

Minutes
AMENDED
CITY COUNCIL/SUCCESSOR
AGENCY/PUBLIC FINANCE AUTHORITY
MEETING AGENDA
August 7, 2014

1. CALL TO ORDER

Mayor Garcia called the meeting to order at 7:00 PM.

Council Members Present: Oxborrow, Lander, Ramsey, Keough, Garcia

Others present: City Manager Rene Ramirez, City Attorney Laurie Avedisian- Favini, Executive Assistant to the City Manager Shannon Jensen, Fire Chief Steve Henry, Finance Director Mari Jimenez, Assistant Community Development Director Sean Brewer, Senior Administrative Analyst Mercedes Garcia, Police Lieutenant Scott Ingram, Police Detective Manny Boles, City Treasurer Olga Keough, City Clerk Wanda Earls

1. Pledge of Allegiance

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

2. Changes to the Agenda

There were no changes to the Agenda.

2. AWARDS, PRESENTATIONS, APPOINTMENTS AND PROCLAMATIONS

1. Elections Update from the Fresno County Clerk's Office, Brandi L. Orth

Elections Update from the Fresno County Clerk's Office, Brandi L. Orth:

She is pleased to be back with you again. There are fun things about Coalinga. Last time she was here you had this amazing science team that had won some award. Now you can claim your own to California (cannot understand word), how cool is that?

She likes to visit all of our incorporated cities once per year. It is perfect time to come to Coalinga right before the November election. As you know, in June we had an election and County wide the turnout was about 26%; Coalinga was right there at that percentage level. The 1200 voters who participated on that day, about 2/3's vote by mail and 1/3 at the polls. This is consistent with what is happening across the County. Of our electorate of over 400K voters, more than 50% are permanent vote by mail people. In June we had two polling places in Coalinga, of course, if Council ever has suggestions or comments, she would be pleased to hear your thoughts about that.

More eminent on your mind is the election in November. Coalinga has a lot of jurisdictions with openings: Council has 3 seats available, school district 2 seats available, CHRPD and CRMC with open seats. The magical minute is 5:10 tomorrow night for documents to be turned in to us to meet the filing deadline. She understands that Shannon had some original documents which may have been filed today; she will take those back with her. It is perfect timing.

On there website every evening they have an updated list of all of the candidates. So if you are curious just

go to Fresno County Elections and it will be up and you will see who has finished. The important part is to the right of the name where it says "qualified". That is the magic word.

Just recently you decided to put Public Safety Tax Measure P on the ballot. We did do our publication required by law; it will appear in the Fresno Bee today advising the public when arguments are due. The arguments are due Monday, August 18th with the County and on a CD. If you have pro and con arguments, there will be a rebuttal period after that. It is a really busy time and a lot is happening across the County and here in Coalinga.

She is happy to answer any questions. The Elections Department is here to serve you and your constituents. If there is anything we can do to work with you, we are happy to do so.

Thank you.

2. Mid Valley Disposal - 2nd Quarter Report, Shaun Kalpakoff

Mr. Shawn Kapakoff, Mid Valley Disposal:

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 and at school, but with resources and first hand 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 invocation 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 participating 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.

Commercial Site Visits:

During the 2nd quarter Mid Valley Disposal's Outreach Specialist visited over 35 commercial businesses in the City of Coalinga along with 5 multi-family dwellings. Businesses were made sure they fully understand current recycling mandates and the ways in which they can make their business environmental friendly.

Businesses that showed exceptional recycling efforts include: Taqueira y Maiscos, Rite-Aid, Me N Eds and the Post Office. Multi-family recycling bins showing that managers are on board with MVD staff, keeping tenants educated and informed and well equipped to recycle.

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 the while taking home valuable knowledge on recycling and living "green".

Over 200 Coalinga residents were reached 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 Tonnage: Residential 136.7, Commercial 105.9 Green Waste 342.2, Refuse Residential 640, Commercial 582.6, Total Diversion Residential 43%, Commercial 15%.

3. CITIZEN COMMENTS

None

4. PUBLIC HEARINGS (NONE)

5. CONSENT CALENDAR

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

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

City Manager Rene Ramirez:

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). We can make 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 of the swimming pool moratorium.

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 the person as a patient and the doctor had provided the letter asking the City issue a permit to construct a swimming pool.

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 plagues 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. Please see attached document regarding water therapy for MS patients.

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

Findings:

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 to construct a new swimming pool to be issued.

Consensus of the Council is to Provide a One-time Waiver, Subject to Findings, to the Current Swimming Pool Moratorium to a Member of the Community Under a Doctor's Care for Multiple Sclerosis (MS).

