

# Visalia City Council Agenda

For the Special meeting of: Monday, June 25, 2007

Location: Convention Center - 303 E. Acequia, Visalia

Mayor: Jesus J. Gamboa  
Vice Mayor: Greg Kirkpatrick  
Council Member: Greg Collins  
Council Member: Donald K. Landers  
Council Member: Bob Link

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All items listed under the Consent Calendar are considered to be routine and will be enacted by one motion. If anyone desires discussion on any item on the Consent Calendar, please contact the City Clerk who will then request that Council make the item part of the regular agenda.

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## **WORK SESSION AND ACTION ITEMS (as described)**

**4:00 p.m.**

### **Public Comment on Work Session Items -**

- 4:05 p.m. 1. Mayor's verbal report and slides regarding visit to Sister City Putignano, Italy
- 4:15 p.m. 2. Consideration of a Pre-Annexation Development Agreement associated with Annexation No. 2007-01 (Vargas), a request to annex 480 acres of Heavy Industrial Land on Plaza Drive north of Riggin Avenue.
- 4:40 p.m. 3. Update, recommendations and Council authorization for: Site Selection for a new SPCA facility; distribution of an RFP for a new SPCA facility design; Council authorization of FY 2007-08 contract for Animal Control Services with Valley Oak SPCA in the amount of \$383,771; and transfer of dispatching services from Valley Oak SPCA to the City Police Department and approving an increase in the Police Department budget of \$29,500.
- 5:00 p.m. 4. Budgetary Items  
A. Review and approve action on the 2007/08 Budget  
B. City Managers Annual Recertification of the Measure T Plan.  
C. Pension Obligation Bonds  
D. Approval of **Resolution 2007-50** adopting the 2007-08 appropriations limit for the City of Visalia's General Fund.

*The time listed for each work session item is an estimate of the time the Council will address that portion of the agenda. Members of the public should be aware that the estimated times may vary. Any items not completed prior to Closed Session may be continued to the evening session at the discretion of the Council.*

## **ITEMS OF INTEREST**

## **CLOSED SESSION**

**6:00 p.m. (Or, immediately following Work Session)**

5. Conference with Labor Negotiators (G.C. §54957.6a)  
Agency Designated Representatives: Eric Frost, Jim Harbottle, Janice Avila  
Employee organization: Bargaining units Groups B and E
  
6. Conference with Real Property Negotiator  
Property: Portions of City-owned property known as APN 118-020-036, -37 and 119-010-021 located west of Highway 99, south of Avenue 288, east of Road 68, and north of Avenue 280.  
Under Negotiation: Terms and Conditions of Purchase and Sale Agreement regarding potential Conservation Easement  
Negotiating Parties: Steve Salomon, Michael Olmos, Colleen Carlson, North Visalia Investments, LLC or assignee
  
7. Conference with Real Property Negotiator  
Property: 819 W. Acequia (APN 093-201-004)  
Under Negotiation: Authority to negotiate terms and conditions of purchase  
Negotiating Parties: Steve Salomon, Michael Olmos, Colleen Carlson, Thomas Gaebe, Jonathan Graves & Douglas Lawrence

## **REGULAR SESSION**

**7:00 p.m.**

### **PLEDGE OF ALLEGIANCE**

**INVOCATION** – Chaplain Kent Mishler, Kaweah Delta Hospital

**SPECIAL PRESENTATIONS/RECOGNITION** - Recognition of Tony and Mary Salierno, Provident Mortgage

**CITIZENS REQUESTS** - This is the time for members of the public to comment on any matter within the jurisdiction of the Visalia City Council. This is also the public's opportunity to request that a Consent Calendar item be removed from that section and made a regular agenda item for discussion purposes. Comments related to Regular or Public Hearing Items listed on this agenda will be heard at the time the item is discussed or at the time the Public Hearing is opened for comment. The Council Members ask that you keep your comments brief and positive. Creative criticism, presented with appropriate courtesy, is welcome. The Council cannot legally discuss or take official action on citizen request items that are introduced tonight. In fairness to all who wish to speak tonight, each speaker from the public will be allowed three minutes (speaker timing lights mounted on the lectern will notify you with a flashing red light when your time has expired). Please begin your comments by stating and spelling your name and providing your address.

### **CHANGES TO THE AGENDA/ITEMS TO BE PULLED FOR DISCUSSION**

8. CONSENT CALENDAR - Consent Calendar items are considered routine and will be enacted by a single vote of the Council with no discussion. For a Consent Calendar item to be discussed, or voted upon individually, it must be removed at the request of the Council.
- a) Authorization to read ordinances by title only.
  - b) Second reading of Ordinance No. 2007-10 authorizing the City Manager to execute a new 40-year Lease Agreement with the Faria & Sons Family Limited Partnership for approximately 90 acres of farmland at the Visalia Municipal Airport.
  - c) Authorization for the City Manager to execute an agreement with COS that provides for participation in the Federal Work Study Program for 2007-08.
  - d) *Item removed at the request of staff*
  - e) Authorization for the City Manager to sign an agreement with Visalia Mountain Transit, Inc., a subsidiary of MV Transportation, for the purpose of operating the Sequoia Shuttle, for \$52.22 per vehicle service hour or a total of \$514,133 for 2007.
  - f) Authorize the City Manager to execute the amendment to the Agreement with Visalia Unified School District to modify the administrative fee portion for collecting School Facilities Fees paid to the City of Visalia from 2% statutory to 1% statutory effective July 1, 2007.
  - g) Authorization to enter into an agreement with Visalia Unified School District for after school enrichment program services.
  - h) Authorization for the City Manager to sign a contract with the Visalia Convention and Visitors Bureau to provide convention and tourism sales and marketing services for one year for \$239,000.
  - i) Approve the recommended appointment of Richard Garcia to the Bicycle, Pedestrian and Waterway Trails Committee as recommended by the Citizens Advisory Committee
  - j) Adopt Resolution 2007-56 requesting Allocation of Proposition 1B funds as outlined in SB 286 (Lowenthal and Dutton). **Resolution 2007-56 required.**
  - k) Adopt Resolution No. 2007-57 denying the appeal of Tentative Parcel Map No. 2007-04 and upholding the Planning Commissions approval. (APN: 089-030-035). **Resolution 2007-57 required.**
  - l) Authorization to record final map for Woodside Sousa Property Unit No. 1 , located at the southeast corner of Walnut Avenue and McAuliff Street (129 lots) and the Formation of Landscape and Lighting District Nos. 07-11 and 07-11-PARK, Sousa Property (APN 127-030-026). **Resolution No. 2007-58, 2007-59, 2007-60 and 2007-61 required.**
  - m) Request authorization to file a Notice of Completion for The Ashley Grove No. 9, containing 53 multi- family lots (208 units), located at the Southeast corner of Riggin Avenue and County Center Street.

