

**Minutes**  
**AMENDED SPECIAL**  
**CITY COUNCIL/SUCCESSOR**  
**AGENCY/PUBLIC FINANCE AUTHORITY**  
**MEETING AGENDA**  
**June 12, 2014**

**1. CALL TO ORDER**

Mayor Garcia called the Council Meeting of June 12, 2014 to order.

Council Members Present:

Oxborrow, Lander, Ramsey, Garcia

Absent: Keough

Other present:

City Clerk Wanda Earls

City Treasurer Keough (Absent)

City Manager Rene Ramirez, City Attorney Laurie Avedisian-Favini, Police Chief Cal Minor, Fire Chief Steve Henry, Executive Administrative Assistant Shannon Jensen, Finance Director Mari Jimenez, Assistant Community Development Director Sean Brewer, Administrative Analyst Mercedes Garcia, Police Lieutenant Scott Ingram, Police Detective Manny Boles, Police Officer Manuel Flores, Reserve Police Officer Bradley Clark, Police Officer Rebecca Milligan and other police officer employees.

1. Pledge of Allegiance

Mayor Garcia lead the Council and Audience in the Pledge of Allegiance.

2. Changes to the Agenda

None

**2. AWARDS, PRESENTATIONS, APPOINTMENTS AND PROCLAMATIONS**

1. Swearing In of Police Officer Manuel Flores

Police Chief Cal Minor swore-in Police Officer Manuel Flores. He appreciates the support from the City Council and staff to allow the Department to hire qualified people to assist us in providing the level of service deserving of this community.

Officer Flores introduced his guests: Wife and Daughter

Officer Flores thank the Chief and Council for the opportunity to serve the Department and the community. He received a welcoming handshake from the Council Members and staff.

2. Swearing In of Reserve Police Officer Bradley Clark

Chief Minor said the Department is happy and proud to add Reserve Officer Bradley Clark to its list of reservists. He comes to us from the CHP and had a break in service for a long number of years and decided

to get back into law enforcement. He applied with our department and we are happy because of the maturity and experience he brings to us. We are expecting a long tenure here in Coalinga.

Police Chief Cal Minor swore in Reserve Police Officer Bradley Clark.

Officer Clark introduce his wife Monica, his Mother, his Son, his Sister and Brother-in-law. Many good friends were present. He is looking forward to working and serving this very wonderful community.

Officer Clark received congratulatory handshakes from Council Members and staff.

### 3. Proclamation - Michael Lynch Day

Mayor Garcia read Proclamation declaring Michael Lynch Day as May 23, 2014. WHCC will conduct annual commencement ceremonies in Coalinga, California and will honor distinguished alumni Michael Lynch. He was born in California, attended elementary school, high school and college in our City. He received an undergraduate degree in drama from Fresno State and his graduate degree in playwright from Northwestern University. Michael Lynch has distinguished himself as a Professor of Performing Arts at WHCC and Modesto College and Michael Lynch is a nationally recognized awarding winning playwright of 39 plays including nine set in his hometown of Coalinga, California. The City of Coalinga joins WHCC in honoring Michael Lynch as a West Hills College Alumni and May 23, 2014 as Michael Lynch Day.

Mr. Lynch is not available to accept the Proclamation. Mark Gritten accepted the Proclamation honoring Mr. Lynch.

City Manager Ramirez said he attended the ceremony prior to the Commencement Ceremony on behalf of Mayor and Council and read that Proclamation to Mr. Leach. They had about 40-50 people in attendance. It appeared some of them had gone to school with Mr. Leach and it was like a reunion. They were there to acknowledge Mr. Leach and it was very nicely done.

### 4. Valley Fever In Coalinga, Jared Rutledge, PhD

David F. Luchini P.H.N, Assistant Director Fresno County Department of Public Health  
Joe Prado, Division Manager, Department of Public Health Community Health Division  
1221 Fulton Mall, Fresno, California 93721  
559 600-3200/559 600 3007

Mr. Luchini indicated they are at this evening's Council Meeting to make the community more aware of Valley Fever especially in West Fresno County.

Mr. Prado made a PowerPoint Presentation summarizing the following:

#### Valley Fever: The Basics

Valley Fever is a soil fungus  
Presences in higher concentrations in West Fresno County  
Dust exposure and occupations that disturb the soil are most at risk

#### Preventative Actions:

Pavement, shrubbery, watering down of soil prior to working in, wearing a mask and staying inside when it is dusty outside.

#### The Symptoms:

Fever, Cough, Headache, Rash, Muscle Aches, Joint Pain, Severe Cases of Chronic

Pneumonia, Meningitis, Bone and Joint Infections.

Catching the illness early is essential

May resemble Active Tuberculosis Infection

Symptoms may appear up to 30 days after the dust or dirt exposure

Severe Disease (Dissemination) occurs among: African Americans, Asians, women in their 3rd Trimester of Pregnancy, people with weakened immune systems for example: those with organ transplants or HIV/AIDs.

Valley Fever: a Focus on Children:

Cases of Valley Fever among children have been almost exclusively in the western portion of Fresno County. Emphasizes the need to involve local schools in any and all prevention activities.

A chart was viewed depicting Valley Fever in Fresno County 2007-2013:

There has been a steady decrease in cases since 2011. Potential impact of drought conditions on cases and continued surveillance will be conducted to evaluate the impact of the drought.

Educational Information for Children & Parents:

Educational Pamphlets available:

English & Spanish will be provided to schools in Valley Fever high risk regions. You may visit our website to learn more: [www.fcdph.org/valleyfever](http://www.fcdph.org/valleyfever)

There was further discussion in reference to Valley Fever and what it means to Coalinga and Huron. Who gets it; students 22%, landscapers, etc., 18%, farming 12%.

Council Member Lander suggested contacting WHCC.

Council Member Oxborrow asked about the Sacramento Health Department and the need for water storage.

City Manager Ramirez said Valley Fever is native to the Valley. PVSP moved those more susceptible out of the prison.

They are leaving 3500 Valley Fever pamphlets in English and Spanish for distribution as the City sees fit. Additional pamphlets are available upon request.

They took a call from the Lung Association and they would like to work with proper authorities on a model here in Coalinga with Valley Fever to be one of the health topics to be discussed. They are really excited about that. They do not have a Valley Fever team but they can bring materials and resources to you and let it be a more sustainable health education to where we don't have to physically have to be in your community but that your community knows about Valley Fever and the preventative actions. It is a constant reinforcement to them on what to do on dusty days or when there is construction or work outdoors.

Council Member Lander said the way to communicate with us is with the local newspaper. You can give the data you gave to us to the local newspaper seated at the back table. The pamphlets are great; he would like to have more than two to hand out to his clients. He would like to have some. You can disburse them at the Chamber of Commerce, hospital, doctor offices, library, etc.

Mr. Prado said they did bring 3500 pamphlets and he will leave them with the City office. You can put them in utility bills, etc. You are one of the hot spots in Fresno County for Valley Fever.

Council Member Oxborrow asked if there is any action from Health Department in Sacramento discussing Valley Fever and the public health issue, etc. Construction sites can't get the water to control dust, etc.

We need to ask the public to call up there and ask for water storage.

Council Member Lander said there are two places he neglected to mention; WHCC because they bring Asian students into the community, etc.

City Manager Ramirez said he heard years ago that if you are native to the Valley, you were less susceptible to Valley Fever.

Mr. Prado said you have a 40% chance of contracting the disease; 60% will not develop any type of systems. You do see the natives here building immunity to the infection.

City Manager Ramirez indicated he believes that PVSP moved out those inmates whose race would have a greater susceptibility factor. That could be why their totals have fallen.

#### 5. Mid Valley Disposal - 1st Quarter Report, Shaun Kalpakoff

Mr. Shaun Kalpakoff presented the quarterly Mid Valley Disposal 1st Quarter Report: Mandatory Commercial Recycling

Mid Valley Disposal's Outreach Specialist works hard each year to make sure each business is in compliance of AB341 Mandatory Commercial Recycling law. To remind businesses each year of Recycling Law AB341, we provided a FAQ guide to each business and multi-family complex.