2. Future Agenda Item - Discussion and Direction Regarding Speed Bumps

Rene A. Ramirez, City Manager

City Manager Rene Ramirez:

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.

Mayor Pro-tem Keough said he sees people speeding down the streets where there is a park especially over in the Posa Chanet area of Centennial Park. We have new construction and two cul-de-secs that are out on El Rancho Boulevard and they are open and kids come flying out of there and adults in cars come flying down the road. Right next to that are the basketball courts and tennis court. People like to park on the side where there is really no parking. People are trying to get in and out of their cars while cars are going by really fast. It is just a matter of time before someone's door gets blown off or a foot is run over. He has seen some real close calls.

Every morning when he goes to work, he goes by Olsen Park. To some of the residents in homes across the street, it almost seems like the park is their extended backyard. People are walking back and forth all the time and not looking and people are driving down the street really fast.

At Keck Park on Monroe Street on one side we have a school and on the other side we have the Park. There is all kinds of kayos going on. He has not really noticed a lot of speeding on Monroe Street but there is a huge amount of people there.

To him it just seems a good idea, to put in double speed bumps like you see in other towns. There is no worry about a ticket, if you want to go for it, you are going to hurt the car. People don't want to hurt their cars.

He does not know if there is something that each community, living near the parks, could do? Maybe they

can petition the community and ask if they want to go in on speed bumps. He is not saying the City should provide the money, he is saying that the City should allow it to happen. He is unaware of how we allow it to happen because he does not see any speed bumps in our town.

Council Member Ramsey said he has had people ask him the same thing. He was told the City could be liable if someone damages their car or gets hurt going over the speed bumps. Does anyone know if we would be liable?

City Attorney Laurie Avedisian-Favini said it is the first she has heard of that. She works for other cities that do have speed bumps. Since she has not heard of that before, she would be happy to look into it further.

Fire Chief Henry said the purpose of speed bumps is to slow people down. On major arteries going into subdivisions, speed bumps will have a direct and negative effect on our equipment and our response time. If you are looking for speed bumps and we respond into that area someone is going to get a slow response. We actually have to literally rollover them otherwise it could cause quite a bit of damage both on the ambulance and the engines.

Council Member Oxborrow said he thinks it is one of those slippery slopes once you get into it. There are speeders on Cherry Lane and Walnut Street and there are speeders on every street and kids are playing on or near the streets, etc.

He knows the PD has their hands full right now but he would like to see one day every couple of weeks, etc., for them to do some kind of a traffic procedure in different areas around the parks. Set up 2 or 3 hours in the morning, etc. and begin enforcing it a little at a time. We are short staffed but to him he thinks that would be more effective.

You are going to have to pick and choose where to place the speed bumps and soon those on Valley Street are going to want speed bumps and others will want them. Once you make a policy, where to you start and where do you stop? Obviously, they would effect emergency response time, etc. You have elderly citizens who don't drive fast but don't see the speed bumps and it springs up and they hit it and it knocks the bottom of their car off. It is a good intention, but he can just see it getting convoluted and where are you going to put them and who is going to get them, etc.

Mayor Pro-tem Keough said he does not want to make policy, his original question was, could individual neighborhoods petition specific areas and pay for the speed bumps themselves Listening to the Chief, that is something to consider for sure.

However, now that he is saying this and it is a public record, if we see there is damage to a car and some kid goes out and gets hurt, we are going to rewind this tape and he is going to ask, "How much was that worth?" That is all he has to say on this.

City Manager Ramirez said there are different ways to approach it. He understands Mayor Pro-tem Keough's and the community's desire for safety around our parks. If you have people that are exceeding the speed limit on the road, that needs to be dealt with. That is something for the police department to look into.

There are ways from a road engineering standpoint where you can try and reduce people's speed. He thinks he shared with you, Mr. Keough, some information he looked up on the Internet and what cities have done. There are different measures you can take; it does not have to be speed bumps. There can be things that channel folks into a narrower roadway to get them to slow down. Grant it, if someone is just going to be driving real fast, they could still go through that narrowing pass but most people would tend to slow down. There are other traffic calming measures that communities can use. If the Council wants us to put together some additional information or you want to have a workshop, we can do that. We can also increase patrol in some areas. We will make an effort to get out there and maybe give a couple tickets to people for speeding.

The speed limit in town is 25 MPH and if you are going faster than that and an officer sees you exceeding the speed limit, he can ticket you for speeding.

