

Talk to your doctor before starting if you're not sure you're physically able to handle swimming or exercising in the pool. They may be able to refer you to a physical therapist or a class with qualified instructors.

Exercise benefits your bodies and your sense of wellbeing. When symptoms of MS interfere with your ability to exercise, water therapy can help you take control again. Whatever type of water therapy you choose, the positive feelings associated with the experience may be just the motivation you've been seeking.

< 1 2

Article Sources:

- Castro-Sanches, A.M., Mataran-Penorrocha, G.A., Lara-Palomo, I., Saavedra-Hernandez, M., Arroyo-Morales, M., Morene-Lorenzo, C. (2012). Hydrotherapy for the Treatment of Pain in People with Multiple Sclerosis: A Randomized Controlled Trial. *Evidence Based Complementary and Alternative Medicine, 2012*, 473963. Retrieved March 21, 2014, from http://www.ncbi.nlm.nih.gov/pmc/articles/PMC3138085/
- Exercise – or not – in water. (n.d.). *National Multiple Sclerosis Society.* Retrieved March 24, 2014, from http://www.nationalmssociety.org/Resources-Support/Library-Education-Programs/You-CAN!/Exercise-—-or-not-—-in-Water
- Fatigue & multiple sclerosis. (2011, October 31). *Cleveland Clinic.* Retrieved March 21, 2014, from http://my.clevelandclinic.org/neurological_institute/mellen-center-multiple-sclerosis/patient-education/hic-fatigue-in-multiple-sclerosis.aspx

Show all

RESOLUTION NO. 3636

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COALINGA CALLING FOR A MORATORIUM ON SWIMMING POOL, SPA, HOT TUB, DECORATIVE FOUNTAINS OR WATER FEATURES EFFECTIVE IMMEDIATELY AND UNTIL THE GOVERNOR OF THE STATE DECLARES THE DROUGHT EMERGENCY TO BE OVER.

WHEREAS, for the past two years regions across the State of California have experienced lower than normal annual accumulations of snowfall and rainfall in some cases record setting as the lowest since 1840; and

WHEREAS, California reservoirs, aquifers and state-wide precipitation and snow pack in the Sierra Nevada Mountain Range are at record lows

WHEREAS, the Hanford, California office of the National Weather Service has predicted drought conditions to remain throughout calendar year 2014; and

WHEREAS, based on many water supply projections and weather predictions the Governor of the State signed a Drought Emergency declaration on January 17, 2014; and

WHEREAS, data requested from the City's water supplier the U. S. Department of Interior, Bureau of Reclamation, based on many water supply projections and weather predictions, the City anticipates a sharply reduced water supply allocation for Water Year 2014-15 when compared to historical water supply delivery levels; and

WHEREAS, until the Governor of the State declares the drought to be over it is prudent to preserve available water supply of public health and safety, and not increase the use of water through construction of water using amenities and facilities.

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Coalinga, effective immediately, and until such time the Governor of the State declares the drought emergency to be over hereby establishes the following policies:

1. Places a moratorium on the permitting of any new residential, commercial, institutional and industrial pool, spa, hot tub, decorative water fountain(s) or water feature(s) for pleasure or business use, of any size, that requires or is a part of a permit.

2. Allows for, but discourages existing pool rehabilitation, and will only allow a one-time refill per 12 month period.

3. Requires a permit for any and all draining, emptying, or filling of a pool, spa, hot tub or water fountain or feature in excess of 1,000 gallons. Property owners will be allowed to drain or empty their water amenity one time per 12-month period. Property owners are encouraged to use the drained water on their landscape or that of their neighbor(s) and not release the water into the gutter or storm water system. Violators will be fined.

4. A fine is hereby established in the amount of $100 (1st violation); $200 (2nd violation); and $300 for every violation thereafter during a 12-month period.

The foregoing resolution was duly adopted by the Coalinga City Council at a regular meeting held on the 6th day of March 2014, by the following vote, to wit:

AYES: Keough, Lander, Oxborrow, Garcia
NOES: Ramsey
ABSTAIN: None
ABSENT: None

Tony Garcia, Mayor

Attest:

Shannon Jensen, Deputy City Clerk

STAFF REPORT - CITY COUNCIL/SUCCESSOR AGENCY/PUBLIC FINANCE AUTHORITY

Subject:	Future Agenda Item - Discussion and Direction Regarding Speed Bumps
Meeting Date:	August 7, 2014
From:	Rene A. Ramirez, City Manager
Prepared by:	Rene A. Ramirez, City Manager

I. RECOMMENDATION:

No recommendation. Staff seeks Council direction regarding a Future Agenda Item brought forth by Mayor Pro-Tem Keough. Mr. Keough would like the Council to consider the installation of "speed bumps" as a traffic calming measure.

The Future Agenda Item process allows the Council to discuss a matter brought forth by one Council member. Should a majority of the Council agree to move forward, staff will come back at a future date with more information for the Council deliberate. If there is no desire by a majority of the Council to move forward at this time, staff will not produce any work related to the subject for the Council to discuss.

II. BACKGROUND:

III. DISCUSSION:

IV. ALTERNATIVES:

V. FISCAL IMPACT:

ATTACHMENTS:

File Name	Description

No Attachments Available

STAFF REPORT - CITY COUNCIL/SUCCESSOR AGENCY/PUBLIC FINANCE AUTHORITY

Subject:	Consideration of Request from Mr. Viebach for Lease Term of One Year for Business Incubator Unit Located at 108 E. Cedar Street
Meeting Date:	August 7, 2014
From:	Rene A. Ramirez, City Manager
Prepared by:	Mercedes Garcia, Senior Administrative Analyst

I. RECOMMENDATION:

Staff is seeking Council direction with regard to a request made by Mr. Viebach, German Precision Dental Lab, for consideration of a one year lease term for the unit located at 108 E. Cedar Street.

II. BACKGROUND:

In March 2014, Council directed staff to change the term of leasing a business incubator unit from one year to a month-to-month lease. The change was made to facilitate the sale of the buildings or units. The month-to-month term would not bind the new owner to a long term agreement entered into with the current lessees.

III. DISCUSSION:

Currently the only vacant business incubator unit is 108 E. Cedar. The unit became available on July 3, 2014. Staff keeps a list of new businesses that have shown interest in leasing a unit. Mr. Viebach has been on the list since October 2012. Mr. Viebach's business of a dental laboratory will require tenant improvements to the unit. In order to recover the expense of the improvements Mr. Viebach is requesting consideration of a term of one year. If the Council is not open to a one year term perhaps the second alternative of a three month time line to move out is agreeable to the Council.

IV. ALTERNATIVES:

The Council could:

1. Decide to grant the one year lease term.

2. Decide to grant a three month move out option.

3. Continue leasing the unit on a month-to-month term.

V. FISCAL IMPACT:

There is no fiscal impact to the General Fund.

ATTACHMENTS:

	File Name	Description
🗋	Mr._Viebach_request_Letter.pdf	Mr. Viebach, German Precision Dental Lab, Request Letter

German Precision Dental Lab

RECEIVED
JUL 23 2014
BY:

July 22, 2014

To City Manager and City Council Members:

My name is Andreas Viebach. I am interested in renting the unit at 108 E Cedar to start my dental laboratory business. I understand from Mercedes Garcia that you are going to be renting these units on a month to month basis only as the building are being put up for sale. Due to the amount of improvements I will have to make to the unit to start my business, I am respectfully requesting to be considered for a year's lease so that I can recover these expenses. If that is not possible and I do decide to go ahead with the month to month rent, would it be possible to get a 3 month move out time line to give me ample time for move out and relocation.

Thank you for your kind consideration. I will anxiously await you answer so that I may begin to move forward.

Sincerely,

Andreas Viebach

German Precision Dental Lab
(805)264-8194
germanprecisiondl@yahoo.com

STAFF REPORT - CITY COUNCIL/SUCCESSOR AGENCY/PUBLIC FINANCE AUTHORITY

Subject:	Input and Direction Regarding a Draft Utility User Tax - Fact Sheet
Meeting Date:	August 7, 2014
From:	Rene A. Ramirez, City Manager
Prepared by:	Rene A. Ramirez, City Manager

I. RECOMMENDATION:

Staff seeks Council input and direction related to a draft fact sheet that has been prepared in order to educate the community on the need for the proposed utility user tax, to be on the November 4, 2014 ballot as Measure P.