During the first quarter over 54 commercial businesses and 12 Multi-family complexes received a visit from our staff to check in and remind employees of recycling guidelines. Results of the 1st quarter recycling assessments show that businesses have been doing an exceptional job with their diversion. Businesses that were doing exceptionally well included: Me N Ed's Pizza, Cambridge Inn Motel, Subway, Radioshack, & Nail World. All of these businesses are doing a great job diverting their recyclables and trash. Of the multi-family complexes that were visited, all seemed to have made vast improvements in their diversion and only minor contamination was noticed in a couple.

#### **RESIDENTIAL WASTE ASSESSMENTS**

Mid Valley Disposal performed the first residential assessment for 2014 during the month of March. A total of 375 contamination tags were placed on green waste and recycling carts for placement of unacceptable materials. The goal of this program is to bring awareness to the residents and make changes to our education materials according to the results from the assessment. Compared to previous year results the contamination levels for recycling and green waste have decreased significantly by 40%. Please see below the detailed information regarding the current year's assessment results.

# of Tagged carts: RC- 180 - GW-195  
98 tags for trash containers

28 tags for cardboard in green waste

Next quarter he will be going over the Annual Report.

#### **2014 Spring Community Clean-Up**

Disposed 49,580 lbs  
Recycled 65,340 lbs  
Diversion 57%

The Spring Clean-up was discussed.

Mr. George Anderson, Manager commented on how much he enjoyed the Clean-up and he is impressed with the responsiveness of the Coalinga citizens.

Council Member Lander said he was there and the Clean-up was very organized and well staffed.

### **3. CITIZEN COMMENTS**

None

### **4. PUBLIC HEARINGS (NONE)**

### **5. CONSENT CALENDAR**

*Item 14 Pulled by Council Member Oxborrow:*

*It is not that Lozano Smith is not due a proper raise after all these years. It just sets a bad precedent because we have not given raises to any employee group for years. He does not think the timing is right. We don't have a budget in place and the City is under a lot of fiscal constraints. We should not consider this until we have a budget to adopt or until we are fiscally sound and able to do so.*

*Council Member Ramsey said he agrees with Mr. Oxborrow because \$375 to \$550 per meeting is a substantial increase. Right now, we don't have a budget so he thinks we should wait on this item.*

*City Manager Ramirez said the change they are proposing would add approximately \$2,100 annually to our budget.*

*Council Member Oxborrow said we have a police officer group and everybody who would like to get a raise. We are in a deficient spending pattern and have swallowed up all the reserves and the City is in a crisis right now. He does not feel that right now is the proper time for this action.*

*Motion to Postpone This Action (Item 14) Until We Have the Funds to Adequately Give a Raise to Lozano Smith Made by Council Member Oxborrow, Seconded by Council Member Ramsey. Motion **Approved** by a Roll-call (4/0) Vote: Oxborrow, Ramsey, Lander, Garcia (Keough absent).*

*Motion to Adopt Consent Calendar Items, 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12 and 13 Made by Council Member Lander, Seconded by Council Member Oxborrow. Motion **Approved** by a Roll-call (4/0) Vote: Lander, Oxborrow, Ramsey, Garcia (Keough absent)*

*Council Member Ramsey asked for an explanation on Item 13 Consideration of Bid Award for the Forest Street Phase 2 Project.*

*Sean Brewer, Community Development Director Assistant said this is the 2nd phase to Forest Avenue 5th to 3rd Street Project and a continuation to the previous Phase 1 project. This will consist of new curbs, gutters, sidewalks, full reconstruction of the street. Also, some available street lighting. We should be putting together some contracts and be under construction within the next 50-90 days if not sooner. This will be a brand new street.*

*The funding source is Regional Surface Transportation Program (RSTP). These are Federal Funds administered through Fresno COG. There is a competitive side and lifeline dollars. These are lifeline dollars accumulated over quite some time for this particular project. We have about \$881K in lifeline funds dedicated to this project. We will be doing a little storm line work (Billingsley Tire) we have some allocated impact fees from that. We have about \$39K in Measure "C" funds which is local street dollars. Those are*

*the three funding sources for this project. The budget is about \$954K for the project. No General Funds are being used. The \$954K includes all the construction management, preliminary engineering and the contract for the physical work.*

*We also have an award for Phase 3 consisting of another two blocks.*

1. Minutes - April 3, 2014
2. Minutes - April 17, 2014 (Special)
3. Minutes - May 1, 2014
4. Check Register: 04/01/2014 - 04/30/2014
5. Monthly Treasurer's Report - April 2014
6. Current Revenue and Expense Reports - All Departments
7. Monthly Water Update
8. Rejection of Claim for Damages Presented by Shawn Benson
9. Rejection of Claim for Damages Presented by Carlos Ramirez
10. Authorization to Remove Boulder from Lot at 5th and Elm Avenue
11. Consider Waiving Claremont Facility Use Fee for Filming in Support of a Student Project
12. Authorize the Police Department to purchase 20 New Tasers
13. Consideration of Bid Award for the Forest Street Phase 2 Project
14. Approve Change in Rates for City Attorney

*Motion to Postpone This Action Until We Have the Funds to Adequately Give a Raise to Lozano Smith Made by Council Member Oxborrow, Seconded by Council Member Ramsey. Motion Approved by a Roll-call (4/0) Vote. Oxborrow, Ramsey, Lander, Garcia (Keough absent).*

## **6. ORDINANCE PRESENTATION, DISCUSSION AND POTENTIAL ACTION ITEMS**

1. Future Agenda Item - Discussion of Council Policy to Rotate the Positions of Mayor and Mayor Pro-Tem Each Year (Resolution No. 3479)

**Rene A. Ramirez, City Manager**

City Manager Ramirez:

This item was brought forward by Mayor Garcia because he wanted to discuss it. The Future Agenda process allows the Council to bring up a particular subject and talk about it and provide direction to the City Manager.

In this case you are talking about Resolution that describes the process or how the Council selects the mayor and mayor pro-tem on an annual basis. This is your opportunity to discuss it and decide if you want to change the policy.

Mayor Garcia said in 2011 we tried (on a pilot program) to change the method used to determine the mayor and mayor pro-tem positions. In going through the process, he does not believe this is the best way for a

Council to select a Mayor. Every two years the profile of the Council can change and he thinks it best that the Council decides who will be the mayor not a rotation. His fear is you could get someone in this position that may not be the best person for mayor.

It was a trial and the system was never broken. He suggests to go back to the way the mayor and mayor pro-tem were previously determined.

Council Member Lander said the Council of Governments had spoken to people at Firebaugh; they had the same pilot program that we are doing and they are having a lot of difficulty with the same issues. It is not working for that City either.

A lot of the mayors were a bit surprised that we did that. He told them we were open for trying anything. He personally said he has looked at the idea of going back to the previous procedure and that has worked for about 100 years. This trial has worked to a degree. Would it be more effective the other way, he agrees it would.

Mayor Ramsey indicated in a year, you are just getting your feet wet as mayor. He thinks we should return to the old way, too.

City Attorney Avedisian-Favini suggested that the Council rescind the Resolution 3479 and return to the prior method of electing a Mayor at the first meeting on January after an election.

Motion to rescind Resolution No. 3470 and return to the prior method of electing a mayor at the first meeting in January following an Election Made by Council Member Lander, Seconded by Council Member Ramsey. Motion Approved by a Roll-call (4/0) Vote: Lander, Ramsey, Oxborrow, Garcia (Keough absent).

## 2. Future Agenda Item - Public Safety Coverage during Derby Day Events

### **Rene A. Ramirez, City Manager**

City Manager Ramirez said this issue came forth as a Future Agenda Item by Council Member Ramsey prior to Derby Days over the Memorial Weekend. The Council discussed the level of service to provide by the City of Coalinga regarding to Derby events. They felt, at some point in time, we should have a conversation with the Coalinga Chamber of Commerce who are the sponsors of the Derby. A conversation needs to be had as to how the City can partner with the Derby in sharing of costs.

At that time, the Council selected a sub-committee to sit down and meet with the Chamber of Commerce; Council Member Ramsey and Mayor Pro-tem Keough.

At this point in time, the Council probably wants to talk about and perhaps provide some guidelines/perimeters for the Council Sub-committee to meet in discussions with the Chamber. Would you want the City Manager and/or other staff to attend such as the Police Chief, Finance Director?

Council Member Ramsey said it is not that they are not paying but he feels they should pay their fair share especially considering the fiscal restraints on the City right now. He would like to see the City Manager and the Police Chief added to the Committee.