Mayor Garcia said the City of Fresno does have some pretty big speed bumps in some of the neighborhoods. He would be curious to look at their policies. He was always told it required an engineering survey for speed bumps. He does not see any harm in exploring it and maybe bringing some policies back and discussing it further. Other cities are doing it. He just doesn't know their criteria. Maybe that is what Mr. Keough is looking for.

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 Council deliberation. If there is no desire by a majority of the Council to move forward at this time, staff will not produce work related to the subject for the Council to discuss.

If three of you want us to go ahead and get some information on what other communities are doing about speed bumps or traffic calming, staff would be pleased to do that.

The Consensus of the Council is to Direct Staff to Look Into Speed Bumps or Other Traffic Calming Measures and Bring Research Back to the Council for Consideration.

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

Senior Administrative Analyst Mercedes Garcia:

Staff is seeking Council direction regarding 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.

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.

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 which would be running water. He would like assurance that he would recoup the cost of those improvements. 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 timeline to move out is agreeable to the Council.

Council Member Oxborrow said he has been on a list for two years. We are trying to get these units up for sale. That is why we made the policy. It seems to him we would be readjusting the policy we have already made in that we are going to try and sale the units. How many square feet is this unit?

Ms. Garcia said it is 244 square feet. It is one of the smaller units and the lease the first year is \$57.50.

Council Member Oxborrow said 200 square feet at \$.50 or \$.75 cents per square foot is nothing. He would rather move forward and hopefully get the gentlemen to try and purchase the buildings and he can put running water in his building, etc. He would be more inclined to accelerate the sale of the building like we previously intended.

Mayor Pro-tem Keough agreed with Mr. Oxborrow. He thought we were in the process of selling the buildings right now. If we start this, it is going to lead us down a bad road.

Ms. Garcia said we do have other tenants. That is something he did ask if he were the current tenant, if he would get the first right of refusal. The only reason he couldn't get into it previously was we had two people lease it and they could not actually move into the unit but they were under lease. They were going to make some improvements and they did not. That is why he has been on the waiting list.

Council Member Oxborrow said he does not know what the hang-up is, he does not think we want to get involved in that.

By the next monthly meeting, he would like to see some resolution to this. When will the buildings be ready for sale so we can offer the building to the gentlemen?

City Manager Ramirez said they are going to be ready at the September 4th meeting with the requests for proposals to give the Council one last look to insure you are comfortable with it and then they will be going out.

Council Member Oxborrow said it is likely the two year wait might be coming to and end.

Consensus of the Council is to refuse offer from Mr. Viebach to lease 108 E. Cedar Street but to offer him the building when the City is ready to release them for sale.

4. Input and Direction Regarding a Draft Utility User Tax - Fact Sheet

Rene A. Ramirez, City Manager

City Manager Rene A. Ramirez:

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 which is to be on the November 4, 2014 ballot as Measure P.

This is an effort to educate the community on the proposed ballot measure on the November 4, 2014 election known as "Measure P". Staff has drafted a Fact Sheet and 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 RDA 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.

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.

He is wondering if Council Members have anything additional to contribute as to your thoughts to the Fact Sheet.

Council Member Ramsey said he thinks it is a pretty good deal on Measure P. Is there anyway we can use this to write a pro on the Measure itself? Remember we can put pros and cons to the measure for the ballot. He thinks that would help a lot and we could sign it.

City Attorney Laure Avedisian-Favini said a Council Member can sign an argument in favor of the Measure. That would go in the ballot.

Council Member Ramsey said if we were in favor of the Bill, he thinks that would be a positive move and to put the "whys" we did this. People are going to read that, too, when they vote. He likes the Fact Sheet.

City Manager Ramirez said it shows you what it might cost someone per month depending on the type of utility service a person might have. It gives a good idea of the proposed monthly cost. That was part of the reason for doing the Fact Sheet.

Mayor Garcia said it is very thorough and a good Fact Sheet. He agrees to what Council Member Ramsey was saying. He thinks it is a good idea.

City Attorney Laurie Avedisian-Favini said the arguments that Ms. Orth mentioned when she was here are due on August 18; those will be published with the ballot materials. The City Council does have an opportunity to prepare an argument for the Measure. She would encourage the Council to do that in an interest to help it be more successful. Again, that is a deadline of August 18 and it must be done before the next meeting.

Council Member Oxborrow said individual Council Members can input their feelings as there could be multiple viewpoints. That would be his suggestion.

Mayor Garcia said the true tale will be when we finalize the budget. We will really know the negative impact of why we need the Measure. He thinks we are going to have to get together and work on this before the next Council meeting.