II. BACKGROUND:

In an effort to educate the community on the proposed ballot measure on the November 4, 2014 election to be known as "Measure P", staff has drafted a Fact Sheet. The draft contains a series of typical questions and their responses that the community may want to know about Measure P.

Measure P is being proposed as a 5.5% Special Utility User Tax on most utility services. The purpose of Measure P is to generate new General Fund revenue, in an amount of $1.0 million, that is to be used specifically to support expenses and the current level of services provided to the community by the Police, Fire and Emergency Medical Services. Without this new revenue, current levels of public safety services will be reduced so that General Fund operational costs match up with revenues.

Since the closure of the Claremont Custody Facility due to the state terminating its contract with the City, the dissolution of the Redevelopment Agency, and the lingering effects of the recession, the revenue into the City of Coalinga's General Fund has fallen short by approximately $1.0 million annually. For many years City operational costs have been cut. There has been very little funding for training, employee development, and the ability to set aside some funding in reserve. All non-safety, unrepresented and management employees have been required to take a one-day per month furlough (5% salary cut) for calendar year 2014. The remaining expenses to be reduced will affect levels of service.

More than 150 California cities and several counties have similar Utility User Tax measures in place. California law allows this type of tax to range between 1% and 11%. The average Utility User Tax is 5.5%. As proposed, Measure P would place a 5.5% tax on the following utility services: water, sewer, natural gas, solid waste, electricity, television services, telephone and cellular phone, and internet services. Not everyone has all of these services, though many have most of these utility services, and the tax would only apply to those services received. The Council did exempt low-income seniors and businesses from the electricity portion of the Utility User Tax. The Council also placed provisions in the tax to reduce it, exempt others and to repeal the tax.

III. DISCUSSION:

A Fact Sheet, or sometimes called a Frequently Asked Question (FAQ) sheet is used to provide answers to questions most people may have on a particular subject. The draft generated by staff has been modeled from another Fact Sheet used by another California city for their existing Utility User Tax. The draft Fact Sheet has been circulated to all City departments for their input before coming before the Council.

The intent is to complete this Fact Sheet and also translate it into Spanish. The completed Fact Sheet would be posted on the City's website, copies provided to the Library and City Hall, and copies made for those who ask. The Coalinga Recorder has asked to meet with staff to begin a series of articles on the proposed Utility User Tax and having a Fact Sheet would be used to augment the interview.

IV. ALTERNATIVES:

The alternative is to not prepare a Fact Sheet at all. The Council could have other ideas on how to best educate and inform the community about Measure P before the election.

V. FISCAL IMPACT:

The fiscal impact comes from the time by staff to draft the Fact Sheet and its distribution and not too expensive.

ATTACHMENTS:

	File Name	Description
🗋	Fact_Sheet_UUT_072114.docx	UUT Fact Sheet

Fact Sheet
Utility User Tax – Measure P
General Election on November 4, 2014

This information is being provided to educate the community about the City's proposed Utility User Tax (UUT) to be known as **Measure P** on the November 4, 2014 ballot. There is a lot of information on the few pages, but if you have a question that you feel is not answered by this information, please contact City Hall at (559) 935-1533. *(this Fact Sheet will be updated as needed.)*

What is "Measure P"?

Measure P is an item on the November 4, 2014 ballot for voters to vote on. If approved by the voters, customers will pay a 5.5% tax on certain utility bills like: water, sewer, natural gas, trash and recycling, electricity, telephone, cellular phone, internet and providers of television services. There will be an exemption in the electricity tax for businesses and low-income senior citizens. All of the revenue received from **Measure P** will provide funding to maintain City police, fire and emergency medical services at their current level.

What is a Utility User Tax, or UUT?

A Utility User Tax (UUT), or also known as **Measure P**, is a tax on certain utility bills. A UUT such as **Measure P** may be imposed by a city or county based on the consumption or use of utility services. Under California law should voters pass a UUT, the tax can range from 1% to 11% of the utility's cost to a customer. Of California's 480 communities and 58 counties, more than 150 cities and 4 counties have a UUT.

This would be Coalinga's first UUT and it is proposed as a Special Tax to generate revenue for the City's General Fund to specifically support and maintain the current level of police, fire and emergency medical services in the community.

What does the proposed Measure P provide?

If approved by voters, **Measure P** will impose a 5.5% fee on utility fees for water, sewer, natural gas, trash and recycling, electricity, telephone and cellular phone, internet and providers of television services. It provides an exemption to businesses and low-income seniors on the electricity tax. **Measure P** does provide a Council with the ability to lower the UUT for a period of 12 months at a time, but **Measure P** cannot be increased without voter approval. **Measure P** also allows the Council the ability to repeal the UUT.

How much will Measure P cost the average household in dollars?

The amount of money proposed to be generated from **Measure P**, is to be used specifically to support police, fire and emergency medical services, and will depend upon a customer's utility services bill. As proposed, **Measure P** is set at 5.5%, which means for every $100 a customer pays on a utility bill, the UUT will generate $5.50 in revenue.

The chart below provides an example of residential utility costs and what **Measure P** might cost a typical residential utility customer per month.

Utility Service	Example of a Residential Customer Utility Cost	Cost of the Proposed 5.5% UUT	With Proposed Low-Income Senior Exemption on Electricity
Water (City)[1]	$30.00	$1.65	$1.65
Natural Gas (City)[1]	$31.00	$1.71	$1.71
Sewer (City)[2]	$15.68	$0.86	$0.86
Solid Waste (MVD)[2]	$23.65	$1.30	$1.30
Television[3]	$17.00	$0.94	$0.94
Electricity[4]	$100.00	$5.50	Exempt
Telephone[5]	$46.00	$2.53	$2.53
Cellular Phone[6]	$166.00	$9.13	$9.13
Internet[7]	$41.00	$2.26	$2.26
Total	**$470.33**	**$25.87**	**$20.37**

1. Water and Natural Gas fees vary based on metered use.
2. Sewer and Solid Waste charges are flat fees.
3. Basic cable TV costs start at $17. Television service fees will vary with a customer's television package and service provider.
4. Electricity costs will vary with each customer's metered use.
5. Telephone cost illustrated reflects a land line cost and varies with a customer's level of service.
6. Cellular phone cost depicted is based on a family plan for 4 individuals. Actual cost will vary with a particular service plan.
7. Internet service fees vary with each customers service plan.

How does Utility User Tax (UUT), like Measure P support police, fire and emergency medical services?

Measure P is intended to generate new General Fund revenue lost due to the termination of the State contract to operate the Claremont Custody Center, the dissolution of the Redevelopment Agency and the affects of a lingering recession. Because of these facts, the City of Coalinga finds itself more than $1.0 million dollars short of revenue in the General Fund in order to support the current level of police, fire and emergency medical services to the community. Public safety services such as police, fire and emergency medical services are paid from the General Fund. **Measure P** would provide new revenue to the General Fund, which would only to be used to pay for police, fire and emergency medical services.

Revenue into a General Fund comes from such things as property tax, sales tax, permit-type fees, and fines. Most people believe that all revenue collected by a city can be used in any manner a city sees fit – this is not true. Under California law, only a city's General Fund has this discretion and is therefore the normal source of funding for police, fire and emergency medical services. City fees for such services as water, sewer, natural gas, solid waste, and specific funds that pay for street and road improvements cannot be used to pay for police, fire and emergency medical services without very specific findings and a link, or nexus.

How will a "Yes" vote on Measure P affect police, fire and emergency medical services?

A "Yes" vote and the passage of **Measure P**, a utility user tax (UUT), at the ballot will provide new revenue to the General Fund to be used specifically to support police, fire and emergency medical services. It is anticipated that **Measure P** will generate the $1.0 million dollars per fiscal year in General Fund revenue lost when the State ended the contract to house inmates at the Claremont Custody Center and the State did away with the Redevelopment Agency. **Measure P** will not pay for road improvements or such things as sewer plant improvements.