Council Member Oxborrow expressed his recommendation to have Ms. Mari Jimenez or a representative from Finance on the Committee.

Council Member Ramsey said we can only have two Council Members. We can ask the City Manager to determine a meeting date and time. Are there other things you want to be added?

Council Member Lander said he thinks this is a good idea. This is really productive. The past several years it was too late to discuss anything because of it being a last minute thing. We have a whole year to work

with it. As far as the perimeters go, he thinks we need to have a general discussion as to what the cost has been, manpower, overtime, etc. We need to find out from the Chamber what is really required of them. We only have a general idea of what is required and we need to know specifics.

Mayor Garcia indicated it occurred to him to have a workshop where their board can be present to hear our dilemma. We usually just deal with Katie. We can have an open dialog and discussion.

Ms. Barbara Wiest said the Chamber President Steve Raine was going to be here but could not make it. Katie has something with her sons tonight and could not be here. They agree to meet. They will have board members present..

Council Member Ramsey said the City Manager and Chamber Manager can work out the date for a meeting within sixty days. We might discuss other issues such as expectations, etc.

City Manager Ramirez said staff will work on a workshop with the Chamber. He will communicate with Ms. Delano and set a date for the workshop.

3. Development Impact Fee and Building Permit Analysis (Councilman Oxborrow Future Agenda Item)

**Sean Brewer, Assistant Community Development Director**

Community Development Director Assistant Sean Brewer:

At the last Council meeting Councilman Oxborrow requested information from staff related to the City's impact fees and how they compare to other jurisdictions. Councilman Oxborrow also requested permit data to determine whether City impact fees changes in 2005 effected new construction building permit issuance.

Prior to 2005 the City only charged water and sewer impact fees. As the City saw growth coupled with a continued decline in Federal and State funding for public infrastructure the City adopted six (6) additional impact fee categories to help pay for the construction and expansion of off-site capital improvements due to new growth created by private development. The six new categories were: Police, Fire Streets/Roads, Storm Drainage, Parks and Community Facilities.

In the City of Coalinga a developer is responsible for paying approximately \$25,900 (based on a 2,000 s/f home) in impact fees in order to construct a new home. Approximately \$13,283 is City impact fees and the remaining \$12,617 is collected by the School District, Parks District and Fresno Council of Governments.

The City of Coalinga collects on eight (8) different impact fee categories (listed above) and accounts for 51% of the total fees collected. The remaining 49% collected is comprised of three (3) impact fee categories between the School District, Park's District and COG. Based on the research conducted by staff, the City of Coalinga seems to be very reasonable in terms of impact fees it charges for future development.

Staff ran a report in the City's building permit system to see if there was an impact on building permit issuance for new residential construction permits due to the addition of six (6) new impact fee categories. After carefully reviewing the numbers and understanding the trends of development that occurred in Coalinga, at the time, staff found there was no noticeable decline in the amount of permits issued because the City was charging impact fees. The City of Coalinga Building Department has issued a total of 232 new residential building permits since March 2005, which is the time when the City added the six (6) additional impact fee categories. In 2005, alone, 93 of the 110 permits issued for new residential construction occurred after the impact fees were instituted.

Staff feels that the main cause of continued decreases in building permits issued for new construction was due to the economy and not necessarily based on the City's impact fee structure. The City's impact fees have not been adjusted since 2005 and as you can see from the residential permits issued, which goes back as far

as 2003, there was a steady issuance in number and then a drastic decline in the number of permits issued when the economy began to decline. No new residential construction permits were pulled between the times of July 2009 to September 2013.

Permits issued from March 2005 to April 2011:

Stallion Springs (91)  
Posa Chanet (27)  
The Santa Barbara Collection (24)  
Promotory Point (21)  
Warthan Meadows (57)  
Other (12)

Permits issued from April 2011 to present with impact fees waived during this time:

Santa Barbara Collection Phase 2 - Permits were pulled in September 2013.

In conclusion, there are many factors that can lead to the decline and/or increase in permit issuances. It is staff's belief that fees are something that developers account for in their development plan and understand that it is the cost of doing business in order to reduce the burden of the taxpayer for growth induced impacts from development activities.

This report was provided for informational purposes and staff as provided its professional opinion on the data that has been provided.

4. Adopt Resolution No. 3642 and Further Authorize the City Manager or his Designee to Sign a Memorandum of Understanding (MOU) with the Fresno Council of Governments and Participating Jurisdictions to Participate in Preparation of a Multi-Jurisdictional Fifth-Cycle Housing Element for All Jurisdictions in Fresno County with the Exception of the Cities of Fresno, Firebaugh, and Orange Cove.

**Sean Brewer, Assistant Community Development Director**

Assistant Community Development Director:

He is going to be brief with this one.

We have had several discussions regarding the multi-jurisdictional housing element. At two meetings ago, Council gave authorization for Staff to get involved in this process with all the other cities within Fresno County except for Firebaugh, Orange Cove and the City of Fresno which chose not to be part of the consortium.

COG staff released an RFP to a consulting firm and we had a subcommittee which reviewed all the proposals and chose to go with a Mintier-Harnish who was the second lowest bid. Based on qualifications and the level of understanding of the project scope, the committee chose to approve it and it has since been approved by the subsequent committees at COG.

At this time staff is requesting an adoption of Resolution No. 3642 authorizing the City Manager to sign the MOU, included in your packets, giving a breakdown. Our goal in this whole process is not only to be collaborative with the rest of the neighboring jurisdictions within the County but also to see a cost savings. Based on what we paid last time on the housing element, this is a savings of \$70K. It is significant because this is an important document not just because of the Planning Department but this is a document leading to why we have a \$700K Grant with HOME and we are applying for a \$4.6M Grant, hopefully, to build a senior housing project for 40 seniors within the community.

It is an important document, unfortunately it is one of those documents they hold hostage in order for you to get funding. This cycle with the adoption of SCP75 and AB32 indicates there is a lot more penalties to jurisdictions not adopting these documents. This should be adopted by 2015.

He is willing to answer any questions.

Council Member Lander asked for explanation regarding any State control and would this or would this not have in this situation.

Mr. Brewer said there could be monetary penalties or penalties against our local street dollars because COG handles a lot of the RNHA (Regional Housing Needs Allocation) and now they are linked to RTP (Regional Transportation Plan) with other planning documents. All that money filters through COG now. All of our street dollars are run through COG. There is some talk about our street dollars being at risk, our housing dollars being at risk. Even our land use authority as a City could be risked by the State if we are not pushing these through. This is the only document out of our General Plan that has to be State certified. There is much more fear that the State is putting down on the documents. It is still an important document because it does insure that the City of Coalinga does provide a vast array of housing throughout the community. To be able to provide a zone appropriately with affordability for housing for all demographics is definitely important.

*Motion to Adopt Resolution No. 3642 and Further Authorize the City Manager or his Designee to Sign a Memorandum of Understanding (MOU) with the Fresno Council of Governments and Participating Jurisdictions to Participate in Preparation of a Multi-Jurisdictional Fifth-Cycle Housing Element for All Jurisdictions in Fresno County with the Exception of Cities of Fresno, Firebaugh and Orange Cove Made by Council Member Ramsey, Seconded by Council Member Lander. Motion **Approved** by a Roll-call (4/0) Vote: Ramsey, Lander, Oxborrow, Garcia (Keough Absent)*

Mayor Garcia called a five minutes recess at 8:40 PM.

Mayor Garcia reconvened the meeting at 8:45 PM.

5. Adoption of Resolution No. 3643 Authorizing the Submission of a HOME Application to the State Department of Housing and Community Development and Identifying the 40 Unit Coalinga Senior Apartments Project as the Project Beneficiary if Awarded and Further Authorizing the City Manager to Enter into an Owner Participation Loan Agreement for the Deferral of Impact Fees.

**Sean Brewer, Assistant Community Development Director**

Assistant Community Development Director Sean Brewer:

The Council went through a similar process several years ago with Warthan Apartments when we were State Certified with HCD for our Certified Housing Element. We were eligible for HOME Funds which helps us build affordable housing projects, offer down payment assistance and housing rehab projects. Unfortunately, we were not successful in the last go-around.