n) Introduction of **Ordinance 2007-12** pursuant to New California Health and Safety Code Section 33342.7 Adopting Description of the Agency's Property Acquisition Program through Eminent Domain.

9. **Public Hearing** An appeal by Adolfo Ramirez (applicant-owner of B.C. Recycling) of the Planning Commission's approvals to revoke Conditional Use Permit No. 99-03, for a small collection and light processing recycling facility located at 1538 North Dinuba Boulevard (APN: 091-161-052) and to revoke Conditional Use Permit No. 2003-09, for a small collection and light processing recycling facility located at 1043 East Houston Avenue (APN: 094-140-036). **Resolution 2007-62 and Resolution 2007-63 required.**
10. Introduction of **Ordinance No.2007-13** approving the Citizens Advisory Committee (CAC) recommendation to adjust the monthly compensation to City Council members to \$800, eliminating the stipend, and implementing an automatic inflation factor that compounds annually for future compensation increases.

#### **REPORT ON ACTIONS TAKEN IN CLOSED SESSION**

#### **REPORT OF CLOSED SESSION MATTERS FINALIZED BETWEEN COUNCIL MEETINGS**

Litigation Settlement – One matter

#### **Upcoming Council Meetings**

Tuesday, June 26, 2007 – Convention Center, 4:00 p.m. Strategic Planning

Wednesday, June 27, 2007 – Convention Center, 4:00 p.m. Strategic Planning

Monday, July 16, 2007 – City Hall Council Chambers 707 W. Acequia

Monday, July 23, 2007 – Joint City Council/Planning Commission, Convention Center 4:00 p.m.

Work Session 4:00 p.m.

Regular Session 7:00 p.m.

City Hall Council Chambers

707 West Acequia Avenue

In compliance with the American Disabilities Act, if you need special assistance to participate in meetings call (559) 713-4512 48-hours in advance of the meeting. For Hearing-Impaired - Call (559) 713-4900 (TDD) 48-hours in advance of the scheduled meeting time to request signing services.

**City of Visalia  
Agenda Item Transmittal**

**Meeting Date:** June 25, 2007

**Agenda Item Number (Assigned by City Clerk):** 2

**Agenda Item Wording:** Consideration of a Pre-Annexation Development Agreement associated with Annexation No. 2007-01 (Vargas), a request to annex 480 acres of Heavy Industrial Land on Plaza Drive north of Riggin Avenue.

**Deadline for Action:** None.

**Submitting Department:** Community Development - Planning

**Contact Name and Phone Number:**

Brandon Smith, Senior Planner - 713-4636  
Fred Brusuelas, Assistant Director of Community Development - 713-4364

**Department Recommendation:** Staff recommends that the City Council consider the contents of a draft Pre-Annexation Development Agreement associated with the proposed Vargas Annexation in the Visalia Industrial Park. The draft Pre-Annexation Agreement, attached herein as Exhibit "A", includes criteria requested by 1) the Council; 2) the applicant, and 3) staff-recommended revisions:

- The applicant is requesting that an exception to the 40-acre minimum parcel size be allowed when all 10-acre parcel sizes are developed.
- Staff recommends that the Council authorize the Community Development Director to allow minimum 10-acre lots when a project has at least a 100,000 sq. ft. building and creates at least 50 full-time jobs.
- The north 320 acres may be master-planned at any time. However, no building permits shall be issued for structures in the north 320 acres until the south 160 acres is 50% developed.

**Summary/background:** On April 16, 2007, the City Council authorized staff to accept and begin processing an application to annex 480 acres owned by David and Ana Paula Vargas into the City located on both sides of Plaza Drive north of Riggin Avenue. The Council's authorization for staff to proceed was given on the basis that specific development criteria would be drafted into a pre-annexation development agreement, which would be memorialized at the future public hearing for the annexation.

**For action by:**

- City Council
- Redev. Agency Bd.
- Cap. Impr. Corp.
- VPFA

**For placement on which agenda:**

- Work Session
- Closed Session

**Regular Session:**

- Consent Calendar
- Regular Item
- Public Hearing

Est. Time (Min.):\_30\_

**Review:**

**Dept. Head** \_\_\_\_\_  
(Initials & date required)

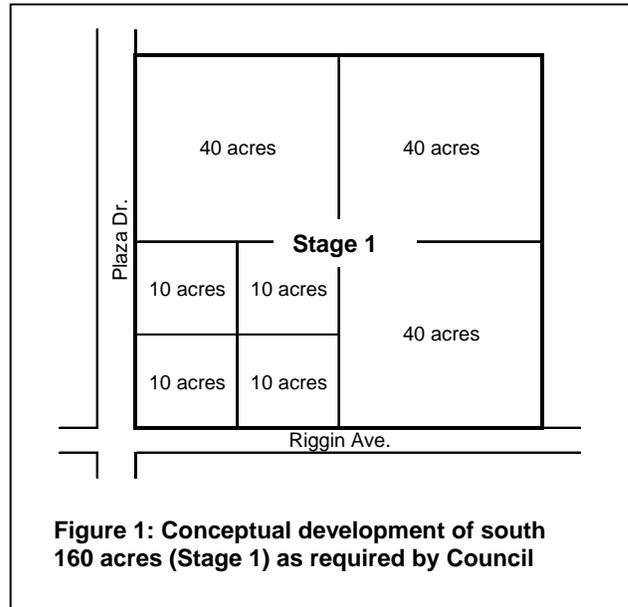
**Finance** \_\_\_\_\_  
**City Atty** \_\_\_\_\_  
(Initials & date required or N/A)

**City Mgr** \_\_\_\_\_  
(Initials Required)

If report is being re-routed after revisions leave date of initials if no significant change has affected Finance or City Attorney Review.