How will a "No" vote on Measure P affect police, fire and emergency medical services?

A "No" vote and failure of **Measure P**, at the ballot, means that the community is in favor of a **reduction** in the current level of service provided by the police department, fire department and emergency medical services.

How much does it cost to provide Police, Fire and Emergency Medical Services?

During fiscal year 2014, General Fund revenue was budgeted at $7.721 million, which included an estimated $1,470,000 from a General Fund discretionary one-time revenue source known as Fund 140, to make up a short-fell in revenue while the City tried, in vain, to negotiate a contract to re-open the Claremont Custody Center. The fiscal year 2014 costs to provide police, fire and emergency medical services to the community accounted for $5.922 million of the General Fund budgeted costs, or used 76.7% of General Fund revenue.

The police department adopted expense budget was $3.191 million, or 41.3% of General Fund revenues. Labor costs for the police department made up $2.753 million, or 86.3%, of their $3.191 million budget. The police department was able to generate approximately $232,000 in revenue from grants, forfeitures and fines.

The fire department and emergency medical services, they provide, had an adopted expense budget of $2.731 million, or 35.4% of General Fund revenues. Labor costs for fire and emergency medical services made up $2.197 million, or 80.4% of their $2.731 million budget. The fire department generated approximately $232,000 in revenue from wild land fire support and plan check fees, and emergency medical services generated approximately $1.270 million from medical transportation services and a contract with Fresno County.

The remaining 11 departments within the General Fund comprised of: elected officials, administration, community development, finance, human resources, code enforcement, building inspection, service center, building & grounds maintenance, airport, and municipal grounds maintenance had budgeted expenses for fiscal year 2014 at $1.799 million, or 23.3%, of General Fund revenues. Labor costs for these 11 General Fund departments totaled $951,000, or 52.9%, of their budgeted expenses of $1.799 million.

What percentage of Measure P is paid to the City?

100% of **Measure P**, the proposed UUT, collected on a utility bill will be paid to the City; unlike property tax and sales tax in which the City receives only a small portion of the total taxes paid. And 100% of **Measure P** will be used to fund police, fire and emergency medical services.

Are Non-Profit and Religious Organizations exempt from paying the UUT?

No, they are required to pay the Utility User Tax, **Measure P**, on those taxed utility services they use and receive.

Is anyone exempt from paying the UUT?

The Council did choose to exempt businesses and low-income seniors from paying **Measure P** on their electricity bill only. The Council felt that of the utilities to be taxed, electricity is the most costly utility to seniors on fixed incomes and could also be a large burden on businesses.

For an exemption to take place, the business will have to file an Exemption Request Form with the City. For low-income seniors, they will have to file a similar Exemption Request Form and show proof of meeting the age requirement, which is 65 and older, and proof of being enrolled in PG&E's C.A.R.E. program.

How is the public assured that City funds and a tax like Measure P are spent appropriately?

The City of Coalinga completes an annual audit of its financial records. This annual audit is conducted by an independent and professional Certified Public Account (CPA) firm. The audit prepared by the independent auditor, upon completion, is presented to the City Council during a regular meeting. The completed audits are also available as public records.

STAFF REPORT - CITY COUNCIL/SUCCESSOR AGENCY/PUBLIC FINANCE AUTHORITY

Subject:	Successor Agency Consideration of a Request by Kit Sang Laan, USA, Inc. to Amend an Existing Loan Agreement and Secured Promissory Note that Does Not Extend Term of Agreement but Considers a Lower Interest Rate, and Successor Agency Direction on an Interest Rate.
Meeting Date:	August 7, 2014
From:	Rene A. Ramirez, Successor Agency Executive Director
Prepared by:	Rene A. Ramirez, Successor Agency Executive Director

I. RECOMMENDATION:

Staff seeks Successor Agency consideration of a request from Kit Sang Laan, USA, Inc. to amend their existing loan agreement and secured promissory note that does not extend the term of their agreement with the former Redevelopment Agency executed in 2002, and staff seeks direction with regard to a request for a lower interest rate.

To be noted, with the dissolution of the Redevelopment Agency this request must first obtain Successor Agency approval, then go before the Oversight Board for consideration, and final approval will come from the State Department of Finance.

II. BACKGROUND:

In 1989 the Redevelopment Agency (RDA) entered into an agreement with Anchor Associates for construction of what is now Fatte Alberts Pizza, the Pit Stop and Movie Theater for an amount of $309,000. In June 2002 the RDA approved an assignment of the agreement with Kit Sang Laan, USA, Inc. (Mr. Joseph Loong-Sang Cheung and Mrs. Betty Yim-Ping Cheung). The terms with Kit Sang Laan USA, Inc. included the following: principal amount = $200,000; amortized term of 25 years; interest rate of 5% per annum; monthly installments = $1,169.20 until end of 12th year (July 31, 2014) when remaining balance is immediately due and payable in full (balloon payment). Kit Sang Laan USA, Inc. have made their monthly payments for the past 12 years without missing a payment.

Mr. and Mrs. Cheung contacted and met with staff seeking to amend the terms of the agreement – specifically the interest rate. Staff informed them that with the dissolution of the RDA, the decision to amend their agreement would require State Department of Finance approval for final approval, but that it would also require the Council, acting as the Successor Agency, to initiate the process by agreeing to consider an amendment of the terms. On page 2, Article H of the Loan Agreement with Kit Sang Laan USA, Inc. it authorizes the former RDA without notice to renew, compromise, extend, accelerate or otherwise change the time for payment or the terms of the indebtedness.

The Cheungs are not looking to extend the length of the term, which is 25 years, or through 2027, but are seeking a lower interest rate and to do away with the balloon payment.

Staff instructed the Cheungs to continue to make their monthly payment until decisions are made by the Successor Agency and Department of Finance.

III. DISCUSSION:

The request from Kit Sang Laan USA, Inc. requires the Successor Agency modify or amend two legal documents. One is an amendment to the Loan Agreement, which is attached, and includes a provision to amend and set a new interest rate beginning on August 1, 2014 and through the remainder of the existing 25-year term concluding in August 2027. The other document to be amended is a secured promissory note. The amendment focuses on an interest rate for the remainder of the term and the monthly payment determined by an amended interest rate.

The following table illustrates Commercial Interest Rates as of July 31, 2014

Lender	15-Year Fixed Rate	30-Year Fixed Rate
Crestline Funding	4.093%	
Closeyourownloan.com	3.971%	
Ameriprise	4.328%	4.328%
Ditech.com	4.180%	4.180%
Sebonic Financial	4.041%	4.042%
Captial One		4.327%
Discover		4.220%

The current interest rate with Kit Sang Laan USA, Inc. was set at 5% in 2002. Their request was to consider lowering the interest rate from 5%. Staff is seeking the Successor Agency's input on a reasonable interest rate, though staff feels that the State Department of Finance will have final say. It is felt that if the Successor Agency sets a "reasonable" interest rate, the State Department of Finance would probably concur.

IV. ALTERNATIVES:

The Successor Agency could direct staff to do the following:

1. Provide direction and amend the interest rate to a lesser interest rate and submit to the State Department of Finance for consideration and approval;

2. Direct staff to let Kit Sang Laan USA, Inc. know that the Successor Agency does not choose to amend the existing agreement and secured promissory note and that the balloon payment is due.

V. FISCAL IMPACT:

There is no direct impact to the City or its General Fund. With the properties, a former RDA properties, the State now has final say.

ATTACHMENTS:

File Name	Description
Amendments_to_Loan_Agt___Kit_Sang_Laan_USA_Inc__Loan_(00333130).docx	Amendment to Kit Sang Laan Agreement
Amendment_to_Promissory_Note__Kit_Sang_Laan_USA_Inc__Loan_(00333268).doc	Amendment to Promissory Note

AMENDMENT TO
LOAN AGREEMENT AND AMENDMENT TO ASSIGNMENT AGREEMENT
(JOE PICKETT DOWNTOWN DEVELOPMENT AGREEMENT)

This **AMENDMENT TO LOAN AGREEMENT AND AMENDMENT TO ASSIGNMENT AGREEMENT (JOE PICKETT DOWNTOWN DEVELOPMENT AGREEMENT)** ("Amendment to Loan Agreement") is entered into as of ____________________ (the "Effective Date") by and between (i) the **SUCCESSOR AGENCY TO THE COALINGA REDEVELOPMENT AGENCY** (the "Successor Agency"), a California public agency, and (ii) **KIT SANG LAAN, USA, INC.**, a California corporation, **JOSEPH LOONG-SANG CHEUNG**, an individual, and **BETTY YIM-PING CHEUNG**, an individual (collectively, the "Assignee" or "Assignees").