Council Member Lander said it is really important that you get this out to the public. He noticed it would be available not only on the Website but at the newspaper. You can print out copies of this, too, and place in various places throughout the community. The Fire Department has frequently asked questions of him at his place of business. He would be happy to have these at his place of business. There are others throughout the community who have concerns about what is going on here and a lot of questions. When you are doing business and you have a printed out Fact Sheet you can hand it to them. It would be very, very helpful.

City Manager Ramirez mentioned in the staff report he wants to have it translated into Spanish so those members of the community speaking Spanish can also understand.

Staff is willing to make as many copies as you want for handout to the community.

City Attorney Laurie Avedisian-Favini said the Council can educate the community as to the impacts and the effects of this Measure but cannot campaign in favor of it except for the mentioned arguments in favor which is statutory.

City Manager Ramirez said if there are no changes, staff will make copies made to release as needed.

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

City Manager Ramirez said now the Council must put on their Successor Agency hat.

This is something for the Successor Agency to consider. In 1989 the Redevelopment Agency (RDA) entered into an agreement with Anchor Associates for construction of what is now Fatte Albert's 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. The agreement also stipulated that in 12 years or so, there was supposed to be a balloon payment made by Kit Sang Laan.

In July, Mari Jimenez and he were called by Kit Sang Laan wanting to amend the terms of the agreement to not have to make the balloon payment. They did not want to extend the terms; they want to keep the twenty-five years but they, also, want to take advantage of the current market rate where interest rates are a little less than 5%.

We also had a conversation with the City Attorney's office because, again, now with the dissolution of the RDA a lot of this stuff is out of the hands of the Successor Agency. In discussing this with the City Attorney, this is something we need to start at the Successor Agency and if you agree with the idea of lowering the interest rate and not changing the terms, you could do that and it could be part of a request to the State Department of Finance because they are the ones who are overseeing all the Redevelopment Agency transactions.

We want to know if the Successor Agency would like to consider amending the contract with these folks basically adjusting the interest rate. As the Successor Agency, where would you like to see that interest rate?. He gave you some general ideas of where interest rates are for commercial businesses but some of you might have some other thoughts or ideas should you want to consider this request.

The question for the Successor Agency is do you want to consider amending the current agreement and if you do, do you have some directions for staff as to a different rate?

Council Member Oxborrow said he can tell you right now that to him, it is a nice try. This is the same person when we did the face lift or painting on his buildings, refused to help in anyway the cost to the City painting his buildings that he purchased for \$360K. His payment is \$1100 per month; he charges Fatty Albert's and Pit Shop \$6K per month lease. He does not know what he gets for the movie theater. Just a calculation on the Pit Stop and Fat Albert's Pizza, it is \$1.7M he has collected in the last 24 years. He does not think we should feel sorry for him. He does not think we need to get involved and he does not think it

was the intent of the Governor when he abolished the RDA to keep financing people. He thinks they want the money and they want it in their account. He does not see us, as the Successor Agency, having any real right to try and change the terms.

Mayor Garcia said he agrees 100%.

Council Member Lander agrees 100%; we did business with him several years back to do some refinancing. We worked with him extensively to try to help him. He says "no" to this request.

Mayor Pro-tem Keough asked if he is reading this properly. It says that at the end of the twelfth year which is now, the remaining balance is due. Yet it is a 25 year loan which would go to 2027. So, for some reason it is not making sense to him. If the remainder of the balance is due now, what is left after that? What is he misreading?

City Manager Ramirez said the way they interpreted it is, he has to make a balloon payment now and is it paid off.

Council Member Oxborrow said it is a balloon payment which is put into the Contract and it was due and payable last week.

Mayor Pro-tem Keough said this should be done but it says he can keep going the length of the terms which is 2027.

City Manager Ramirez said he has made the request, he is just bringing it to the Successor Agency.

Mayor Pro-tem Keough said he is completely with the Council on this. He is looking at this and it just doesn't make sense to him.

6. Council Consideration of the Warthan Place Apartments Pool Construction
Sean Brewer, Assistant Community Development Director

Assistant Community Development Director Sean Brewer:

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

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.

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 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. The funding is obviously drying out in terms of the additional support the City can provide for the additional phase. We know how long it took for Phase 1 to be approved, etc.

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

the construction of the new pool.

It is not detrimental either way to the developer as to whether the pool is constructed. We are just seeking direction from the Council. Would you would like to see the pool build to support all 81 units or install just the playground and have the pool built in Phase 2?.

Council Member Oxborrow said he is assuming that they are not going to build the swimming pool until probably near the end of completion of the apartment complex.

Mr. Brewer said not necessarily. They already have plans in plan check. Based on their funding and how they have to move this project through, they would need to have the pool plans approved probably within the next month. They are planning of, hopefully, starting construction in late October or early November. We are going to issue permits before October 15th.