The development criteria which the Council required for the Vargas annexation would be as follows:

1. The property shall be developed in stages, with Stage 1 to be the southernmost 160 acres, and Stage 2 to be the northernmost remainder 320 acres.
2. The subdivision of property in Stage 1 will be allowed immediately upon annexation, provided 75% of the area is devoted to parcels sized 40 acres or larger, and 25% of the area is devoted to parcels 10 acres or larger. (This concept is illustrated in Figure 1. This figure represents a possible configuration of seven parcels - the most amount of parcels allowed by this development criteria.) It should also be noted that right-of-way dedication will cause the net size of the parcels to be less than 40 or 10 acres.



3. No subdivision or other development entitlement for the Stage 2 area until a master plan is developed and a development agreement approved for the area establishing minimum parcels sizes.

With regards to a Williamson Act contract which currently exists on the site, Council's request was as follows:

4. The Council will exercise their protest of the Williamson Act contract located on the southern 160 acres (this portion of the contract has a valid Williamson Act protest from 1974).
5. Agricultural mitigation fees may be required on the 160 acres based upon analysis of the project's environmental document.

Following the Council's authorization for staff to accept an application for annexation, applicant MSJ Partners submitted a formal application and fees for the annexation.

As directed by the City Council, staff has begun to work on the form and content of the Pre-Annexation Development Agreement. Adoption of the Agreement will necessitate the written acceptance of all property owners identified involved in the annexation.

**Stage 1 development:** Staff has met with the project applicant representing the property owners to discuss the development criteria added by the Council. MSJ Partners initially submitted a request for annexation in the form of a letter addressed to the City, attached herein as Exhibit "B". This letter included guiding principles that addressed a development plan and the property's Williamson Act contract. Among the guiding principles for development was a development plan that would be initially subdivided into 10 acre parcels, but would have the flexibility for parcels to be combined or further subdivided based on market demand.

The applicants expressed concern to staff that minimum parcel sizes and a strict limitation of the number of parcels could impose a hardship on the marketability of the property to industrial

users, particularly in the event of an economic downturn. Furthermore, the developers are concerned in the event that within the first phase, a prospective industry with substantial economic or job benefits may want to locate on a 10 to 40-acre site, only to be turned away since all of the 10 to 40-acre sites have been developed while undeveloped 40-acre sites still remain.

To address these concerns, the applicants are asking that the Council consider placing additional language in the Pre-Annexation Development Agreement that would provide an exception for a 40-acre minimum lot size to no less than 10 acres should a real prospective user with substantial economic and/or job benefits seek to locate in the subject area. Such an exception would only be allowed by authorization of the Community Development Director upon demonstration that the prospective user will bring benefits to the City that would be within the public interest.

Staff further recommends that for an exception to the 40-acre sized parcels to be considered, the prospective tenant must be a building at least 100,000 sq. ft. (approximately 25% site coverage for a 10-acre parcel) and must initially provide 50 full-time jobs.

**Stage 2 development:** The Council placed a development criteria that a master plan be developed and a development agreement establishing minimum parcels sizes be approved for the north 320 acres prior to the approval of any subdivision or other development entitlement in this stage. Staff recommends that the Council add a supplemental criterion to the north 320 acres in which no building permits shall be issued in the Stage 2 area until after 50% of the Stage 1 area has been developed. This requirement would ensure that a future master plan and development agreement is prepared and that construction will commence in the Stage 2 area only after the market has had sufficient time to respond to the available industrial land in Stage 1.

**Other Conditions of the Agreement:** The attached agreement also includes conditions that require the property owner and his/her designated agents to comply with the City's Groundwater Overdraft Mitigation Ordinance (VMC Chapter 12.54), the City's General Plan Maintenance Fees, and to indemnify the City harmless against any potential actions arising from the cancellation of the site's Williamson act contract. These conditions have been standard conditions placed in previous Pre-Annexation Agreements prepared by the City.

**Prior Council/Board Actions:** On April 16, 2007, the City Council reviewed a request to initiate the 480-acre annexation north of the Industrial Park, and has authorized the applicant to proceed with filing an application for Annexation and Sphere of Influence Amendment for processing and public review.

**Committee/Commission Review and Actions:** None.

**Alternatives:** (1) Not accept the staff-recommend revisions to the Pre-Annexation Development Agreement, and direct that the agreement be prepared in substantial conformance with Council's recommendation on April 16, 2007.

(2) The Council may propose further changes to the Pre-Annexation Development Agreement. The final form of the agreement would come back to Council as a consent calendar item or with the public hearing for the annexation

**Attachments:**

- Exhibit "A" – Draft Pre-Annexation Development Agreement
- Exhibit "B" – April 16, 2007 City Council Staff Report
- Location Map

**Recommended Motion (and Alternative Motions if expected):**  
I move that the form and contents of the draft "Pre-Annexation Development Agreement" attached herein as Exhibit "A" be used in the final draft when Council holds a public hearing for Annexation No. 2007-01.