RECITALS

A. The former Coalinga Redevelopment Agency ("Redevelopment Agency") and the Assignees, together with Anchor Associates, Joe Pickett, Jr., and Jack K. Wise (collectively, "Pickett") entered into an "Agreement for the Assignment of Joe Pickett Downtown Development Agreement 1989," recorded July 14, 1992, as Document No. 92098126, Official Records of Fresno County (the "Assignment"). Pursuant to the Assignment, Pickett assigned all rights, duties, and obligations under the "Joe Pickett Downtown development Agreement 1989" to the Assignees, and the agency consented to such assignment and agreed to make a loan (the "Loan") in the amount of $309,000.00, all as described in the Assignment. Pursuant to the Assignment, the Assignees executed and delivered to the Redevelopment Agency a promissory note in the total principal amount of $309,000.00 (the "Prior Note"), secured by (i) a deed of trust (Document No. 92095048, Official Records of Fresno County) (the "Redevelopment Agency Trust Deed") on certain real property owned by the Assignees in the City of Coalinga (the "Coalinga Property"), (ii) a first priority deed of trust (recorded July 7, 1992, in Book 920707 of Official Records, Sacramento County, at page 197) (the "Sacramento Trust Deed") on certain real property owned by the Assignees in the City of Sacramento, and (iii) a personal guaranty of the Loan (the "Prior Guarantee") by the individual Assignees. The Coalinga property consists of two parcels, each of which is developed with a building leased to commercial tenants.

B. Pursuant to the Prior Note, (i) the Loan bore interest at the rate of eight percent (8%) per annum and was amortized on a term of twenty-five (25) years, (ii) the Assignees were required to repay the Prior Note in monthly installments of $2,384.91 until the end of the tenth (10th) year of the Loan term, and (iii) at the end of the tenth year (August 1, 2002), all remaining unpaid principal and accrued interest was immediately due and payable in full.

C. Pursuant to the Assignment, the Redevelopment Agency released its interest under the Sacramento Trust Deed by causing a full reconveyance of deed of trust to be recorded in Book 930203 of Official Records, Sacramento County, at page 855. The Loan is no longer secured by the Sacramento Trust Deed.

D. The Redevelopment Agency and the Assignees entered into a "Loan Agreement and Amendment to Assignment Agreement (Joe Pickett Downtown Development Agreement), dated June 20, 2002 (the "Loan Agreement"). Pursuant to the Loan Agreement, the Redevelopment Agency agreed to modify: (i) the principal amount of the Loan to $200,000.00 (the "Modified Loan"), (ii) the interest rate of the Loan to five (5) percent per annum, and (iii) other terms of the Loan, by amending the Assignment and issuing a new secured promissory note dated June 12, 2002 (the "Secured Promissory Note"). Pursuant to the Loan Agreement, the Assignees agreed to execute and deliver the Secured Promissory Note in the new principal amount of $200,000.00, secured by (i) the existing Redevelopment Agency Trust Deed, and (ii) a new personal guarantee of the Modified Loan (the "2002 Guarantee") by the individual Assignees.

E. Pursuant to the Loan Agreement, (i) the Secured Promissory Note cancels the Prior Note, (ii) all references to a loan in the Assignment and the Loan Agreement mean the Modified Loan evidenced by the Secured Promissory Note, and (iii) all references to a promissory note in the Redevelopment Agency Trust Deed, the Assignment, and the Loan Agreement mean the Secured Promissory Note.

F. Pursuant to the Loan Agreement, except as provided in the Loan Agreement, the Assignment remains unchanged and in full force and effect.

G. Pursuant to the Secured Promissory Note, (i) the Modified Loan bears interest at the rate of five percent (5%) per annum and is being amortized on a term of twenty-five (25) years, (ii) the Assignees are required to repay the Secured Promissory Note in monthly installments of $1,169.20 until the end of the twelfth year of the Modified Loan term (July 31, 2014), and (iii) on August 1, 2014, all remaining unpaid principal and accrued interest will be immediately due and payable in full.

H. Pursuant to the 2002 Guarantee, the individual Assignees authorized the Redevelopment Agency, without notice or demand, from time to time to renew, compromise, extend, accelerate, or otherwise change the time for repayment of or the terms of the Modified Loan, or any part thereof, including without limitation an increase or decrease in any applicable rate of interest, contained in the Loan Agreement and Secured Promissory Note.

I. The Redevelopment Agency was dissolved on February 1, 2012, pursuant to Assembly Bill 1x 26 (Blumenfield), Division 24, Parts 1.8 and 1.85 of the California Health & Safety Code ("Dissolution Act"), and the Successor Agency to the former Coalinga Redevelopment Agency ("Successor Agency") is tasked with winding down the affairs of the former Agency.

J. The Assignees have requested, and the Successor Agency is willing, to change the time for repayment and the interest rate of the Modified Loan.

K. Therefore, the Successor Agency and the Assignees agree as follows:

AGREEMENT

1. The Recitals above are true and correct and are adopted herein as if set forth in full herein.

2. The Loan Agreement is amended to provide that the loan: (i) shall bear interest at a rate of ____________ percent (x%) per annum commencing August 1, 2014, and (ii) shall be paid in monthly installments within twenty-five (25) years commencing August 1, 2002.

3. The Assignees shall amend the Secured Promissory Note to include the changed time for repayment and the changed interest rate of the Modified Loan contained in this Amendment to Loan Agreement.

4. All references to a loan in the Assignment, the Loan Agreement, the 2002 Guarantee, and the Redevelopment Agency Trust Deed shall mean the Modified Loan evidenced by the Secured Promissory Note including this Amendment to Loan Agreement.

5. All references to a promissory note in the Assignment, the Loan Agreement, the 2002 Guarantee, and the Redevelopment Agency Trust Deed shall mean the Secured Promissory Note including this Amendment.

6. Except as expressly provided in this Amendment to Loan Agreement, the Loan Agreement remains unchanged and in full force and effect.

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Each party represents that it has executed and entered into this Agreement as of the Effective Date.

SUCCESSOR AGENCY TO THE COALINGA REDEVELOPMENT AGENCY	KIT SANG LAAN, USA, INC., A California Corporation
By: ___________________________	By: ___________________________
ATTEST:	Title: _________________________
By: ___________________________ Secretary/Clerk	By: ___________________________
	Title: _________________________

____
JOSEPH LOONG-SANG CHEUNG

____
BETTY YIM-PING CHEUNG

AMENDMENT TO
SECURED PROMISSORY NOTE

This **AMENDMENT TO SECURED PROMISSORY NOTE** (“Amendment’) is made as of ________________ (the “Effective Date”) by **KIT SANG LAAN, USA, INC.** (the “Maker”), a California corporation.

RECITALS

A. The Coalinga Redevelopment Agency (the “Agency”), a California public agency, and the Assignees, together with other parties, entered into an “Agreement for the Assignment of Joe Pickett Downtown Development Agreement 1989,” recorded July 14, 1992, as Document No. 92098126, Official Records of Fresno County (the “Assignment”).

B. The Maker executed and delivered a “Secured Promissory Note” (the “Secured Promissory Note”), dated June 12, 2002, in connection with a “Loan Agreement and Amendment to Assignment Agreement (Joe Pickett Downtown Development Agreement)” (the “Loan Agreement”), dated June 20, 2002, by and between (i) the Agency, and (ii) Kit Sang Laan, USA, Inc. (the “Maker”), a California corporation, Joseph Loong-Sang Cheung, an individual, and Betty Yim-Ping Cheung, an individual (collectively, the “Assignees” or “Assignee”), whereby the Agency made a loan to the Assignees in the amount of $200,000.00 (the “Modified Loan”).