Council Member Oxborrow asked if it were detrimental to have the pool or the playground. Could they wait because it is going to take 5 or 6 months to finish their project? Do they have to pull the swimming pool permit in this phase?

Mr. Brewer said they have to secure all permits prior to October 15th.

Council Member Oxborrow said they do have to have it. If we issue a permit for them to do the playground, would it create a problem if the El Nino hits. We all know it is going to hit in November or December. Then we can say there is 20 inches of rain we got in a month. Could they change it at that time?

Mr. Brewer said he doesn't know how that would work. He is not sure they can pull any new permits after the fact because they have a pretty arduous reporting process for their funds. He can get some clarification if the Council gives some guidance on that.

Council Member Oxborrow said the responsible thing would be to move forward with the playground. He does not know if they would prefer to have the pool or prefer to save the money and have the playground?

Mr. Brewer said it has not been conveyed to him either way.

Council Member Oxborrow said it looks like we might have a wet year. We could change our water policy so they could have a pool.

Mr. Brewer said he can discuss that and ask if they can pull a permit after October 15. If the Council wants to give direction, if it is before October 15, the answer is "no". This is based on the Governor in reference to the water situation. We could have rain a few months but the drought may not be released. It is just a timing issue. The way their requirements are in pulling permits, he doesn't know if that is necessarily going to work.

If you desire, he can find that out. You can say we still want to see a pool but the moratorium is there for everybody. He can ask how long they can wait for a decision on the pool. It sounds like they have to know pretty soon. If you want to give him a multifarious direction, he can say it is "no" for right now. If they can wait, we can wait, too.

We just don't know for how long we want to wait. The Council explicatively said they wanted to see a pool in Phase 1. If the Council is comfortable, he can let them know they can pull the permit prior to October 15 or wait until after the moratorium is lifted. It will be his decision after that if he wants to move forward or not.

October 15th is a requirement of the Tax Payer Allocation Commission for when they have to secure

permits based on his reward of tax credits. The State requires them to secure all their permits by October 15th.

Mayor Pro-tem Keough said a few things we should consider. He knows he challenged the man when he was here saying to put the pool in Phase 1. He would love to see them put the pool in first phase. It is 81 units, approximately how many people do you think will be living there? There should be quite a few families and we are going to be relieved a number of people at the City pool. The other thing when they came in (he was not for this) and the Council approved them, we approved them keeping in mind they were going to build a pool. In his opinion, the moratorium came after that so we had already, at face value, said put the pool in. Verbally, we already said for them to put the pool in. He thinks we should waive this for them.

Mr. Brewer said that is why we wanted to bring it to the Council. We know it was discussed prior to the moratorium. It is not like a single family home where the owner has a choice to put in the pool after the fact.

Mayor Garcia asked how many permits have you actually denied.

Mr. Brewer said maybe two. Two actual permits that have been submitted. Others are people just calling about putting in a pool and calls from pool contractors. It is not significant, but he thinks people knew about it. John had notified all the pool contractors. They are probably notifying the residents when they are called.

Council Member Ramsey said the project was approved before.

Mr. Brewer said the pool is a separate permit. That was discussed at the Council meeting when the Council approved the funding, it was voiced by the Council that they wanted to see a pool. We don't have a full site plan for the pool. We will get a separate plan for that.

Council Member Ramsey said we have denied other people, so we are going to have to deny the pool and go with the playground.

Mayor Garcia said he thought it was to be both but he is in favor of the playground for sure and the pool in the 2nd phase.

Mr. Brewer asked if you want him to have a discussion of if they can hold off.

Council Member Oxborrow said it would be nice to have him here to answer these questions. He has been here quite a bit for this whole project. To him, he does not know what his funding is like with the grants, etc. He thinks if the funding is already equated, it is there for pool. Next January or February the playground is going to be maybe \$30K of equipment on grass. The pool is going to be a substantial amount of construction.

Mr. Brewer said he can talk to him but as far as his conversations with them, it appears that all permits have to be pulled by October 15th. If there is anyway to work around that, maybe we can swap the permits and figure out a way to work it out.

City Manager Ramirez said it is going to take about a year for construction. This is not going to happen in four or five months. He can only imagine that something like a pool or a playyard for children is going to be one of the last things they are putting in. They are going to be working on the buildings, units and park lot, etc., and those type of things. He just wants to make sure we are all on the same page. This is a weird year when it comes to water and we have had a few request for pools. We did not want to put the Council in a position where we are making some of the decisions.