On May 14, 2014 the Planning Commission approved and supported the Coalinga Senior Apartments project, a 40-unit affordable housing project to be located along Polk Street at the intersection of 5th Street, that will accommodate housing for income qualified seniors 62 years of age and older. In order for this project to be financially feasible, AMG & Associates (Developer) is requesting the following from the City Council to consider:

Applying for HOME (Home Investments Partnership Program) which provides dollars for housing programs and new construction. We would be looking at a project fund of \$4.6 M through a grant application that will be prepared by the developer at no cost to the City. We might help out with some

minor paperwork and provide some signatures on documents. The developer is encumbered the burden of applying for the grant. The City will be the project applicant and we hope the funding is approved. This is really the biggest caveat in this project to be awarded the HOME funds.

We don't have to worry about the tax credit process because this project is a bond project and not a 9% competitive tax credit project. We have to adopt a Resolution to be included in the Application showing the support from the Council showing this project as the beneficiary of the funds.

The second part of this is the deferral of the Development Impact Fees for \$477,520 which is basically a loan paid back through residual receipts below the market interest rate of below 1-2%.

He has provided some of the details giving us some flexibility in terms to what our parameters are and looking at what we have signed in the past in terms of similar types of agreement and what has been discussed with the Developer. He thinks we are right on the same page as to what the expectations are as to both parties.

The developer has requested an impact fee deferral to be loaned to their partnership with similar terms and condition the City previously approved for the Warthan Place Apartment project consisting of a residual receipts repayment from available cash flow with a term of 55 years, and at below market interest rate of 1-3%. It is secured by a Deed of Trust subordinate to senior regulatory agreements and financing, to be repaid on a residual receipts basis commencing after repayment of deferred development fee from available cash flow 30-50% to repay City Loans. The agreement would ensure repayment of fees beginning no later than year 2016. By approving a deferred impact fee loan agreement, the City would not be responsible for paying back the impact fees as they are expected to be repaid but just deferred for a period of time negotiated. The proposed loan terms have been attached for Council review. Should they refinance the project we get paid back in full.

They are still covenanted for 55 years for maintaining the affordable level.

Staff will be negotiating similar terms for the agreement for the deferred impact fees. The HOME Loan is actually a loan. If the City of Coalinga is awarded the \$4.6M we will enter into a loan agreement with the developer for the \$4.6M which gets paid back. We may see some of housing dollars come in from that \$4.6M. It is not like it is being passed-through; it is actually given to the City and we administer the new construction project. Once complete we have satisfied the agreement and grant; we will have subsequent agreement with the Developer to receive those payments back similar terms as on the residual receipts.

Based on the four Council Members in attendance you are familiar with the program. If you have questions please let him know.

Tonight we are requesting approval of Resolution Number 3643 authorizing the submission of a HOME application in the amount not to exceed \$4.6 Million to the State Department of Housing and Community Development and identifying the 40 Unit Coalinga Senior Apartments project as the project beneficiary if awarded, and further authorizing the City Manager to enter into an Owner Participation Loan Agreement for the Deferral of Impact Fees in the amount of \$477,520.

*Motion to Adopt Resolution Number 3643 Authorizing the Submission of a HOME Application in the Amount not to Exceed \$4.6M to the State Department of Housing and Community Development Identifying the 40-Unit Coalinga Senior Apartment Project as the Project Beneficiary if Awarded, and Further Authorizing the City Manager to Enter into an Owner Participation Loan Agreement for the Deferral of Impact Fees in the Amount of \$477,520 Made by Council Member Lander, Seconded by Council Member Oxborrow. Motion **Approved** by a Roll-call (4/0) Vote. Lander, Oxborrow, Ramsey, Garcia (Keough Absent).*

## 6. Direction Regarding a Voting Delegate and Up to Two Alternates for the Annual Business

Meeting at the League of California Cities 2014 Conference in Los Angeles

**Rene A. Ramirez, City Manager**

City Manager Ramirez said this item should perhaps not even be discussed because it is costly to participate in the business meeting of the League of California Cities. Last year Mayor Lander and he attended the conference in Sacramento. Based on the fiscal concerns and discussions the Council has been having, do you just want to decline attending?

Council Member Oxborrow asked what was accomplished last year. How did the voting go, etc?

Council Member Lander said all items we voted on last year passed. But he would like to say that the last several League of California Cities has had nothing on their agenda that pertains to small cities. Last year a lot of the mayors from the smaller cities were questioning why they attended.

City Manager Ramirez said there were some good discussions like the Affordable Care Act and how it was going to affect cities large and small. They did talk about water and public safety. You do receive invitations to the South San Joaquin Valley Group of the League of California Cities. There are other ways for you to participate.

In reference to the fiscal concerns of the Council it may be best to not attend. The City will receive the information on what is to be voted on, probably by September.

Mayor Garcia said he recommends attending the meetings when Claremont is back up and functioning.

*Consensus of the Council is to not attend the meeting this year.*

7. Council Calendar for FY15

**Rene A. Ramirez, City Manager**

City Manager Ramirez said he wanted to give the Council a calendar so you can see first Thursdays of each month and see if you want to change any dates. When we had the Closed Session the other day, he thought he heard the Council say the meeting on July 3 should be pushed to the 10th.

The Council may adopt the Calendar knowing there may be times a meeting would have to be changed for some reason.

The first meeting in January is on the first. He would suggest you would want to meet on the following week. He suspects that Thursday June 4 is graduation at the high school and should be pushed to a later Thursday. He will take Council's direction on the calendar.

Council Member Oxborrow agreed the July 4 meeting should be moved to any Thursday of the month. December meeting is usually towards the end of the month due to possible changes in Council seats, etc.

City Manager Ramirez suggested the December meeting be moved to the 11th or 18th?

*The Consensus of the Council is to move the December meeting to the 18th and approve the other suggested changes as to the calendar.*

8. Discussion on a Proposed Joint Meeting with the Pleasant Valley Cemetery District in July

**Rene A. Ramirez, City Manager**

Mayor Garcia said he is the one to bring this forward. We have all heard the complaints concerning the Cemetery and the conditions, etc. The Mayor attended the most recent Cemetery District Board meeting and would like the Council to consider holding a joint meeting with the Cemetery Board before a future Council

meeting where the community has a forum to participate in a discussion.

He suggests to assist them, not by giving them water or anything, but ask the community to get involved. They definitely need help on how to go about raising their property taxes. He would like, with Council's approval, to have that meeting and give the City Attorney authorization to prepare a document so they will learn the process on how to move forward to benefit the Cemetery. They have no legal representation and are just left out there to die.

He feels the City needs to assist them as a big brother. Let's have a meeting maybe on July 10th. They are going to bring information what they need to make their facility better like what it is going to take to put a pump out there and/or what it is going to cost to purchase additional City water, etc.

Council Member Oxborrow said he would be in favor of that meeting but for them to bring whatever documentation on their financials including bank balances, etc.

Mayor Garcia said they are willing to meet and he did suggest they needed to bring everything they have pertaining to financials and needed improvements with suggested costs. Can we give them a venue and get it out to the public for community input and participation? He would suggest to meet prior to the regular Council Meeting at 5:30 or 6:00 PM if that is acceptable?

Consensus of the Council is to meet at 5:30 prior to the Council Meeting with their Board in an effort to assist them.

#### 9. Discussion on Construction Water Policy

##### **Rene A. Ramirez, City Manager**

City Manager Ramirez indicated the Council had asked for information regarding the construction water policy. There has been a number of concerns raised regarding the amount of water being used by construction in light of the drought.

Staff prepared a lengthy staff report in order to give you some background in construction water, what it is used for, how it is obtained, how it is charged for, etc. He put into context how the City obtained its water supply and how it is used by oil companies, etc. The bottom line is the water used by construction companies and/or contractors needs addressing. It is up to the Council if you desire to change the City's policy in reference to this subject.

The City does not receive as much water as normal and the Council has the ability to say they can postpone not having water for use outside the City. A few years ago, the City had to reduce water supplies and had to cut off outside water supply to construction companies, etc. He thinks the County was asking for some water to be used on a landfill. They were informed that the Council is going to talk about this and the sense is they may want to alter their request. We are not going to issue approvals to use water outside the City until we get direction from the Council.

It is a source of revenue. In March the Council doubled the price for construction water. It went from a little under \$3.00 per thousand gallons to \$6.00 per thousand gallons. In the record is a chart showing for the last three months how much money was generated in the sale of construction water and what the volume of water was as to acre feet.

One of the questions the Council had asked is why don't we consider making a one-stop location for construction water so we don't have these fire hydrants all over where there is access. Maybe we lose sight of where water is being taken.