***Environmental Assessment Status***

**CEQA Review:** None

**NEPA Review:** None

## **Pre-Annexation Agreement**

This Pre-Annexation Agreement ("Agreement") is made and entered into this \_\_\_\_ day of \_\_\_\_\_, by and among the City of Visalia, a charter law city ("City") and David and Ana Paula Sousa Vargas (hereinafter "Owner"):

### **RECITALS**

**WHEREAS**, Owners are the record owners of the property, currently located in the unincorporated area of the County of Tulare, legally described in Exhibit A and depicted in Exhibit B, which are attached hereto and incorporated herein by reference (hereinafter referred to as the "Property"); and

**WHEREAS**, the Property is adjacent to and contiguous to the existing corporate boundary of the City, but is not situated within the limits of any municipality; and

**WHEREAS**, Owner desires to have the Property annexed to the City and to have the Property zoned as I-H (Heavy Industrial), which would permit the Property to be used for industrial use; and

**WHEREAS**, the Property consists of approximately 482.6 acres, and \_\_\_\_\_ electors reside thereon; and

**WHEREAS**, proper applications have been filed with the City for approval of the annexation as may be required for the Property; and

**WHEREAS**, the City has, by a resolution requesting initiation of proceedings to annex territory ("Resolution") adopted on \_\_\_\_\_, initiated proceedings to annex the Property; and

**WHEREAS**, on June 21, 2004, the City Council of City adopted a General Plan Maintenance Fee effective June 21, 2004; and

**WHEREAS**, in certain annexation proceedings Williamson Act issues arise which require indemnification of the Tulare County Local Agency Formation Commission ("LAFCO"), the County of Tulare, and City and are therefore required of Owner herein; and

**WHEREAS**, Condition No. \_\_\_\_ of Resolution No. \_\_\_\_\_ initiating proceedings of annexation requires entry into this Annexation Agreement prior to the City submitting an application to the Local Agency Formation Commission to commence the proposed annexation; and

**WHEREAS**, Owner acknowledges that during the term of this Agreement the Property will be subject to all ordinances, resolutions, and other regulations of the City, as they may be amended from time to time, as well as state and federal statutes and regulations, as they may be amended; and

**WHEREAS**, the City is authorized by its police powers to protect the health, safety and welfare of the community, and is entering into this Agreement and executing such authority for said purpose; and

**WHEREAS**, nothing contained in this Agreement shall constitute a waiver of the City's legislative, governmental, or police powers to promote and protect the health, safety and welfare of the City and its inhabitants, nor shall this Agreement prohibit the enactment or increase by City of any tax, fee, or charge.

**NOW, THEREFORE**, in consideration of the above Recitals and the following Covenants, it is agreed by and between the parties as follows:

### **I. AGREEMENT**

- A. Parties. The parties to this Agreement are the City and Owner.
- B. Incorporation of Recitals. The parties confirm and incorporate the foregoing Recitals into this Agreement.
- C. Purpose/Limits of Agreement. A specific purpose of this Agreement is to set forth specific terms and conditions of annexation of the Property to City.

### **II. TERMS AND CONDITIONS OF ANNEXATION; PURPOSE OF AGREEMENT**

Generally, each party to this Agreement is benefited and burdened by detachment from the County and annexation to the City. Owner will obtain a variety of services from City and City will obtain additional tax revenues. City has adopted ordinances, regulations, and policies concerning design, improvement, construction, development and use of property within the City. Nothing contained in this Agreement shall constitute a waiver of City's legislative, governmental, or police powers to promote and protect the health, safety, and welfare of City and its inhabitants, nor shall this Agreement prohibit the enactment or increase by City of any tax or fee. The purpose of this Agreement is to spell out additional conditions to which Owner will be subject following annexation and prior to development within the City due to the burden placed on City by Owner's desired annexation:

- A. Water Acquisition Policy: Although City's current water service provider, California Water Service, continues to issue will-serve letters, City's Council is aware of the steadily decreasing level of water in the City's underground water aquifers and has determined that increasing development is contributing to this serious problem. Therefore, City's Council has studied the issue and investigated possible solutions in order that it may continue to assure citizens that there will be water available to serve the community's needs. City's Council is actively engaged in water replenishment activities with the Kaweah Delta Water Conservation District and it has adopted a policy which requires annexation applicants to convey title to water rights upon annexation and/or to pay a fee (pursuant to an adopted fee schedule) so that City may acquire water for groundwater replenishment and storage in order to serve new development that comes with annexation. Therefore, Owner agrees that at the time LAFCO

adopts a resolution approving the annexation, Owner will comply with the adopted policy by conveying water rights, paying a fee in lieu thereof, or complying by any other method allowed in said policy, and no permits or entitlements concerning the Property will be issued unless and until said requirements is met.

- B. General Plan Maintenance Fee: Annexation applicants receive a direct benefit from City's planning efforts, particularly its General Plan. Preparation, amendment, and updating of the General Plan and related environmental documentation creates an extraordinary monetary burden on City. Annexation applicants not only create part of this burden, they directly benefit from the City's investment. Therefore, on June 21, 2004, the City adopted (by Resolution 2004-63, as corrected) a General Plan Maintenance Fee. Owner agrees that at the time LAFCO adopts a resolution approving the annexation Owner will pay the General Plan Maintenance Fee and no permits or entitlements concerning the Property will be issued unless and until said fee is paid.
- C. Williamson Act Indemnification: Occasionally property to be annexed is burdened with Williamson Act contract(s) which the City will succeed to and administer if the annexation is completed. In some events, the Owner desires to cancel said contract(s). Specific statutory findings must be made in order to cancel said contract. In the event of a request for cancellation of contracts which burden land subject to this Agreement, Owner agrees to indemnify, hold harmless, and defend (with counsel of City's choosing), the City, its officers, elected officials, employees, and agents, from and against any and all claims, actions, matters, and liability arising from its decision with respect to such cancellation request regardless of the date the cancellation request is made or initiated.
- D. Development Plan: Per the condition requested by the Visalia City Council and included on said Resolution adopted on \_\_\_\_\_, the Owner hereby agrees to the following criteria regarding future development on the Property:
- The site shall be developed in stages, with Stage 1 to be the southernmost 160 acres of the Property, and Stage 2 to be the northernmost remainder 320 acres of the Property.
  - The subdivision of land in Stage 1 will be allowed immediately upon annexation, provided 75% of the area is devoted to parcels having a minimum size of at least 40 acres, and 25% of the area is devoted to parcels having a minimum size of at least 10 acres (right-of-way dedication will cause the net size of the parcels to be less than 40 or 10 acres). The criteria for minimum lot size can be waived on an individual case basis if the Community Development Director makes the findings that the parcel will be occupied by an identified user that would bring substantial economic and/or job benefits to the City of Visalia, that the user will have a building size at least 100,000 sq. ft., and that the user initially provides 50 full-time jobs.
  - No subdivision or other development entitlement for the Stage 2 area shall be approved until a master plan is developed and a development agreement establishing minimum parcels sizes is approved for the area.