Sounds like we had three Council Members say let's just do a playground. You have two Council Members they are saying, he has to put in a pool because that is what we agreed. If he doesn't have to pull the permit

for the pool by October 15th, and we have the El Nino year then he can come at a later time for the pool permit. We just don't know if the State process, where the grant money is coming from, is going to allow him to do that.

Council Member Oxborrow said his thing was to go with the playground over the pool in this drought year. He was just trying to see if there is a way to hang the permit out there for future months. He is for the playground also over the pool in this year. Hopefully, he will be able to do the commitment he gave with the pool in later months.

Mr. Brewer said he will find out if he can delay the permit for the pool past October 15th. According to him it sounded like all permits had to be secured by October 15th because they close on the entire deal. All the financials are resolved and closed out by October 15th. We are working on our documents that we have with the City and the developer for the funding. All that has to be concluded by October 15th.

Council Member Oxborrow said to him then that would be the way to do it. Let him submit with the pool knowing that there is a moratorium and when the final phase of the construction comes down, he has the money for the pool.

Mr. Brewer said that is us guaranteeing that we are approving the pool with the moratorium.

Council Member Oxborrow said that is not guaranteeing it. He just has to apply for the permit and have all permits pulled. We can allow him to pull a permit, there could be a caveat that if we are still in a severe drought year, then we opt towards the playground. It is obvious to him to allow him to pull the permit by the time for the construction is done. If we are in a severe drought and we don't get El Nino, there is not going (interrupted). He is dealing with the same agencies at the State which also say we are in a severe drought and we have to conserve every drop of water.

Mr. Brewer said issuing a permit is against current policy. We cannot issue a permit even (Interrupted).

Council Member Oxborrow said if you are asking for a waiver from us, that can be done if there is some language in there. He is just thinking out loud. He is not asking you to do it tonight. It has to be done by the middle of October. If sometime between now and then we can up with more knowledge and what he has to do. It might be a possibility. We can let him pull the permit, with some language that if there is no water next year then the moratorium is still there. It is just an option, to him that might be the best way to go.

Mayor Garcia said we don't want to hinder him in any way, we want to work with him.

Mr. Brewer said he will discuss it with him. It was his understanding October 15th was the final date to pull a permit. Maybe he can pay for the permit now and hold on to it. He does not know if the State will allow him to do that under the circumstances of the moratorium. Maybe we can work that out.

The State is a stickler when it comes to financing. He will see if they can work a way to, at least, get the permit secured. We would not allow them to commence construction until the moratorium has been lifted.

A question for City Attorney: Can we do that on a contingency permit. Issue it but not allow construction until the moratorium has been lifted?

City Attorney Avedisian-Favini indicated she thinks so but she will get back to you with a definitive answer.

Mr. Brewer said he will talk to the developer.

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

Assistant Community Development Director Sean Brewer:

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. This 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.

On July 24, 2014 staff received a 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. 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.

Compared to what the City is actually paying right now for city engineering services, Tri-City is about 38% less per hour for equal positions; engineers, surveyors, clerical staff, etc. This should equal some savings plus Tri-City has a tremendous amount of institutional knowledge such as general information which would not have to be researched, etc.

Dan Jauregul and Marilu Salinas are here to answer any questions.

Council Member Oxborrow said one of his concerns in the past was regarding the surveying. He knows we were having Tri-City survey everything when they were the engineer and he brought up several times that we had two local surveyors here in town. We were paying Tri-City travel time both ways so we were only getting 5.5 hours of surveying while paying for 8 hours. Why didn't we use the two local surveyors?

Mr. Brewer said they actually don't have any surveyors right now. They are actually utilizing Chris

Robles and the two local surveyors on most of their projects. We have been putting that request in the proposals for them to utilize the local engineering firms.

Council Member Lander asked about the Tri-City information regarding the company. In there they list Cranston Land Surveying and C. H. Robles as their surveyors. You have retained them, is that correct?

Mr. Dan Jauregul (Tri-City Engineering) indicated they had hired Cranston to do the 4th Avenue Project and Chris worked with us on the mapping of the two condo projects. We are using them exclusively. We take the best bid price.

Mayor Pro-tem Keough said right here it says fiscal impact is approximately 38% lower than our current contract with Quad Knopf. This seems to create the idea that if we go back with you, we are going to have a 38% discount from what we have been paying for equal service(s). Is that the case?

Mr. Jauregul indicated that their rates are lower than what he thinks you have been finding with the other consultants. We do have a lot of Historical information therefore we don't have to do a lot of research for info staff needs, etc. We have a lot of previous surveys and records about the City. It helps us to be able to provide the City with a more reasonable rate.