We looked at some potential sites that could be used for water stations. We looked at CCF back by the shop; property we own. If the facility should become occupied by inmates they would be working around

back there. Perhaps, we could discuss this with Granite Construction. There is a lot of truck traffic out there and they actually have some water that goes from the City to them. He talked to Mid Valley Disposal on West Elm (the back-lot property where the Spring and Fall Clean Up takes place) that is property we lease to them. He did approach them and they didn't say yes or no to the question. One place not to go is at the corporate yard for Public Works. Heavy water trucks on that street could cause considerable damage.

He thinks the Council should not stop contractors from inside the City from using construction water. We need it. When the contractor is working on the Forest Avenue Project and he is rebuilding that road, he will need water to compact the soil so he has a nice firm base before he puts the asphalt on top of it. Keep in mind that the oil companies use a great deal of water. He thinks it is Chevron that has an elevated 10,000 gallon water tank that they use for dust control probably against Valley Fever, etc. They are taking that water out of a "T" that was built in the pipe some forty years ago. It has a meter on it and that water is being used for construction purposes. That is not addressed in the Policy because that is a metered connection. That is a little in the gray area.

The idea here is to give the Council a holistic approach in looking at how we use construction water, how long we have been using construction water, how we had our water resources made available to us. The Council can make an informed decision on what they want to do on a discretionary policy.

Council Member Oxborrow said it is obvious by the report in the Consent Calendar that we are not meeting our goals of cutting our use down to the 3,258 acre feet. We definitely have to have some more restrictions. One station on one side of town and one on another side of town is his suggestion. Does Mid Valley have a hydrant in their back yard? Is it being used? It was being used (years ago) by the water truck that was doing the oilfields out in that area.

City Manager Ramirez said he believes that Mr. Randy Arp told him that Mid Valley has a fire hydrant meter on that.

Council Member Oxborrow said there was a water truck pulling up to that meter that was servicing some of the wells that were being drilled on that part of town.

City Manager Ramirez said he remembers there being a meter at Alcalde and Highway 198.

Council Member Oxborrow said his shop was right next door and they were loading water from that Mid Valley location. He has a problem with having so many hydrants around town and obviously the one at the Old School Farm (which was to be locked and was not) and people using water from that location. He thinks anything that can be abused needs to be locked up and designate one on the north side of town and one of the south side of town so it can be monitored by the Police Department. If they are driving by there and see someone loading water, they can, at least, investigate to see if there is a meter on the hydrant.

Council Member Lander said a lot of people come to him in regard to KVS using water. Since March 1st of this year, they have used 14.6 acre feet of water. What he is hearing is from the community and it is simply that they are being asked to conserve and have an increase in water rates because of the water issues we have. Yet, we are selling water to people on the outside to the oilfields. He is assuming it is going to Seneca. They are pumping it into the ground or doing what it is they do with water.

We are asking people to cut back, don't water their lawns and to be conservative in the community. Yet since March we have sold 14.6 acre feet of water to people outside. Originally, the water was intended for people within the community. This does make a hardship for some people. It is just the principle behind it is what he is hearing from the community. He has an issue with it! Seneca came before us and we said no. He is not picking on them but it appears to be the one that is the focal point of what is going on.

Council Member Ramsey asked if the City is meeting its goals for conservation.

City Manager Ramirez replied to the negative. The community has reduced the amount of water compared to the use last year from 15-20%. We are not on target to hit 3,200 acre feet? We have approached the Bureau of Reclamation and are still working with them to see what we can do to obtain some additional water.

Council Member Ramsey said if we do nothing, we will run out of water.

City Manager Ramirez indicated he does not feel we would not run out of water physically. But, from a contractual standpoint we would exceed our allocation.

Mayor Garcia said he thinks we need to restrict the construction water to projects within the City. He does not think we should keep providing water to those outside our City Limits while we are in this drought. We, also, need to move forward with the dispensing mechanisms that we can purchase. One or two locations would be ideal for when we are able to sell construction water again. The providers can use something like a credit card to obtain water and they can get billed instantly. That way we won't have the rumors of people not using meters or people stealing water from hydrants because we really don't know if and when that is happening. That should reduce the perception of people stealing water.

We definitely need to stop providing water to the outside construction and move forward with those dispensers.

City Manager Ramirez suggests if the Council wants to make a motion to go that route, that we amend the current Policy which was last amended in 2006. We will amend to reflect today's date or a soon date and to say we are not going to allow any water outside the City limits. At some point in the future when the drought is declared over that policy can change.

Mayor Garcia asked how we were going safeguard or stop it as of today.

City Manager Ramirez said we do have some locks on our fire hydrants. We do have some out in the surrounding area. He thinks we had eighteen that are locked. We will have to purchase some additional locks. We tried to hit the edge of town. In town, if someone sees someone up against a fire hydrant loading up water they need to notify the Police Department. That is a theft of a utility and that is illegal under State law.

There was additional conversation but it cannot be understood.

City Manager Ramirez said if someone is loading water from the one on Jayne Avenue with all the traffic, they are just asking for it.

Based on what he is hearing tonight, tomorrow staff will contact the folks and inform them of no more water outside town.

Council Member Ramsey asked about the people who live just outside of town.

City Manager Ramirez responded those people are our water customers and on our distribution system; they are not taking water from a hydrant. This is pertaining to construction water out of fire hydrants only.

*Motion Made to Amend City Policy to Restrict Construction Water Being Loaded Outside the City Limits and to Move Forward With Identifying Several Locations for Water Dispensers within the City Made by Mayor Garcia, Seconded by Council Member Lander. Motion **Approved** by a Roll-call 4/0 Vote: Garcia, Lander, Oxborrow, Ramsey (Keough Absent).*

10. Council Action to Approve a Proposed Agreement by and between the City of Coalinga and

NNG, a California Corporation, Concerning a Potential Oil and Gas Lease on City Property Identified as APN 073-06-06, and Approval of Related Oil, Gas and Mineral Lease

**Rene A. Ramirez, City Manager**

City Manager Ramirez:

This item was brought to our attention a couple of months ago to see if the City would be interested in seeking the mineral rights on this particular piece of property. As part of the staff report there are a couple of maps showing where this property is located. The City of Coalinga owns a 170 acre parcel known as APN 073-060-06 located outside the City limits and, generally speaking, between Jayne Avenue and Phelps Avenue about two miles each of Calaveras Avenue.

The 170 acre piece the City acquired several years ago as part of a Habitat Conservation Program. Our plan has never been adopted because of entanglements with the County and others.

Now we have a piece of property and with a lot of the energy exploration taking place in Coalinga we were approached by Mr. Nahama with a request to seek the mineral rights for this particular piece of property. In talking to Mr. Nahama and his attorney they let us know that about 54.4% of the mineral rights have already been acquired on a piece of property. NNG has been unable to locate the current owners of the remaining 45.6 of the mineral rights.

We are seeking from the Council approval to pursue those other mineral rights on our property. In doing so there is a process under California Law that allows for this procedure. There are two things: one is an agreement between the City and Mr. Nahama's company to seek the mineral rights on that property. The other is a lease agreement that will allow him and some partners to drill on that property when through with the entire Environmental Review Process and some other requirements.

When discussed at the last meeting in May (Closed Session) the Council asked us to try to negotiate the best royalty payment for the City when participating in a share of anything extracted from the property; oil, gas, etc. We had that discussion with Mr. Nahama and his attorney. Staff's work negotiating with Mr. Nahama is before you for Council recommendation.

If the Council agrees to after Mineral Rights they anticipated about \$30K in court costs to do that and the City was to split that cost with Mr. Nahama; it is about \$15K. They feel they have a pretty good case to go after those Mineral Rights. If successful, they would want to partner with the City and begin to drill for oil and gas on the property.

In terms of what a royalty could mean to Coalinga if a well were to produce 3-4 barrels of oil per day, at a current market rate of about \$100 the City could be looking at receiving around \$15K annually. There is an investment of \$15K to go after the mineral rights. Anything after that would be monies to come into the General Fund.

Staff does not see a particular loss here. After being approached by Mr. Nahama, we feel the City should investigate this opportunity to possibly bring in a source of revenue which, normally, Cities do not have.

Mr. Nahama and his attorney are present for any questions you may have.