C. Pursuant to the Loan Agreement, (i) the Modified Loan bears interest at the rate of five percent (5%) per annum and is being amortized on a term of twenty-five (25) years, (ii) the Assignees are required to repay the Modified Loan in monthly installments within twelve (12) years, and (iii) the Modified Loan is secured by (a) a deed of trust (Document No. 92095048, Official Records of Fresno County) (the “Agency Trust Deed”) on certain real property owned by the Assignees in the City of Coalinga (the “Coalinga Property”), and (b) a personal guarantee (the “2002 Guarantee”) by the individual Assignees, dated June 12, 2002. The Coalinga Property consists of two parcels, each of which is developed with a building leased to commercial tenants.

D. Pursuant to the Loan Agreement, the Assignees executed and delivered to the Agency the Secured Promissory Note, whereby the Assignees agreed to repay to the Agency the Modified Loan in the amount of $200,000.00.

E. The Agency was dissolved on February 1, 2012, pursuant to Assembly Bill 1x 26 (Blumenfield), Division 24, Parts 1.8 and 1.85 of the California Health & Safety Code (“Dissolution Act”), and the Successor Agency to the former Coalinga Redevelopment Agency (“Successor Agency”) is tasked with winding down the affairs of the former Agency.

F. The Successor Agency and the Assignees entered into an “Amendment to Loan Agreement and Amendment to Assignment Agreement (Joe Picket Downtown

Development Agreement)" (the "Amendment to Loan Agreement"), dated _________, 2014, whereby the Agency and the Assignees agreed to change the time for repayment and interest rate of the Modified Loan.

G. Pursuant to the Amendment to Loan Agreement, the Modified Loan: (i) shall bear interest at a rate of _______________ percent (__%) per annum commencing August 1, 2014, and (ii) shall be paid in monthly installments within twenty-five (25) years commencing August 1, 2002.

H. Pursuant to the Amendment to Loan Agreement, the Assignees agreed to amend the Secured Promissory Note to include the changed time for repayment and the changed interest rate of the Modified Loan contained in the Amendment to Loan Agreement.

I. Therefore, the Maker makes the following amendments to the Secured Promissory Note:

AMENDMENTS

1. The recitals above are true and correct and are incorporated herein as if set forth in full herein.

2. The Secured Promissory Note is amended to provide that: (1) the loan shall bear interest at a rate of _______________ percent (x%) per annum commencing August 1, 2014, (ii) the principal and interest under the Secured Promissory Note shall be paid in successive monthly payments of _________________ ($x) until the end of the twenty-fifth (25th) year (July 31, 2027), and (iii) on August 1, 2027, all remaining unpaid principal and accrued interest shall be immediately due and payable in full.

3. All references to a loan in the Assignment, the Loan Agreement, the 2002 Guarantee, and the Agency Trust Deed shall mean the Modified Loan evidenced by the Secured Promissory Note including this Amendment.

4. All references to a promissory note in the Assignment, the Loan Agreement, the 2002 Guarantee, and the Agency Trust Deed shall mean the Secured Promissory Note including this Amendment.

5. Except as expressly provided in the Amendment, the Secured Promissory Note remains unchanged and in full force and effect.

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Each party represents that it has executed and made this Amendment as of the Effective Date.

	The "Maker"
SUCCESSOR AGENCY TO THE COALINGA REDEVELOPMENT AGENCY	KIT SANG LAAN, USA, INC., A California Corporation
By: ___________________________	By: ___________________________
ATTEST:	Title: __________________________
By: ___________________________ Secretary/Clerk	By: ___________________________
	Title: __________________________

STAFF REPORT - CITY COUNCIL/SUCCESSOR AGENCY/PUBLIC FINANCE AUTHORITY

Subject:	Council Consideration of the Warthan Place Apartments Pool Construction
Meeting Date:	August 7, 2014
From:	Rene A. Ramirez, City Manager
Prepared by:	Sean Brewer, Assistant Community Development Director

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I. RECOMMENDATION:

Staff is seeking Council direction in regards to issuing a swimming pool permit for the pre-approved Warthan Place Apartments 81 unit multi-family project.

II. BACKGROUND:

The Warthan Place Apartments project is an 81 unit multi-family workforce housing project approved by the City in 2008. When the City partnered with the developer by providing RDA bond assistance it was discussed that the swimming pool would be constructed in the first phase. Building plans for the first phase have been submitted and are currently under review and building permits are expected to be pulled in early 2015 which includes the construction of a new swimming pool which will be for the residents of the complex.

III. DISCUSSION:

Staff is bringing this issue to the Council due to the current moratorium on the issuance of permits for the construction of new swimming pools based on the current drought conditions. Staff has discussed this issue with the developer and they have confirmed that if the the Council chooses to enforce the moratorium for this development it would not in fact jeopardize their tax credits and they would then install a playground in the place of the swimming pool and then construct the swimming pool in phase 2. Attached are pictures, provided by the developer, of playgrounds they have constructed in their other communities. It is undetermined at this time as to when Phase 2 will get underway as it is contingent on the developer acquiring additional tax credits.

Staff is seeking direction from the Council to either enforce the new pool construction moratorium or permit the construction of the new pool.

IV. ALTERNATIVES:

- Do not permit the construction of the new pool for the Warthan Place Apartments Phase 1 (this will result in a new playground to be installed)
- Provide the project with an exemption and allow for the construction of the new pool.
- Remove the moratorium on all pool permits to allow for the construction of the new pool and all others in the City.

V. FISCAL IMPACT:

None determined at this time.

ATTACHMENTS:

	File Name	Description
	Playground_Examples.pdf	Playground Examples

STAFF REPORT - CITY COUNCIL/SUCCESSOR AGENCY/PUBLIC FINANCE AUTHORITY

Subject:	Consideration of the City Council to Designate Tri-City Engineering as City Engineer and Direct the City Manager to Enter into a New Professional Services Agreement
Meeting Date:	August 7, 2014
From:	Rene A. Ramirez, City Manager
Prepared by:	Sean Brewer, Assistant Community Development Director

I. RECOMMENDATION:

Direct staff to re-enter into a professional services agreement with Tri-City Engineering to become the City Engineer.

II. BACKGROUND:

Tri-City Engineering has been working with the City of Coalinga for over 15 years as the City Engineer and has maintained an exceptional professional relationship with staff, the community and City Councils. They provide a tremendous amount of institutional knowledge and are extremely proficient in municipal engineering services which is extremely important for a small community with little support staff.

In January 2012, Rene A. Ramirez was hired by the City Council to become the City's newest City Manager. Rene's previous employer was Tri-City Engineering, the City Engineer at the time, where his uncle Oscar Ramirez served as the principal/owner of the company which created a perceived, not legal, conflict due to Oscar's financial interest in the Company. Therefore, the Council chose to sever ties with Tri-City as the City Engineer and hire a new firm, Quad Knopf, to take over as City Engineer. Tri-City was retained to finish out projects they currently had under approved task orders.

If the Council chooses to designate Tri-City Engineering as the City Engineer and enter into a new contract, staff would then execute the termination clause on the existing agreement with Quad Knopf as the City Engineer and retain their services back to an on-call basis as they once were since they have a few on-going projects they are working on.

III. DISCUSSION:

On July 24, 2014 staff received an letter from Tri-City advising staff and the Council that as of September 1, 2014 Oscar Ramirez will be selling his financial interest in the company to Dan Jauregui and Marilu Salinas and Oscar will remain an employee to assist with their City Engineering contract they currently have with the City of Huron.

Staff forwarded this advisement to the City Attorney to review and provide legal insight to the Council possibly approving a new contract with Dan Jauregui as President of Tri-City effective September 1, 2014.

Staff is making the recommendation that the City Council authorize the City Manager or his designee to enter into a new professional services agreement with Tri-City Engineering designating them as the City Engineer. Keep in mind all construction management will go through the City's on-call list of consultants. Tri-City will provide a tremendous amount of relief to the day-to-day functions of the City and provide support to staff on an as-needed basis.

Staff has provided a copy of the letter dated July 25th as well as an updated statement of qualifications from Tri-City. Also, included is a memo from the City Attorney dated July 28, 2014 advising Staff and the Council that this action does not pose a legal conflict of interest and is perfectly acceptable to take action on renewing this contract for services.