Mayor Pro-tem Keough asked if the 38% is historical.

Mr. Brewer said you are talking \$180 compared to \$150 per hour. It is based on what is listed on their information to what we are paying our current engineer per hour. It is difficult to quantify. On a project basis, an engineer may charge \$100K and another charge \$80K but the one charging \$80K may have a hourly rate twice as high.

We have seen from their experience they are efficient. He cannot promise you we will save 38% on every project.

Mayor Pro-tem Keough said it is a little deceptive the way it reads.

City Manager Ramirez said what you have to keep in mind is Quad Knopf is a medium size engineering firm. When you look at a firm like Corollo Engineering, who has offices all over the United State, they have overhead charges because they have to pay for their buildings, attorneys, etc. They have all these items which have to be calculated into what they have to charge for an engineer. A small firm like Tri-City (you are looking at their staff) has overhead very miniscal in comparison to larger engineering firms.

He was talking to some people just today on some consulting and they were talking with consultants in the bay area and they are probably paying \$200 per hour more for professional engineers. That level of engineering has yet higher overhead then Quad Knopf. He thinks that is the big difference; the amount of overhead someone like Quad Knopf has vs. Tri-City might have.

Mayor Pro-tem Keough asked how far back does the relationship with Coalinga go.

Mr. Jauregul indicated the relationship goes back to the mid-nineties maybe 1994. We have worked on all the Juniper Ridge projects; all that original mapping. We did all the Stallion Springs and Fox Hollow work.

(Several people talking.)

Mayor Pro-tem Keough said he was mostly concerned with the fact that Sean wrote 38% savings; he just thought he would question that. We do need to save money right now.

Staff is asking direction to re-enter into a professional services agreement with Tri-City Engineering making

them our City Engineer.

*Motion to Approve Tri-City Engineering as the City Engineer Using Local Surveyors Made by Council Member Oxborrow, Seconded by Council Member Lander. Motion **Approved** by a Roll-call 5/0 Vote: Oxborrow, Lander, Ramsey, Keough, Garcia.*

8. Police Department - Monthly Report

Police Chief Cal Minor

Police Lieutenant Scott Ingram:

The Chief cannot be in two places at once. He has asked me to present the report this evening.

His report will cover the four following topics:

Personnel changes

Uniform Crime Report (UCR) submitted to the Department of Justice each month.

Update on Press Releases

Animal Control

Personnel changes: We have had none for this month. The past three consecutive months we have lost one officer each month. We are anticipating losing possibly two additional officers within the next month or so.

Uniform Crime Report:

Part 1 Crime is established by seven categories: criminal homicide, forcible rape, robbery, aggravated assault, simple assault, burglaries, larceny and motor vehicle theft.

0 homicides

1 forcible rape

1 robbery

10 aggravated assaults

4 simple assaults

5 burglaries

17 thefts

6 motor vehicle thefts

The Part 1 offences for 2014 is 44 vs. the same in July of 2013 totally 50 offences - a reduction of 12%.

Press releases update: On March 14, 2013 (last year) members of the Coalinga Police Department served a narcotics search warrant in the 300 block of Monroe Street. When they got in there they found a 10 foot hole dug in a closet and another 10 foot dug out to the back yard. This was very unusual in that the warrant we wrote was for the arrest of a 53 year old resident Robert Moreno on various drug and weapons charges. The update is simple, he was given a five year prison term from that search warrant.

On March 7 of this year, the PD investigated a shooting in the 100 block of Walnut Street where there were three individuals involved in shooting at one pedestrian. One of the three originally arrested has been given a seven year prison sentence and a one felony strike against his record.

Animal control officer's report:

41 dogs

22 cats

8 skunks
71 total animals

24 abandoned grocery carts:

11 Save Mart
6 Save-a-Lot
5 R&N

This completes his report.

Council Member Oxborrow asked how many vehicles were recovered.

Lt. Ingram said he does not have the recovery report.

Council Member Oxborrow said he thinks they used to get a report on how many arrests, etc. He would like to see that again. You can tell the Chief.

His point being, you guys are doing a great job of making arrests and returning vehicles and no one gets to hear that. He would like everybody to be able to hear that.

9. Fire Department - Monthly Report

Fire Chief Steve Henry

Fire Chief Steve Henry:

We have been quite busy with the committee established to negotiate the Contract services with CalFIRE. Yesterday, we sent out two documents the committee originated. There is a small change in the profile of the Department. Captain Krider brought this to his attention this morning at the command staff meeting. Our profile on Page 3 will reduce positions which have been cut; we want it to be accurate.