Council Member Ramsey asked about this being in the Habitat area. Are there any problems with that?

City Manager said that should come through the EIR. Even with the exploration of oil and gas there would still be enough land which could be held for Habitat processes. When the City was acquiring property, there is just to the southwest of this particular parcel is another 140 acres that the City purchased for Habitat. Also, to the north about 2-2 1/2 miles there is 320 acres which was also acquired for Habitat. This

is not the only piece of property the City owns for Habitat.

City Attorney Avedisian-Favini said the City owns only the surface rights. The City does not own the mineral rights now. Mr. Nahama could drill right now without the consent of the City. This does not impact the use of the property in terms of the Habitat Conservation Plan.

Council Member Oxborrow said this brings him to his point. They would have to pay 44% to the State of California. He is not, necessarily, opposed to the 20% that we would receive. He is going to revert back to the fact that we don't have any money. He would have liked to have seen, maybe, that they would pay the whole \$30K. It seems a nominal fee for something that is going to produce income for quite a few years down the road.

Attorney for Mr. Nahama is speaking cannot be understood because of being too far from the microphone.

Council Member Oxborrow said he knows in business all is fair in negotiations. The City of Coalinga is in a fiscal bind right now and we have been running in the deficient for the past three years. He knows that you've negotiated good faith at 20% and it just seems to him that if you or a partner were to drill then they would have to pay 46% (from information the Council received) of the mineral rights into an account of the State of California. Is he correct?

Attorney for Mr. Nahama said the way it would be is that we would have 46% of the net profit which would be unclaimed and set aside in a fund. As a royalty owner the City of Coalinga would get that 46% the day the barrel comes out of the ground, you are entitled to 46% of that barrel minus the costs to make it marketable which is, usually, about 1% after all costs are deducted. If there is any profit, then that 46% would eventually go to the State.

The difference is that we will take upfront 100% of the cost to drill. We are talking about millions. It is a million dollars to drill a well and sometimes more. It is probably going to take quite a long time and it is probably going to take a year and significant funds. Whatever the California State decides we are required to do in order to mitigate the blunt nosed lizard, etc., or any of the Habitat that we would be disturbing by producing will have to be borne by the oil company as well. The 46% actually would be after all those. We are talking about "if" there were any profit.

Council Member Oxborrow said you are also talking that our 20% would be the same situation.

Attorney for Mr. Nahama responded to the negative because a royalty owner is entitled to the money from the day it comes out of the ground with no cost.

Council Member Oxborrow said if a barrel of oil is \$106 per barrel then we are going to receive 20% of that \$106.

Attorney for Mr. Nahama said again there is no cost for production. You will not share in the millions of dollars we are going to invest to drill. You will share in like if the oil is heavy and she doesn't think it is here. If we had to utilize steam to get it out of the ground. You would not share in that cost. Oil comes out with so much water in it and we have to take the water out and that cost would be borne in your percentage.

Council Member Oxborrow asked who would actually audit how much our royalties are, etc. How does that work?

Attorney for Mr. Nahama said you would be provided a monthly accounting. You will see what is produced, you will see the cost. The cost to get the oil to the surface is not borne by the City. After it comes to the top of the ground, from that point on, there could be dehydration cost to get it to a market; trucking costs for example, etc. It may cost you \$6.00 a barrel then you would have \$100. You would sale the oil and

then you would get 20% of the 45% of the ownership of the minerals. About 54% of the owners that are still around and viable right now.

Council Member Oxborrow said this is great information. He thanked the attorney for her presentation. He would still like to see if there is anyway we could get the oil company to bare the cost of the \$30K.

Mr. Nahama said the sooner we can get your approval, the sooner we can start getting the oil out so you can get a royalty. He has already leased 54% at the same terms he is offering the City of Coalinga. Actually, the City has better terms that what he leases for.

Attorney for Mr. Nahama said she understands the Council's position. There is a lawsuit which has to be brought in order to allow the City to take over the minerals. Mineral interests are similar to an easement and it has not been used for years. That is why the owner of the surface can take it. That would mean the City of Coalinga would actually have to be the name in the lawsuit. The work that would need to be done would have to be under the City of Coalinga's name. It will benefit the City to have that mineral interest. Typically, the surface owner will go out and expend 100% of the costs in order to obtain the mineral rights and to use the surface as you wish plus you get the benefit of the mineral rights.

Council Member Ramsey asked if the \$30K would be part of the law suit.

Attorney for Mr. Nahama said that is their estimate for the entire lawsuit. They have already done all the title work and they know who the people are that they cannot find. We have attempted to find them. Of course we will be required to do as much due diligence as is necessary in an effort to find them. Their heirs could show up and say this is their property. We start with 45% and could end up with 20-30% should somebody come in.

They understand if you would like to table this for further consideration, they are willing to come back to see what your council requires, etc.

Council Member Oxborrow said there are so many variables and it is risky business. He is sure you are much better at this than he will ever be. Perhaps, they can table it and work it out that you guys pay for the legal fees and we give you our consent, etc.

Mr. Nahama said they have a recent survey costing them \$1M. The reason for the prospects is because of that million of dollars and the (cannot understand words) survey which he has the rights to and participated in. There has already been a lot of money put into this process in order to get this well site located properly.

Council Member Oxborrow said he is not here to gamble with the taxpayers' money. He is only one vote.

Mr. Nahama said if the burdens are too high, it will not get drilled.

*Mayor Garcia said he thinks we should table it and come together in a week or two and vote on it again.*

#### 11. Police Department - Monthly Report

##### **Police Chief Cal Minor**

Police Chief Cal Minor:

The Department is going through some challenging times. The first part of the year we had two officers resign. We worked around that shortage but it made us down three positions. One position is open. One officer was injured and we had another officer injured last month. It severely impacts what we are able to fill on patrol. Patrol is our number one priority and we have had to place our detectives on patrol. Our ability to use our direct response has an impact on the crime in this community. Our crime stats are edging up. We are still trying by utilizing overtime, etc., to continue investigations, etc.

We thought we were seeing some light at the end of the tunnel. We have been working with the City Manager's office and we were fortunate to hire Officer Flores. Tomorrow is the last day of another officer who is leaving. In mid-July we will probably lose another one. We are back-filling and being judicious when we fill our positions. Our productivity continues to drop. Unfortunately, the two officers next to leave are detectives. We work around this but some of these positions take a while to bring people up to meet position job requirements.

He is just giving forewarning of the situation. We are fortunate to have recruited the four reserve officers that we have in training. We have been very honest with the reserves and that is that we try to hire from the reserves for open positions. This is why people are willing to come here and go through our officer reserve training program.

None of us can predict illnesses and/or injuries. We are at bare minimum staffing and vacation time is upon us. Two nights ago, we had a commercial burglary at a high value site, we only had two officers working. All we could do was to maintain a perimeter at the front and back of the business. We could not make entry because we did not know if the person was still in there. We asked for assistance from the CHP and Sheriff's Department and it took forty-five minutes. During that forty-five minutes there was no one on patrol. A segment of our population (60 percent of search warrants we serve) all have scanners. They listen to what we are doing and they react to the situation. This is the reality we live with.

We had one reserve resign. We are seeking five vacant positions. We are looking to the academies and we are getting ready to recruit; we are looking for female/male officers hopefully some from the community. Our latest full-time hire grew up at Five Points and has some connection to the community. It is a consideration we have as we go through the hiring process.

Our secretary returned from maternity leave so our civilian side is at full staff.

It is just trying times and we have to move the people to fill the positions we have.

Animal patrol: 28 dogs, 30 cats, 9 skunks, shopping carts are decreasing. We only picked up 16 carts in May. Hopefully, our programs are working.

We had a number of events within the City during May; Horned Toad Derby rendered no major events. In the surrounding area we made 8 warrant arrests, 5 people drunk in public, one narcotic arrest; one driving under the influence and four minor arrests. Considering the volume of people that were there, he thinks we did very well and had a very safe environment for the people. It was very well done. We had two graduations and one promotion. Large crowds were at all three. The Jr. High had cars all the way to Elm Street and down into the residential area. We had one incident prior to it starting. Two different families had a disagreement. We were able to defuse that without impact on the ceremony.

H/S graduation had a very large crowd. We had one intoxicated person who had to be removed from the ceremony. At WHCC we had no problems. It was held this year inside the gymnasium.