IV. ALTERNATIVES:

- Do not authorize the City Manager to enter into a professional services agreement wit Tri-City Engineering and continue our service contract with Quad Knopf.

V. FISCAL IMPACT:

The hourly rates for Tr-City are approximately 38% lower than our current contract with Quad Knopf and are expected to save the City on project costs. Within the Statement of Qualifications there is a copy of TCE's schedule of fees.

ATTACHMENTS:

File Name	Description
Letter_Dated_July_25__2014___SOQ.pdf	TCE Letter Dated 7-25-2014
Memo_to_Council_re_Tri-City_Engineering_(00333381).DOC	Memo to Council from the City Attorney Dated 7-28-2014

TRI CITY engineering

4630 West Jennifer Avenue, Suite 101
Fresno, California 93722-6415
Tel: (559) 447-9075
Fax: (559) 447-9074
Email: Info@TriCityEngineering.com
www.TriCityEngineering.com

July 25, 2014

Rene Ramirez, City Manager
City of Coalinga
155 W. Durian Ave
Coalinga, CA 93210

Dear Rene,

We wanted to apprise you of changes in ownership at Tri City Engineering, Inc. (TCE). Oscar M. Ramirez, founder and principal at TCE, is in the process of selling his interest in the corporation to Dan Jauregui and Marilu Salinas. Oscar will remain an employee of the company however Dan will assume the position of President effective August 1, 2014. Marilu will serve as Secretary/Treasurer at TCE effective August 1, 2014, until further notice.

We expect the stock transaction and ownership changes to be completed no later than September 1, 2014. With these changes we will continue providing our clients with the level of service they deserve. Please call us if you have any questions regarding this notification.

Oscar M. Ramirez, PE

Daniel E. Jauregui

Cc: Sean Brewer, Assistant Community Development Director

Statement of Qualifications

July 25, 2014

Prepared By:

Tri City Engineering, Inc.

4630 W. Jennifer Avenue, Suite 101
Fresno, CA 93722
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E-Mail: info@tricityengineering.com
www.tricityengineering.com

TRI CITY
engineers - surveyors

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BACKGROUND

Since our doors first opened in 1984, Tri City Engineering's guiding principals have been based on 3 R's: Reputation, Relationships and Results. Our goal has been to take our client's needs and objectives, combine them with our principals, and produce engineering solutions using common sense honed from many years of experience gained in the private and public sectors.

While our office is located in Fresno, California, TCE's diverse clientele includes municipalities, special districts, and private sector firms in the Central Valley and beyond – building relationships that last. Our wide range of clientele has allowed TCE to work on projects of various sizes and develop a diverse background in multiple aspects of Civil Engineering.

Professionals deliver cost efficient results.

For local government, where you provide many of life's essential services, we have the capability and experience to provide solutions for public works projects requiring full-spectrum professional engineering from start to finish. TCE has nurtured our guiding principles into strong relationships with regulatory agencies funding or providing oversight to local government projects with positive outcomes - so you can be successful. We know municipal infrastructure; we know the public process; and we understand the need of the communities we serve.

Engineering Our Quality of Life

Civil Engineering

Since the company's inception, the civil engineering department has been an integral part of its growth. The goal has always been to prepare cost effective designs while meeting clients site plan standards and municipality guidelines. Our value engineering techniques begins with a thorough understanding of the client's needs, consideration of economic and market conditions and an in-depth analysis of the environmental constraints and opportunities affecting design. This information provides the basis for developing project plans, beginning first with preliminary conceptual studies and ending with a comprehensive engineered design package.

With our strong experience in Civil Engineering, we propose to provide the following services:

Design, Plans and Specifications

- Streets
  - Widening
  - Reconstruction
  - Alignment
- Water Utilities
  - Water Distribution Facilities
  - Water Wells
  - Water Treatment
  - Storage Facilities
- Storm Water Utilities
  - Drainage Channels
  - Drainage Facilities
  - Underground Collection
  - Basin Studies
- Sewer Utilities
  - Collection Systems
  - Reclaimed Water Systems
  - Storage Facilities
  - Lift Stations

Local Assistance Compliance

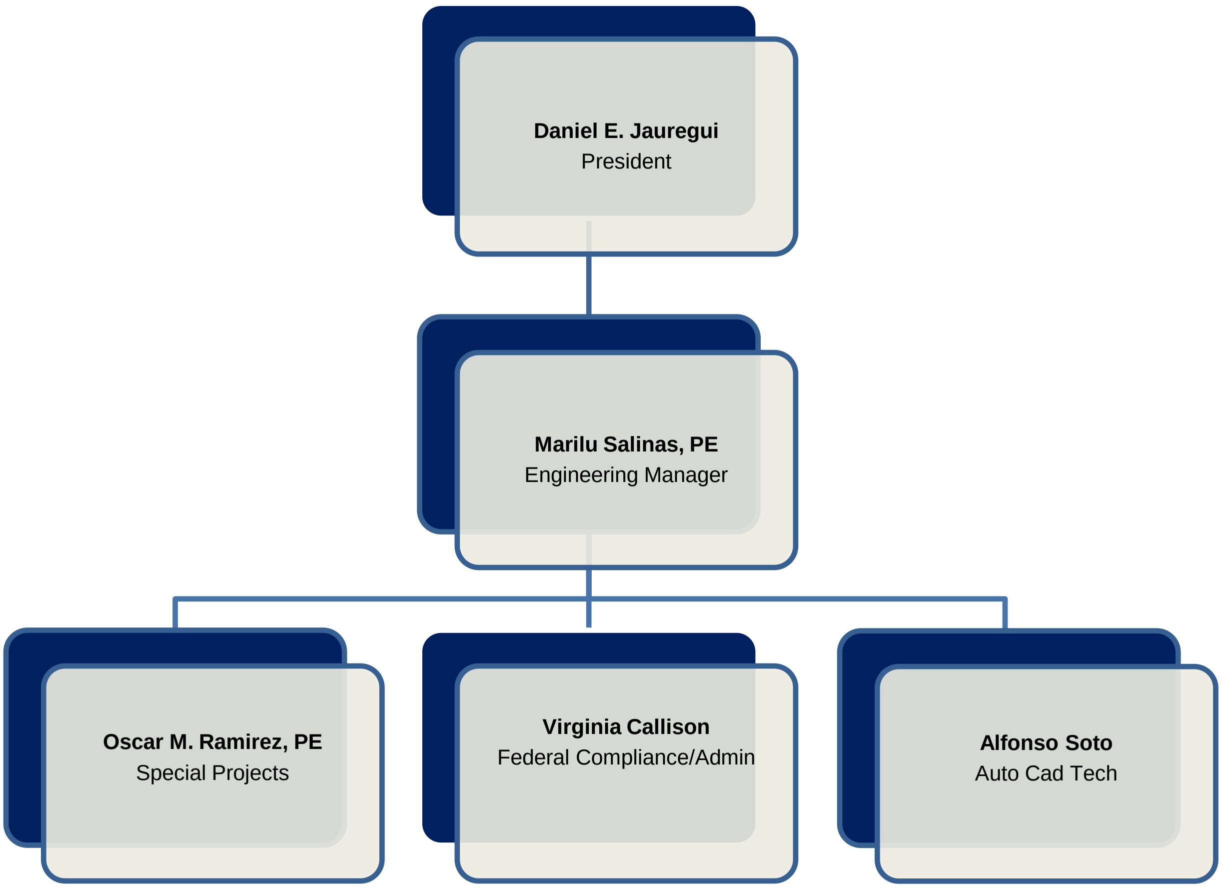
TCE is prepared to help organize, design, and manage construction of public transportation facilities to be funded by the Federal Highway Administration (FHWA) or by the State of California. TCE can assist with the implementation of processes, procedure, documents, authorizations, approvals and certifications which are required to receive Federal-Aid and/or State funds for many types of local transportation projects.

Tri City Engineering is able to assist the City to prepare for audit reviews, compliance with the American Disabilities Act (ADA) and Disadvantage Business Enterprise (DBE) goals.