Furthermore, subdivision or other development entitlement for the Stage 2 area shall be approved until the Stage 1 area is at least 50% developed.

Owner understands and agrees that building permits and other entitlements for development on the Property will not be issued unless and until each and every condition herein is met.

### **III. TERM**

The term of this Agreement shall become effective when fully executed by the parties hereto (the "Effective Date") and continue for a period of twenty (20) years. This Agreement shall terminate if (a) the annexation proceedings are terminated for any reason; or (b) the completion of the annexation (recording of a Certificate of Completion) does not occur on or before one (1) year from the Effective Date. Any indemnification provision included herewith shall survive termination and continue until expiration of the statute of limitations applicable to the subject matter thereof.

### **IV. DEFAULT, REMEDIES AND ENFORCEMENT**

In the event of breach or default of any term, condition, covenant or obligation of this Agreement by either party, the other party may exercise any rights available at law or in equity, including an action for specific performance or other injunctive relief, and all such remedies shall be cumulative. This Agreement shall be enforceable, unless lawfully terminated or cancelled, by any party to the Agreement or any party's successor in interest, notwithstanding any subsequent changes in any applicable law adopted by the City which alters or amends the laws, ordinances, resolutions, rules or policies frozen by this Agreement.

### **V. INDEMNIFICATION**

Owner agrees to indemnify and hold harmless City and the City's officers, employees, agents, and contractors, from and against all liability, claims, causes of actions, and demands, including attorney's fees and court costs, which arise out of or are in any manner connected with this Agreement or its operation, or with any other annexation action or other action determined necessary or desirable by the City in order to effectuate the annexation of Owner's property, or which are in any manner connected with the City's enforcement of this Agreement. Owner further agrees to investigate, handle, respond to, and to provide defense for and defend against or at the City's option to pay the attorney's fees and court costs, which arise out of or are in any manner connected with this Agreement or its operation.

### **VI. MISCELLANEOUS**

- a. Binding Effect/Covenants to Run With Land. The Parties hereto agree to be bound by this Agreement. This Agreement shall be binding upon and shall inure to the benefit of the heirs, transferees, successors and assigns of the parties hereto. The terms and conditions stated herein shall constitute covenants running with the land.
- b. Assignment. Neither party shall assign, delegate or transfer their rights and duties in this Agreement without the written consent of the other party.
- c. Authorized Signatory. The individuals executing this Agreement, by their signature hereto, declare that they are authorized to, and have the legal power, right and actual authority to bind the party to the terms and conditions of this Agreement.
- d. Notices. All notices under this Agreement shall be effective upon personal delivery to City, or Owner, as the case may be, three (3) business days after deposit in the United States Mail, postage fully prepaid, addressed to the respective parties as follows:

To the City:                   City Manager  
   City of Visalia  
   707 W. Acequia  
   Visalia, CA 93291

With Copy to:               Daniel M. Dooley  
   City Attorney  
   Dooley & Herr  
   100 Willow Plaza, Suite 300  
   Visalia, CA 93291

To Owner:                   David and Ana Paula Sousa Vargas, Trustees  
   Guilhermina Barcelos Living Trust  
   3131 Silbury Court  
   San Jose, CA 95148

Or such other address as the parties may from time to time designate by giving notice as required hereunder.

- e. Entire Agreement. This Agreement represents the entire agreement between the City and Owner as to its subject matter and no prior oral or written understanding shall be of any force or affect.
- f. Amendment. No part of this Agreement may be modified without the written consent of both parties.
- g. Headings. Section headings are provided for organizational purposes only and do not in any manner affect the scope, meaning, or intent of the provisions under the heading.

- h. No Third Party Beneficiaries Intended. Except as provided herein, the parties of this Agreement do not intend to provide any other party with any benefit or enforceable legal or equitable right or remedy.
- i. Exhibits and Recitals. The recitals and any exhibits to this Agreement are fully incorporated by reference and are integral parts of this Agreement.
- j. Conflict With Laws or Regulations/Severability. This Agreement is subject to all applicable laws and regulations. If any provision(s) of this Agreement is found by any court or other legal authority, or is agreed by the parties, to be in conflict with any code or regulation governing this subject, the conflicting provision(s) shall be considered null and void. If the effect of nullifying any conflicting provision is such that a material benefit of the Agreement to either party is lost, the Agreement may be terminated at the option of the effected party. In all other cases, the remainder of the Agreement shall continue in full force and effect.
- k. Waiver. A waiver of any breach of this Agreement by any party shall not constitute a continuing waiver or a waiver of any subsequent breach of the same or any other provision of this Agreement.
- l. Choice of Law - Venue. This Agreement shall be governed by the laws of the State of California and any questions arising hereunder shall be construed or determined according to such law. Venue for any legal action arising from or in connection with this Agreement or the Property shall be in Tulare County, California.
- m. Attorneys Fees. In the event either party commences any action, arbitration or legal proceedings for the enforcement of this Agreement, the prevailing party, as determined by the court or arbitrator, shall be entitled to recovery of its reasonable fees and costs, including attorneys fees, court costs and arbitration costs incurred in the action brought thereon.
- n. Recordation of Agreement. This Agreement, or an abstract of its material terms and conditions may be recorded by either party in the Official Records of the Tulare County Recorder.