#### Crime Stats:

Burglaries jumped from (last year) 9 to 13 (this year) 44% increase. We will combat this.

Commercial burglaries 4 (last year) 4 (this year)

Vehicle burglaries one less

Petty thefts dropped from 23% (last year) to 13 (this year)

#### Case Highlights:

Our detective sergeant is still doing a lot of follow-up. We were able the first part of May to serve a couple of search warrants resulting in 8 arrests, stolen vehicle, stolen property, narcotics. These were following up

on some of our narcotic investigations and some of our burglaries. From June 3-8 we served 4 additional search warrants resulting in the closure of a couple of burglaries and recovery of property and a number of narcotics arrests.

Some of our criminals are brighter than we give them credit. They learned to wait until they get 3 or 4 warrants because nothing is going to happen because of Fresno County. At their convenience they would come down to the Police Department and we would book them on the 3, 4 or 5 warrants they had but we did not have the resources to transport them to the County Jail where they would be cited out anyway. So, in getting together with staff we decided we were not going to be the place where you can surrender on your warrant. We are usually busy when they come to surrender. We did the first one in May (convenient to our schedule). We arrested 16 on their warrants. They told us this is not the way it works here in Coalinga and we told them it is the way it works in Coalinga. It is our way that there is some price to pay for the crimes committed here.

He feels with a change in Sheriff in Fresno County, there could be a faster end to the cases. There could be some sterner prosecution. We can't do anything about Fresno County. He has a quick example. We served a search warrant in Lemoore. At the preliminary hearing our officers showed up and all four of the defendants took a plea. One took a plea and is doing six years in prison; the second one's wife also took a plea and she is doing four years; the Mother is doing 289 days in Kings County Jail. Another was given five years probation. Hopefully, we shall see some improvement.

City Manager Ramirez said he wanted to make the Council aware, after the events at the school, Chief Minor and he got a thank you call for the professional dedication of the PD to the community. They did recognize the large crowds and how well it all went. We had a nice message from Mr. Jim Allan.

Chief Minor said our officers are very good about defusing situations. Our goal is to provide an atmosphere where folks can see their children being recognized, etc. We use a lot of our reserve officers for this duty. They gain exposure to a large crowd.

Thank you.

## 12. Fire Department - Monthly Report

### **Fire Chief Steve Henry**

Fire Chief Steve Henry:

Their department just got to full staffing of 21 positions. Two days later several shared they were considering other departments and we will have to replace those bodies in 30-45 days. The good news is we were able to do a batch training for promotions and a new hires. This brought us up to our 21 staff members. Promotions were Firefighter Reserve Chris Ramos and Firefighter Reserve Nick Driver promoted to firefighter. We were able to get a paramedic from American Ambulance. We actually have one of our firefighters in background for CHP.

Are calls for service for April and May are pretty much the same. We are at 81% and 84%. We were lucky in our dollar loss in our fires. We only had a loss of \$4300 with 12 fires. We had the resources there to catch them early.

In May we began communication with Emergency Command Center Fresno County. In April we were responding five times to their one time coming to us. Because of the technology those request get processed immediately. We have a unit right outside of town, Engine 4354. They are six minutes away. It is enlightening that we respond to a fire here in town. Within five minutes we have another unit in town. Right behind it is another one and then the PVSP engine coming in behind us.

The district puts another unit on response automatically and they will come into town to either cover our

station or to turn one of the other engines lose that is committed to the fire so they can go and protect the station. It is working quite well quite rapidly.

The technology, he found out today, is we just became active on the Statewide AVL (Automatic Vehicle Locator System) where data is being shared statewide. If he has a unit anywhere in the State, he will be able to see them and know exactly the location and exactly what fire they are working in proximity to the fires movement.

Obviously, they have been focusing on wild land because it is definitely that time of year and we are well into that season. January was the first response. Last month we responded out twice; to Camp Pendleton during the fires and to the Hunter's incident in Lake San Pedro and spent five days up there. Year to date we are billing about \$15K for reimbursables from all the way up and we haven't even scratched the service yet.

They were able to expand their VHF Radio with the grant and the monies assigned to us by Council. Our ambulances are on VHF radio and they also have the UHF for the med units for Fresno County EMS. The command center can now reach them and divert them to a call that they know is pending earlier than going through the chain. Our medic units are being alerted to the call quicker which is really important out here.

The FD Safety Officer conducted a Safety Meeting the last three months and one of the things we discovered is we have an opportunity provided to us by CalOCHA; they will allow us to access an industrial hygienist to come out and do a site survey for wherever we'd like. We are asking they do the entire City. They will do the site survey and give us recommendation of areas we need to improve on for employee safety. He is in the process of doing that right now. He is trying to get scheduled. It is non-punitive and no report other than to us.

They just finished an inquiry into one heat related illness of an employee. That report just hit the City Manager's desk this evening. It was enlightening and the purpose of the inquiry was to find out if there is a process which needs to be addressed. There were a couple of things we notice needing to be addressed. Collectively, as a committee, we made some recommendations. The next time we meet we will share those recommendations with the department in which he was involved and we will start working on achieving those recommendations as a Safety Committee the next time we meet in July.

The Department participated in the Battle of the Badges Blood Drive. Though successful, it was not as successful as he would have liked because we did not get to bring home the trophy. They did serve a very, very important community service.

He had the opportunity to attend the Cal-Chief Unit Conference in Palm Springs last month and it was quite beneficial. There is so much going on in the EMS world. There is new health care and how it is to effect the fire service coming down the line. It did open up his eyes that he needs to get with the hospital on a regular basis. We are staying in tune for what we are doing in the field. We need to find out what the hospital will be doing during this process. Mobile Integrated Health Care is on the horizon. That is telling us that the lowest acuity EMS calls are going to be treated in the field. Insurance is actually driving the health care where they could have been taken care of like in the old days when the doctor came out and stitched you up, etc. EMS Fire Service will be able to, with an authorized system, build the insurances for reimbursement for that service. It is yet to be seen as to how it will be applied to our community. He had the opportunity to met with the executive officer for CalChief and the president of the operations section.

He was talked into taking a director's position for CalChief Operations Section. He will serve as Northern Director from Tulare to Kings County all the way to the Northern California border. This will help him stay in tune with what is going on at the State level so they can be out ahead of it.

Part of the institute that he was involved with in Virginia and the team he was on talked about the Five Wicked Problems of the fire service that every fire chief is going to half to meet. Back in December, as part

of that institute, they were invited to take their project to the national conference and present it to the other attending fire chiefs. He will be one of five members of the team presenting at the conference in August in Dallas, Texas. It will be a great opportunity to network and, actually, pick up the other ideas from the other chiefs nationally.

The Horned Toad Derby was an impact on the department. They saw 17 calls on Friday and 14 calls on Sunday. The call volume went up not at the Derby but because folks were in town. They were really stretched thin as to their medic service. The good thing is he was able to staff up using reserves and we had those extra folks on duty helping to augment our staffing.

We took delivery of the two new vehicles and as of, Monday night he appreciates the time you gave for showing up for the emergency meeting. It was very, very beneficial to this community.

He was able to access one of the auctions and he was able to purchase the engine for \$85,800. The buyers premium was \$8,580 and sales tax roughly \$7500. It looks like we are walking out with this 2007 Fire Engine that can go right on line (as soon as radios are installed) for about \$101,000.

The engine starts without the bells and whistles at about \$426,000. This was a good buy. They got one of the top three. The lowest bid was \$81,000 (it has been involved in an accident) and the top was \$96,000. In his opinion, \$85,000 was a great deal. He almost bought two and decided that might be pushing it a little too much.

Last month and this month they have been active in fire prevention. He has two personnel, Captain Gabriel and Firefighter Medic Justin Mulligan attended a Fire Inspector 1 program. For two weeks out of this month they are basically bringing up their skills levels. He is confident these two individuals will come back and share their knowledge. That will also allow them to begin working on business inspections (safety inspections) to insure businesses are be operated safely for the community.

## **7. ANNOUNCEMENTS**

### **1. City Manager's Announcements**

City Manager Ramirez:

He had a conversation with Mid Valley Disposal. They are in the process of wanting to expand their facility for recycling. It is actually generating power out there by taking food waste and putting it in a wastewater (cannot understand word) device and getting methane gas off of it. They are trying to go full circle so they might have by-product, compost material they could market.