As you can see staff has been spending quite a bit of time on that engine we purchased from the auction getting it up and running. Sunday night about midnight, it went into service. We had one of our units go out to County so we quickly put the hose and equipment on it and got it into service that night. It was out here today. He is pretty proud of the work being done by the folks. It has saved us thousands of dollars doing it in-house.

We have made a change in that Captain Gabriel has been reassigned to a 40 hour workweek basically to assist the administration. He has taken over the ambulance billing on a 40 hour workweek schedule. Predominantly, his time is taken up by ambulance billings. We started doing a time study and the last 15 days he was working probably over 50% of the time dealing with the ambulance billing. He is making sure we catch the ones we are missing and those being sent up to Whitman's for billing. He also identified an over billing that went to PVSP; we had to correct that. They filled out over 400 miles to take a patient to Fresno and we got quite a significant check for that and we had to send it back. It goes both ways. If we are under an audit, he is confident that we are able to see the benefits of having him do what he is doing.

Engineer Jimmy Ramsey has been promoted to a long-term acting captain's position and he has assumed the responsibility of an entire shift. Behind him Acting Engineer Justin Milligan was promoted into a long-term position. We kept the firefighter position vacant so we don't impact the budget.

We conducted quarterly safety meetings and during that time we did one investigation on an employee injury and we still have Cal/OSHA coming out as a consultant on September 22nd to inspect three of the City's facilities. He looks forward to that because it puts us on the right path and it will allow us to evaluate ourselves and see how and what we are doing.

In reference to our wild land fires we had two members assigned to (cannot understand word) in Yosemite. They returned back to us on Monday. We have a patrol that is assigned to a task force in the Sierra National Forrest and the French Incident - that incident is 16,500 acres consumed as of this morning and 85% contained. The 85% contained is good news for us. We should see that being released pretty soon. The bad news is there are two fires in the northern coastal part of the State (that did not receive any rain) and the patrol still has outstanding orders. They will probably get transferred from the French Fire to Northern California to join our engine that was assigned on a strike team up there on Sunday. That unit is on the Beaver Fire; the fire is 10,516 acres as of this morning's report and 5% contained.

Captain Long and his crew called in, they were off yesterday and he shared with him that they were activity involved in structure protection during firing operation along one of the roads on the Klamath River Highway. On the day off, the weather changed and all that work they put in was for not. Just good practice and they begin all over again. He does not anticipate seeing that engine for a while.

Currently we are at about \$105K in reimbursibles in this fiscal year. For 2013/14 fiscal year we were at about \$30K. It has been a pretty significant fire season. September is our peak season. He anticipates, they will probably be pretty active.

We have had 213 calls for service - 77% EMS calls. The good news is 10 fires and only \$300 lost. We had 14% of good intents which is our ambulances going out. The Medic unit was committed 33% of the time during this month. Our total training hours are 72 hours of training for July.

Captain Krider has been working with Fresno County Fire District with their rescue team. The Coalinga Firefighter's Association made a request to the International Association of Firefighters for a Confined Space Rescue class funded by IAF. We have been working on getting that scheduled and getting the same class certified at the State level. Each individual will receive State Certification for Confined State Technician. The classes are also being offered to six of the public works employees and six of the water plant employees. We are doing a public/private employee training class. The firefighters from Fresno County Fire District will be giving the class.

This concludes his report. He is pleased to answer any questions you may have.

7. ANNOUNCEMENTS

1. City Manager's Announcements

City Manager Rene Ramirez said you heard Chief Henry mention there has been a sub-committee of the Council meeting with members of the Fire Department and the Chief from CalFIRE to put together a request for proposal. We are at a point now where we would like the full Council to see the efforts this group has put out and we would like to schedule a meeting next week to go over that RFP and receive direction from the Council to submit that to CalFIRE. They have their own processing. Remember they said it could take as long as twelve months but the sooner we get that RFP to them the faster it would get into their processing and it would expedite their response.

At the same time, he wants to sit down with the Council and talk about the FY15 Budget. The date he was going to suggest is Wednesday, August 13th. The mayor is going to be gone and he knows Mr. Keough is getting ready for school to start.

How does the remaining members of the Council feel about meeting next week to discuss CalFIRE and the FY15 budget? A special meeting will be posted for Wednesday, August 13 at 5:30 PM. Chief Henry is working on a staff report and we will have some fiscal budget information for you as well.

2. Councilmembers' Announcements/Reports

None

3. Mayor's Announcements

None

8. FUTURE AGENDA ITEMS

None

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

Mayor Garcia closed the Council Meeting at 8:20 PM.

Tony Garcia, Mayor

City Clerk/Deputy Clerk

Date