Tri City Engineering stays current with ever changing Federal/State Requirements for obtaining financial assistance:

- Preparation of Call for Projects Packages
    - Fresno Council of Governments
    - California Department of Public Health
    - United States Rural Development Agency
- Federal Authorizations
    - Design Authorization
    - Right of Way Authorization
    - Environmental Assessments
    - Construction Authorization
- Federal/State Reimbursements
    - Department of Transportation
    - California Department of Public Health
    - United States Rural Development Agency
    - State of California Parks and Recreation
    - Measure C
    - Proposition 1B
- ADA Compliance
- DBE Compliance
- Federal/State Audit Preparation and Participation

ORGANIZATIONAL CHART - 2014



KEY PERSONNEL

Daniel Jauregui
President

General Experience:

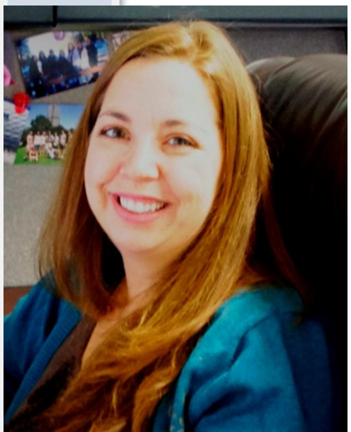
With more than 30 years of experience, Mr. Jauregui has an extensive background in civil engineering and land surveying, having completed numerous residential and community assignments for both local government and private sector. His professional experience has been here in the Central Valley.

Mr. Jauregui's local government practice extends into the development of improvement plans and specifications for water distribution and sewer collection systems, dry utility coordination, planning and design, grading and drainage system design, storm water storage design, NPDES applications, SWPPP preparation and coordination, and erosion control plans. He also has extensive work experience with construction surveying, land surveying and mapping.

His proficiency in AutoCAD, Civil 3D, Autodesk Land Development, Archon Engineering Drainage among other technical software applications provide him with the knowledge and skill set to oversee TCE's daily CAD and surveying operations. He lends his considerable experience and aptitude while assisting TCE engineers and surveyors in competent analysis during improvement plan reviews, mapping reviews and land entitlement application reviews.

Areas of Expertise:

- Residential and Commercial Development Entitlements
    - Compatibility with General Plan
    - Development of Conditions of Approval
    - Plan Check of Public Facilities
    - Oversight and compliance with City Regulations
- Master Planning
- Concept Development



Marilu Salinas, PE
Secretary/Treasurer

General Experience:

With more than 9 years of experience, Ms. Salinas has a wide background covering various aspects of civil engineering design, construction management, and construction inspection.

Ms. Salinas is proficient in civil engineering and has excellent management and people skills. She understands that designing and managing the necessary phases of each project is crucial for success. Through her technical experience she designs cost effective solutions for roadways, grading and drainage systems, storm water storage, and sewer and water systems.

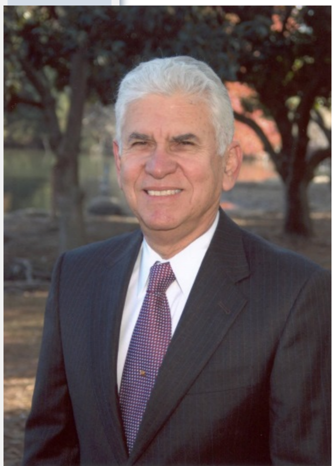
Marilu graduated from Cal Poly with a Bachelor of Science degree in Civil Engineering and is a California State Licensed Professional Engineer. She is also certified as a QSD/QSP and completed Caltrans Resident Engineers Academy.

Project Experience Highlights:

Forest Avenue Street Reconstruction – Coalinga California
Designed street improvements, electrical improvements, ADA improvements, and storm drain improvements. Project Manager which included PG&E coordination, Caltrans permitting, and Support for Construction Manager.

El Rancho Boulevard Left Turn Pocket – Coalinga California
Designed roadway widening to allow for a left turn pocket and designed electrical system to install safety lighting. Project Manager which included Construction Management, PG&E coordination, Caltrans coordination, Caltrans permitting, and Inspecting.

Van Ness Storm Drain – Coalinga California
Designed major storm drain trunk line for the City Master Plan including street improvements. Project Manager which included Construction Management, contractor coordination, Caltrans coordination, Caltrans permitting, State Mining and Tunneling permitting, and Inspecting.



Oscar M. Ramirez, P.E.
Project Inspector

With more than 35 years of experience, Mr. Ramirez has had a highly diversified career in civil engineering. Before starting Tri City Engineering Inc. (TCE) in 1984, Mr. Ramirez was employed for 12 years with Bechtel Power Corporation where he worked in construction and inspection of nuclear power plants and other heavy industrial projects.

Since 1984 as President of TCE, he has specialized in public works projects throughout the San Joaquin Valley. From 2000 to 2010, Mr. Ramirez served as City Engineer for the City of Coalinga. He is the current City Engineer for the City of Huron. He is well versed on matters and issues in the Central Valley, and is skilled over a wide range of municipal engineering services.

Mr. Ramirez's hard work has led to solid working relationships on behalf of clients with Caltrans, PG&E, and other County, State and Federal agencies. As a productive member of the community, he has volunteered his services following natural disasters. Following the earthquakes in Coalinga (1983) and Loma Prieta (1989), he assisted in the delivery of essential emergency duties as a Disaster Services Worker.

Memberships and Corporate Affiliations:

- National Society of Professional Engineers (NSPE)
- American Council of Engineering Companies (ACEC)
- American Society of Civil Engineers (ASCE)
- California State University Fresno, Civil Engineering Advisory Committee - 2009

Virginia Callison
Federal Compliance Officer/Admin

General Experience:

With more than 20 years of experience, Ms. Callison has extensive knowledge and expertise in construction as well as contract administration.

Ms. Callison leads the contract administration for Federal and State funded projects at TCE. She is responsible for the entire process for projects administered through Caltrans from the initial Call for Projects to the Final Close Out. Ms. Callison also administers projects that are funded through CDPH, CDBG, USDA and other various state agencies. She has completed nearly three dozen projects for the City of Huron and Coalinga

Project Experience Highlights:

Forest Avenue Street Reconstruction – Coalinga California
Contract Administrator for the entire process through Caltrans Local Assistance which includes project authorizations for the Preliminary Design and Construction phases, Caltrans award package, federal reimbursements and contract close-out packages. (Regional Surface Transportation Program)

El Rancho Boulevard Left Turn Pocket – Coalinga California
Contract Administrator for the entire process through Caltrans Local Assistance which included project authorizations for the Preliminary Design and Construction phases, Federal Wage Compliance, Lien Releases, Caltrans award package, reimbursements and contract close-out. (Highway Safety Improvements Program)

Van Ness Storm Drain – Coalinga California
Contract Administrator for Bidding Documents, Contract Award, Federal Wage Compliance, Preliminary Lien Process, Billing Reimbursements, and Project Close-Out. (Community Development Block Grant)

REFERENCES

Forest Ave Street Reconstruction from 3rd to 5th Street
Regional Surface Transportation Funds (Under Construction)
City of Coalinga-Sean Brewer (559)935-1533 ext. 143

TCE designed and prepared plans and specifications for a full street reconstruction on Forest Avenue from 3rd Street to 5th Street. The project included existing pavement and concrete demolition, new concrete curb & gutter, sidewalks, ADA compliant curb ramps, driveway approaches, AC pavement section, street lighting improvements, bid document preparation and bidding assistance through bid award.

2013 Street Improvements – Central Ave, Huron Ave, and Dinero Way Measure "C", (Under Construction)
City of Huron – Jack Castro (559) 935-2241

TCE designed and prepared plans and specifications for a full street reconstruction on Central Avenue, Huron Avenue and Dinero Way. The project included existing pavement and concrete demolition, new curb & gutter, sidewalks, ADA compliant curb ramps, driveway approaches, storm drainage facilities, AC pavement section, bid document preparation, project bidding management and addendum preparation, City Council presentation for Bid Award, and Construction Management through project closeout.