As part of financing that package or expansion, they are wanting to show the lender that they have solid contracts. He met with Joseph Kalpakoff and he is interesting in coming back to the city and discussing an extension of their current contract so they can show a long-term revenue stream coming in to help them pay for the financing. He is letting you know that staff will be talking to Mid Valley and at some future time they will be coming before you (60-90) days for consideration.

Council Member Oxborrow asked how many years do they have left on the current contract.

City Manager Ramirez said he thinks it is less than two.

The water rates for the drought, if you recall, the council said to move forward with this back in May. There was a forty-five day period and it is coming to an end. He is suggesting the Council hold a public hearing that last week in June. He is suggesting either Wednesday the 25th or Thursday the 26th so that we can discuss those and hold the public hearing. If the Council is in a position, they can adopt those water rates.

Before the end of the fiscal year, he wants to sit down with the Council regarding the budget and where you are in reference to the General Fund. He thinks that is going to be your challenge this year. He is thinking about prior to the public hearing to spend a little time (5:30 or 6:00) to discuss where we are. The Council may consider at that public meeting adopting some resolutions to continue the spending process.

It is very obvious we are not going to have a contract for Claremont to reopen by the end of the fiscal year. The state is not in a position to sit down and talk with us. This has a definite fiscal impact to us.

Some good news. The Warthan Place Project, the tax project that was before us with 81 units on the south side of town was approved at the State. They are in the process of preparing their plans. Their architect is working on them and they are hoping to get them to us by September. This would mean some building fees. They hope to start construction on January 2015 and then open the new multi-family units in January 2016.

The last couple of years you have heard staff talking about a streetsweeper. It is a CMAQ Grant which is Congestion Mitigation Air Quality Grant through Fresno COG Council of Governments. It is a little over \$200K, one of the hurdles everyone had to clear is this clause about federal dollars that you had to buy American. Everyone was saying there is no streetsweeper that is 100% American parts. So finally, they backed off on that and COG is now telling folks within the next sixty days or so we should be able to go out and request for bids for a streetsweeper and, hopefully, by the end of the calendar year, we should have a new streetsweeper.

He is thinking the Budget should be discussed prior to the public hearing meeting at the end of the month.

Council Member Lander said Wednesday is perfect for him.

## 2. Councilmembers' Announcements/Reports

Council Member Lander said he has one announcement. He got this from the Fresno Council of Governments and this is now is reads: Last month the Fresno Council of Governments Policy Board requested that we inform our member agencies of the following opportunities: The California Partnership of San Joaquin Valley has requested that the Fresno Council of Governments submit nominations for Fresno County's Public Sector representation on the Partnership Board.

Background, Judy Case will no longer be there after the end of the year. What they are looking for is for elected officials to submit an nomination. If anyone on this Council is interested in participating in that please contact Council Member Lander. We have until the end of the month to submit nominations. The Council of Governments is requesting three nominations.

## 3. Mayor's Announcements

Mayor Garcia indicated we were going to meet with the Rec. District and we have only met with them once.

City Manager Ramirez said we tried about a month ago to meet with them and that fell through. He will contact Mr. Honburger again. He apologies for not following up on this.

## 8. FUTURE AGENDA ITEMS

Council Member Ramsey asked about where we are on the buildings downtown; the condo's.

He wants to asked our attorney if we still have time to get a safety tax (if the Council should decide to go that way) on the November ballot.

City Attorney Avedisian-Favini said in order to get a measure on the November ballot, it would have to be at the elections office 88 days prior which would mean by the end of July. That would require some special

meetings. In order to do a (cannot understand words) tax it would be done by ordinance which would require a first and second reading; that would mean two meetings.

City Manager Ramirez asked if it could be done as an urgency matter.

City Attorney Avedisian-Favini said she does not feel that can be done for a (cannot understand words) unless there is a separate declaration of a fiscal emergency by the Council which is a possibility. She thinks you would need one more meetings to give direction in terms of what the ordinance would say; what type of tax, partial tax, sales tax, etc. and what the amount is.

Council Member Lander said isn't the majority of the money that comes out of the General Fund for public safety.

City Manager Ramirez said probably around 70% or so.

Council Member Lander said he has no problem supporting that.

Council Member Ramsey said we would not be reinventing the wheel because a lot of cities have already done this. We can actually copy their resolution if we were to decide to go that way. Or the type of resolution as to the type of tax; general tax, public safety tax, or whatever. We could almost copy what another city has done.

Council Member Lander said the City of Huron got one passed just last year for public safety. He doesn't know what tax it is.

Someone indicated it was sales tax.

Chief Henry said the City of Hanford just voted to move forward on their general tax addressing public safety issues. It is on their website.

Council Member Lander said we have been fighting this for several years now and it has been brought up several times. A few years back, one of the previous city managers was here, they pursued it but it was not specified just for public safety and it failed. I think if it stated it was specific for public safety, he thinks it might work.

City Attorney Avedisian-Favini said if it is specified for public safety, it is classified as a special tax which requires a two-thirds vote of the people. If it is a general tax as Chief Henry mentioned, designated for public safety it would go to the general fund to be used for public safety; it only requires a majority vote.

Council Member Lander said they can deviate from that if they choose to do so.

City Attorney Avedisian-Favini said down the line a future Council could change that.

Council Member Oxborrow said what he would like to see is how it would impact the taxpayer. What would you have to raise the tax to in order to meet the \$1M deficient we are in for public safety. We, basically, don't have car dealers in town anymore that have high ticket items. He cannot imagine what you would have to raise the sales tax in order to generate that kind of money. We are in a much bigger hole than raising the sales tax a penny or two. To him it would have to be a property tax and that it tough. We are in a world of heart and raising taxes it not going to fill the void the size we have. We have to make some really tough decision the next few month to decide how we are going to cover the deficient.

Council Member Ramsey said we could have that meeting and get some answers between now and then. Tonight is not the time to talk about it because it is not on the agenda. Maybe if we place it on the agenda

between now and then we can get to some of those questions and have the answers ready for us. We need all the accounting for the amount we need and see what the tax would have to be and the type of tax we need to make it; general tax or public safety tax? Our job is to sale it to the people.

City Attorney Avedisian-Favini said direction to her is to bring this back at the June 25th Meeting.

*The Consensus of the Council is to find out what our options are and have all the information so we can make a proper decision.*

Council Member Oxborrow said he would like to add that just in case, for information purposes as far as the budget. He does not know if Marissa is going to be back but at that meeting. If we are going to be discussion the budget, if we get to that point, and we are going to have to make layoffs, what is the legal time for giving notice/

He is all for passing a continuing resolution to keep the City going for a while. We need to see if we can get a contract with the State. Frankly, our State representatives have had plenty of time to open up Claremont. We know they need it and we need it. It seems to him it is falling on death ears. It is the last result to make layoffs in order to balance the budget this year.

He wants to see that information also; each department can come up with a plan in order to balance the budget.

## **9. CLOSED SESSION**

1. Real Property Negotiations - Government Code Section 54956.8. Conference with Real Property Negotiators. PROPERTY: Claremont Custody Center, 185 Gale Avenue, Coalinga, CA. CITY NEGOTIATORS: City Manager, Rene Ramirez; Chief of Police, Cal Minor; Human Resources Director, Marissa Chavez. NEGOTIATING PARTIES: City of Coalinga, CDCR and/or LA County Sheriff's Office. UNDER NEGOTIATION: Price, Terms and Conditions of a Property Lease & Use Agreement
2. Real Property Negotiations - Government Code Section 54956.8. Conference with Real Property Negotiators. PROPERTY: APN 073-060-06. CITY NEGOTIATORS: City Manager, Rene A. Ramirez. NEGOTIATING PARTIES: City of Coalinga and Nehama Gas Company (NNG). UNDER NEGOTIATION: Price, Terms of a Proposed Oil, Gas and Mineral Rights Lease
3. Conference with Legal Counsel - Anticipated Litigation - Government Code Section 54956.9. Significant Exposure to Litigation Pursuant to Paragraph (2) of Subdivision (d) of Section 54956.9: 2 cases

## **10. ADJOURNMENT**

Mayor Garcia adjourned the meeting at 9:51 PM.

Closed Session:

During Closed Session, the Council considered a government claim by Andrea West and voted unanimously 4/0 to reject the claim (Keough Absent).

\_\_\_\_\_  
City Clerk/Deputy Clerk

\_\_\_\_\_  
Date