**IN WITNESS WHEREOF**, the parties have executed this Agreement on the date set forth next to their signature.

**CITY**

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Steve Salomon, City Manager

Attest:

Date: \_\_\_\_\_

By: \_\_\_\_\_

Donjia Huffmon, City Clerk

Approved as to Form:

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Alex Peltzer, City Attorney

**OWNER**

Date: \_\_\_\_\_

By: \_\_\_\_\_  
David Vargas, Trustee  
Guilhermina Barcelos Living Trust

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Ana Paula Sousa Vargas, Trustee  
Guilhermina Barcelos Living Trust

**City of Visalia  
Agenda Item Transmittal**

**Meeting Date:** June 25, 2007

**Agenda Item Number (Assigned by City Clerk):** 3

**Agenda Item Wording:**

Update, Recommendations and Council Authorization For: Site Selection For a New SPCA Facility, Distribution of an RFP For a New SPCA Facility Design, Council Authorization of FY 2007-08 Contract for Animal Control Services With Valley Oak SPCA in the Amount of \$393,612 Plus \$3,100 for Capital Items and Transfer of Dispatching Services From Valley Oak SPCA to the City Police Department.

**Deadline for Action:**

June 25, 2007

**Submitting Department:**

Administration

**Contact Name and Phone Number:** Carol L. Cairns, Assistant City Manager 713-4324

**Department Recommendation:**

The City and Valley Oak SPCA committee recommends City Council authorize staff to move forward in securing the site for the new SPCA facility located at Walnut and Aviation Drive (southwest corner), authorize staff to distribute an RFP for the design of a new SPCA facility, authorize the FY 2007-08 contract for animal control services in the amount of \$393,612 plus \$3,100 for capital items, and transfer dispatching services from Valley Oak SPCA to the Visalia Police Department.

**Summary:**

At the November 20, 2006 Work Session, Council appointed Vice Mayor Greg Kirkpatrick and Councilmember Don Landers, to serve on a work committee with Valley Oak SPCA Board President, Amy Sheklian, Executive Director, Jerry Herrmann and Assistant City Manager, Carol Cairns, to evaluate the facility needs and other areas in which the City could assist Valley Oak SPCA in providing animal control services to the city. The committee has met throughout the past 6 months and has the following recommendations:

1. **Site location for new SPCA facility:**

All City owned properties were identified as to the suitability for an animal shelter, adoption center and spay/neuter clinic. The site at the corner of Walnut and Aviation Drive was

**For action by:**

City Council  
 Redev. Agency Bd.  
 Cap. Impr. Corp.  
 VPFA

**For placement on which agenda:**

Work Session  
 Closed Session

**Regular Session:**

Consent Calendar  
 Regular Item  
 Public Hearing

Est. Time (Min.): \_\_\_\_\_

**Review:**

**Dept. Head** \_\_\_\_\_  
(Initials & date required)

**Finance** \_\_\_\_\_  
**City Atty** \_\_\_\_\_  
(Initials & date required or N/A)

**City Mgr** \_\_\_\_\_  
(Initials Required)

If report is being re-routed after revisions leave date of initials if no significant change has affected Finance or City Attorney Review.

identified as providing the most convenient access, visibility, size (6 acres) and privacy from surrounding homes and or businesses. Infrastructure is accessible and the zoning is appropriate. Because the property is located within the airport acreage permitting will have to be requested. However, the use is compatible and it should be permitted.

*The committee is requesting Council authorization to move forward with the steps necessary to make this site the home for the new SPCA center.*

**2. Facility and Distribution of RFP:**

The committee evaluated the current facility, the city needs for animal control services and the amount of space that is needed in a facility to provide these services. Valley Oak's nonprofit needs and plans were also evaluated and it was agreed that a new facility is needed within the next 12-36 months.

*The committee is requesting Council authorization to distribute an RFP for the design of a new SPCA facility and return to Council for further discussions after the concept plans finalized with cost and financing options.*

**3. Cost of Providing Animal Control Service:**

Sue Merrill, Financial Consultant, was hired to evaluate the current accounting systems, revenue and cost centers to assist Valley Oak staff and the City is determining the actual cost of providing animal control services to the city. After a thorough evaluation it was determined that the City has been providing the appropriate level of financial support for animal control services to Valley Oak SPCA. The current level of service is for approximately 7,000 animals served in the City of Visalia. As the animal population serviced by the center increases the employee level will increase as will a certain portion of the operating budget. The City evaluates the increased level of service required and the revenue generating stream when working with Valley Oak SPCA annually in developing the budget.

There have been two major impacts to the animal control budget over the past two years. Maintaining qualified animal control officers has been a challenge. To assist in hiring and maintaining qualified officers Council authorized the hourly salary be increased from \$12 to \$15 per hour. The City would also increase the budget to include purchase of uniforms and equipment and professional training for the officers. The increase in the requested FY2007-08 reflects these increases.

The second issue involves the SPCA software for licensing animals . A new software program was purchased on May, 2006. The program has not been operable since February 2006. As a result of not being able to renew license in at timely fashion through the program, much of the renewal process had to be performed by hand and significant revenues are lost annually. City MIS staff have been working with Valley Oak staff and the software company to complete the program changes. The changes should be completed within the next 90 days. This will allow the annual revenues from licensing renewals to get back on track. This should assist in raising licensing revenues back up to \$10,000 to \$13,000 per month as opposed to the

\$5,000 to \$6,000 monthly average when the system was down.

The current contract is \$370,590. The requested increase is \$23,022. The new contract would be for \$393,612. This increase is based on a very aggressive licensing program. If the annual licensing revenue falls short of the projected \$185,000 the shortfall will be made up by the City.