Water Treatment Plant Upgrade Feasibility Study
California Department of Public Health(CDPH) (Completed November 2013)
City of Huron – Jack Castro (559) 935-2241

TCE designed and prepared plans and specifications for a new Water Treatment Plant for the City of Huron; including new water treatment trains, buildings, site utilities, clearwell and process control facilities in accordance with a Proposition 50 funded Planning Feasibility Study developed by our firm with approval by CDPH.

Park and Ride Bus/Transit Stop
Congestion Mitigation and Air Quality (CMAQ) (Completed November 2013)
City of Huron – Jack Castro (559) 935-2241

TCE designed plans and specifications for a new bus shelter and bus turnout to increase pedestrian safety. The project included demolition plans, grading plans, electrical plans, ADA compliant curb ramps, sidewalks, driveway approaches, ornamental lighting, bus shelter furniture, construction management, construction coordination and CMAQ funding administration through project close-out.

Safety Project Left Turn Pocket El Rancho Blvd
Highway Safety Improvement Program (HSIP)(Completed August 2013)
City of Coalinga – Sean Brewer (559) 935-1533 ext. 143

TCE designed and prepared plans and specifications for a new left-turn pocket, safety lighting and striping for a Highway Safety Improvement Project on Elm Avenue (SR33/198) at El Rancho Blvd. The project included left-turn pocket improvement plans, safety lighting plans, striping plans, bidding documents, construction management, contractor coordination, Caltrans permitting and inspector coordination, HSIP funding administration through project close-out. TCE also prepared for and participated in an FHWA Audit for this project.

Van Ness Storm Drain Phase II – Elm Ave (SR33/198) to Drainage Swale
Community Development Block Grant (CDBG) (Completed October 2012)
City of Coalinga-Sean Brewer (559)935-1533 ext. 143

TCE designed and prepared plans and specifications for a major storm drain pipeline running along Van Ness Avenue. The project included storm drain pipes, manholes, and inlets, jack and boring of storm drain pipe under State Route 33/198, sewer pipes and manholes, concrete improvements, and improvements to existing drainage swale. TCE also acted as project and construction managers, which included Caltrans coordination, Caltrans permitting, State Mining and Tunneling permitting, inspections, and CDBG funding administration through project closeout.

"O" Street Sewage Lift Station Improvements
Wastewater Enterprise Account (Completed March 2010)
City of Huron – Jack Castro (559) 935-2241

TCE design and prepared plans and specifications for the installation of a prefabricated sewer manhole by Plasti-Fab, Muffin Monster Sewage Grinder, electrical, SDWR sewer pipe, sewer pump station valves and related work. Preparation of bid documents, project bidding, City Council Presentation for Bid Award, Council Report, and Construction Management.



CONSULTANTS

Cranston Land Surveying

Cranston Land Surveying is a Land Survey firm specializing in Land Surveying Services including: Topographic Surveys, Boundary Surveys, Construction Staking, Elevation Certificates, ALTA/ACSM Land Title Surveys, Subdivision Mapping, Lot Line Adjustment

C.H. Robles & Associates Inc.

C.H. Robles & Associates Inc. is a Land Survey firm specializing in Land Surveying Services including: Topographic Surveys, Boundary Surveys, Construction Staking, Elevation Certificates, ALTA/ACSM Land Title Surveys, Subdivision Mapping, Lot Line Adjustment.

FEE SCHEDULE

Effective January 1, 2014 through December 31, 2014
Hourly Rates

PROFESSIONAL AND OFFICE

Principal Engineer (Professional)	$130.00
Associate Engineer	$105.00
Surveyor (Licensed)	$120.00
Surveyor (LSIT)	$85.00
Federal Compliance Officer	$85.00
AutoCAD Draftsperson	$75.00
Administrative Assistant	$65.00

FIELD SURVEY CREW – Construction Surveys 4 hour minimum

One-Person Survey Crew	$100.00
Two-Person Survey Crew	$140.00
One-Person Survey Crew (Prevailing Wage)	$220.00
Tw-Person Survey Crew (Prevailing Wage)	$260.00

- 25% surcharge is applied to hourly rate for overtime to meet Client's schedule or for Saturday work.
- 33% surcharge is applied to hourly rates for Sunday or Holiday schedule.
- Field inspections of job sites require retainer fee of $500.00

EXPENSES

Consultant Charges times 15%	Times 1.15
Fees advanced on behalf of client, times 25%	Times 1.25
Survey Equipment:	

Trimble Robotic Total Station	$55.00
GPS	$100.00

Mileage and Transportation over 25 miles	.55 cents/mile

STAFF:
Daniel E. Jauregui, Associate Engineer
Marilu Salinas, Principal Engineer
Oscar Ramirez, Associate Engineer
Virginia Callison, Admin/Federal Compliance
Alfonso Soto, Draftsperson

CERTIFICATIONS

California Unified Certification Program (DBE)

CALIFORNIA UNIFIED CERTIFICATION PROGRAM
DISADVANTAGED BUSINESS ENTERPRISE CERTIFICATE

TRI-CITY ENGINEERING, INC.

4630 W. JENNIFER AVENUE, SUITE 101
FRESNO, CA 93722 6415

Owner: OSCAR M. RAMIREZ
Business Structure: CORPORATION

This certificate acknowledges that said firm is approved by the California Unified Certification Program (CUCP) as a Disadvantaged Business Enterprise (DBE) as defined by the U.S. Department of Transportation (DOT) CFR 49 Part 26, as may be amended, for the following NAICS codes:

NAICS Code(s) * Indicates primary NAICS code

* 541330 Engineering Services
541490 Other Specialized Design Services
541618 Other Management Consulting Services
541370 Surveying and Mapping (except Geophysical) Services

Work Category Code(s)

C8700	CONSULTANT, NON ENGINEERING	C8705	DESIGN
C8720	CIVIL ENGINEERING	C8760	LAND SURVEYOR

Licenses
EC Civil Engineer

UNIFIED CERTIFICATION PROGRAM

CERTIFYING AGENCY:
CITY OF FRESNO
2101 G STREET, BUILDING A
FRESNO, CA 93706 0000
(559) 621-1182

UCP Firm Number : 1683

Beth Mitchell

CUCP OFFICER

September 5, 2012

Lozano Smith
ATTORNEYS AT LAW

7404 N. Spalding Avenue, Fresno, California 93720-3370
Telephone: (559) 431-5600 Fax: (559) 261-9366

MEMORANDUM

CLIENT/MATTER:
1904-01

DATE: July 28, 2014

TO: Council Members

CC: Rene Ramirez; Sean Brewer

FROM: Laurie Avedisian-Favini

RE: Tri-City Engineering

This memorandum is intended to assist the City Council by providing advice about the ramifications, if any, which may arise from retaining Tri-City Engineering to serve as City Engineer.

BACKGROUND

Tri-City Engineering was first selected as City Engineer in 2000 and worked for the City in that capacity until 2010, at which time they were replaced by Precision Engineering.

Tri-City Engineering is a corporation. The owners are Oscar Ramirez and Dan Juaregui. Tri-City Engineering was reappointed as City Engineers in early 2012.

Rene Ramirez is related to one of the two owners of Tri-City Engineering, Oscar Ramirez. Oscar Ramirez is an uncle to Rene Ramirez. In light of this conflict, the City stopped using Tri-City Engineering as its City Engineer. Oscar Ramirez is in the process of retiring and plans to sell all of his stock in the corporation effective no later than September 1, 2014.

CONFLICT OF INTEREST

The actual conflict of interest resulting from Rene Ramirez's former employment by Tri-City Engineering, expired upon the completion of his first year of employment with the City. Although there is no actual conflict of interest as a result of an uncle/nephew relationship, we previously advised that there may be perceptions of a conflict of interest by the public, because of the family relationship. In light of Oscar Ramirez selling his ownership interest in Tri-City Engineering, the relationship which gave cause for concern no longer exists.

CONCLUSION

Since there is no actual conflict, the City may legally retain Tri-City Engineering as its City Engineer. Council should re-evaluate whether the risk of a "perceived" conflict by the public remains cause for concern in light of the sale of Oscar Ramirez's ownership interest in Tri-City Engineering.

Please let us know if there are additional questions about these or any other conflicts of interest considerations.

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