*Staff is recommending, based on the above information, that the budget for FY 2007-08 be increased to \$393,612. An additional \$3,100 in capital is also requested for 4 GPS units for the animal control vehicles at a cost of \$400 each and 3 tranquilizer weapons at a cost of \$500 each. Valley Oak is attempting a very aggressive licensing program for 2007-08. Revenues from licensing (\$156,000) and fines (\$29,000) are projected to be \$185,000.*

#### **4. Transfer Dispatching of Animal Control Calls from Valley Oak to City Police**

##### **Dispatch Center:**

Calls for animal control services are currently received at Valley Oak SPCA by a clerical position and telephoned to Animal Control Officers in the field Monday through Friday 9am to 5pm. An answering service takes the calls during the other hours and refers the calls to Valley Oak the following morning. Some calls do end up coming through police dispatch. When individuals do not know who to call for or when there is an emergency such as a dog bite or vicious dog in the neighborhood.

The cost for providing dispatching through Valley Oak is approximately \$23,160 plus an additional \$6,505 for telephones and telephone service annually. The cost of providing dispatching service through the police dispatch center is approximately \$29,940 annually for a complaint taker (entry level dispatcher).

*The committee is recommending that the dispatching service be transferred to the police dispatch center. The efficiency of the dispatching service can be greatly enhanced, record keeping greatly improved and officer response to calls much more timely as well as officer safety improved. (If transferring the dispatching services is approved \$29,665 can be deducted from the requested budget amount.)*

#### **5. Spay/Neuter Clinic:**

It should be noted that Valley Oak will be reopening the spay/neuter clinic. They provide excellent animal care, education and adoption services to the city and surrounding communities. The partnership between Valley Oak and the City of Visalia continues to be strong and services provided the community will only serve to be enhanced by implementing the above committee recommendations.

#### **Prior Council/Board Actions:**

Approval of FY 2006-07 Contract for Animal Control Services

#### **Committee/Commission Review and Actions:**

City/Valley Oak SPCA recommendations in report

#### **Alternatives:**

**Attachments:**

Facility site map

SPCA FY 2007-08 budget

**Recommended Motion (and Alternative Motions if expected):**

I move Council Authorize staff to move forward in the Site Selection for a new SPCA facility, at Walnut and Aviation Drive, Distribute an RFP For a new SPCA Facility Design, Authorize the FY 2007-08 Contract for Animal Control Services With Valley Oak SPCA in the amount of \$393,612, plus \$3,100 for capital items and Transfer dispatching services from Valley Oak SPCA to the City Police Department.

***Environmental Assessment Status***

**CEQA Review:**

**NEPA Review:**

**Tracking Information:** *(Staff must list/include appropriate review, assessment, appointment and contract dates and other information that needs to be followed up on at a future date)*

Copies of this report have been provided to:

**City of Visalia  
Agenda Item Transmittal**

**Meeting Date:** June 25, 2007

**Agenda Item Number (Assigned by City Clerk):** 4A

**Agenda Item Wording:** Review and approve action on the 2007/08 Budget

**Deadline for Action:** June 30, 2007

**Submitting Department:** Administrative Services

**Contact Name and Phone Number:** Eric Frost, x4474, Gus Aiello, x4423, Melody Murch, x4379

**Department Recommendation and Summary:**

The Council has already adopted a two year budget which included Fiscal Year 2007/08. Fiscal year 2007/08 totals over \$140 million before any amendments. This budget is in place. No additional actions are necessary. However, the Council reviewed a number of items at their June 4, 2007 meeting. Staff recommends Council act on those items as listed below:

1. Approve a financing plan for the future SPCA Building and the Oaks Stadium project;
2. Approve efforts to address retiree health costs;
3. Approve a revised balanced budget which includes adjustments in the budget of the following amounts:
  - a. \$268,000 in General Fund recommendations, increasing the General Fund budget from \$58.3 to \$58.6 million;
  - b. \$8,000 in the Landscape and Lighting Maintenance Assessment District Funds for contract monitoring;
  - c. \$196,500 in the Solid Waste Fund for Construction and Demolition program and the fund's share of Natural Resource Conservation Division costs;
  - d. \$33,500 from Wastewater Fund for its share of the Natural Resource Conservation Division; and,
  - e. \$600,000 from the Parks Impact Fee fund for phase II design of the Sports Park.
  - f. \$10,800,000 for Measure R regional projects. These projects are specifically called out in the Measure R plan.
4. Recertify the Measure T plan; and,
5. Adopt a Proposition 4 Spending limit.

**For action by:**

- City Council
- Redev. Agency Bd.
- Cap. Impr. Corp.
- VPFA

**For placement on which agenda:**

- Work Session
- Closed Session

**Regular Session:**

- Consent Calendar
- Regular Item
- Public Hearing

Est. Time (Min.): \_\_\_\_\_

**Review:**

**Dept. Head** \_\_\_\_\_  
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**City Mgr** \_\_\_\_\_  
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**Discussion**

The City Council adopted a two year budget in June of 2006. The second year's budget will become effective July 1, 2007. Last year, the Council had numerous work sessions on the budget, reviewing the City's capital and operating budgets in depth. Unlike the earlier part of this decade, Council was able to add substantially to the operational arm of the City. Some 38 positions were added to the City's full-time staff in the budget. Attachment #1 displays two charts of the positions approved in June 2006 and included in this two-year budget.

These and other additions were made possible because the City Council waited until new revenues arrived before adding staff. Because the Council acted in a conservative manner, it had some certainty that these ongoing costs could be funded by ongoing revenues.

The most significant fiscal issue facing the City Council is the desire to pay for a number of capital projects (SPCA Building and the Oaks Stadium) and the need to address retiree health care. These costs will encumber the General Fund with long-term commitments. Thus, any ongoing General Fund revenues should be considered for funding these commitments, even if the costs are not in 2007/08.

Attachment #2 are extracts from the June 4, 2007 Council item that reviews the current budget status. Significantly, the City faces slowing revenue growth. This slowing trend limits the City's ability to fund new, ongoing costs. Further, Council has identified major initiatives. Given this background, this staff report reviews current budget recommendations and options for funding substantial, near-term, operating and capital costs which are on the horizon.

Table 1, General Fund Amended Budget and Projects, projects what monies are anticipated for the next fiscal year. Although some monies are available for projects next year, the demand upon these revenues can easily exceed the City's resources. Thus, care needs to be taken in managing the City's resources.

**Table 1  
General Fund Amended Budget and Projections**

General Fund					
Amended Budget and Projections					
FY July 1, 2007 - June 30, 2008					
(in thousands)					
Fiscal Year 2007 - 08					
	FY 05-06	FY 06-07	As Amended		Variance
	Actual	Projections	Budget	Projections	Fav(Unfav)
<b>REVENUES/SOURCES</b>	<b>\$ 53,344</b>	<b>\$ 56,630</b>	<b>\$ 58,545</b>	<b>\$ 58,910</b>	<b>\$ 365</b>
<b>EXPENDITURES/USES</b>					
Operating Expenditures	(47,161)	(48,381)	(50,673)	(50,673)	-
Capital Improvement Program (CIP)	(3,119)	(3,488)	(2,487)	(2,487)	-
Transfers Out/Debt Service	(2,863)	(4,301)	(4,868)	(5,172)	(304)
Transfer to Council Directed Priorities	(201)	(461)	-	-	-
Proposed Budget Adjustments				(268)	(268)
Internal Service Reimbursements					
<b>Total Expenditures/Uses</b>	<b>(53,344)</b>	<b>(56,630)</b>	<b>(58,028)</b>	<b>(58,601)</b>	<b>(572)</b>
<b>Revenue Over (Under) Expenditures</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 517</b>	<b>\$ 309</b>	<b>\$ (208)</b>

Staff's General Fund budget recommendations for new expenditures in FY 07/08 total less than \$300,000. The proposed 07/08 fiscal year general fund budget if approved with the recommended adjustments would have a balance of \$309,000. In accordance with current Council policy that money would be distributed to the four capital project reserve funds (45% - \$139,050 to the Civic Center reserve; \$139,050 to the Sports Park Reserve; \$15,450 to the Recreation Park Stadium Reserve and \$15,450 to the West 198 Open Space Acquisition Reserve) at the end of the 07/08 fiscal year.

**SPCA BUILDING AND OAKS STADIUM FUNDING PLAN**

**Costs**

**SPCA Building (\$3.5 million)** The preliminary estimate for the City of Visalia's share of a proposed SPCA complex is \$3.5 million.

Although the cost estimate needs to be finalized, the need for a new complex is acute. The current facility is well worn. A new facility is essential for the provision of animal control, a City responsibility. The SPCA has shown that its operating costs are less than the City's cost structure. Although this item may not become due this next year, the City needs to start setting aside monies for this project.

**Oaks Stadium (\$10.6 million)** The Council has heard several presentations in regards to the Oaks Stadium. The project promises to keep Minor League Baseball in Visalia.

**Resources**

**Designations.** To achieve the stated goal, a combination of use of cash balances and modest debt issuance is recommended. The Council does have resources that it has set-aside for various Council projects and needs. Several reserves the Council has set up may be redirected to meet these needs. These reserves are found on Table 2, Estimated General Fund Designations as of 6/30/07.

In general, designations are the Council's savings accounts, monies that have been set-aside over time to fund Council projects or prepare for operational needs. The Council has full discretion over how these monies are used and these designations should reflect the Council's priorities.

Table 2

<b>Estimated General Fund Designations as of 6/30/07</b>			
<b>Amounts in Millions</b>			
<b>DESIGNATED:</b>			
<b>Capital Projects</b>			
	Civic Center Facilities	10.0	
	Sports Park	3.0	
	Recreation Park Stadium	-0.1	
	West 198 Open Space Acquisition	0.2	
			13.1
<b>Operational Expenses</b>			
	Proceeds from Industrial Park Water Co.	0.9	
	Public Employment Retirement System	6.0	
	Emergency	8.2	
	Building Safety Division	-0.2	
			14.9
			28.0
<b>UNDESIGNATED:</b>			
			0.0
	<b>Total</b>		<b>28.0</b>
<p>Note: The undesignated amount is temporarily low due to an advance to the parking fund. Within 90 days, a section 108 loan should reimburse the General Fund for \$3.6 million, increasing the undesignated balance by \$3.6 million. In addition, active capital project carry-over amounts of \$2.3 million are not included in the display.</p>			

In examining Table 2, several potential funding sources may be considered:

**Public Employees Retirement System (\$6.0 million).** These monies were set aside when PERS's investment rate dropped significantly to help the City manage PERS retirement rate swings. Since setting up these reserves, PERS has changed its funding rate smoothing policies, increasing the moving average from 3 years to 15 years. With a 15 year smoothing as opposed to a 3 year smoothing, one year's effect on the rate will now only influence 6.7% of the total rate as compared to 33.3% with a 3 year smoothing process. Large rate swings up or down are now very unlikely. As a result, the PERS reserve is no longer needed.

**As an alternative, the City could reduce the PERS reserve proportionally, 6.7%/33.3% = 20% or \$1.2 million.**

**Industrial Park Water Company Sale (\$0.9 million).** This reserve was set up in the early 1990s to retain the proceeds of the City’s Water Company sale. These funds may be used for any governmental purpose such as the Council’s capital needs.

**Internal Service Funds.** In addition, the Council has created several internal service funds that are designed to assure that vehicles and computers are replaced in a timely, orderly manner. Each year, operating departments are assessed a depreciation charge to accumulate resources to replace this equipment. Annually, equipment is replaced from these dedicated funds. Other cities who do not set-aside resources systematically, must balance these essential equipment requests against capital projects. Such a system tends to make the acquisition of this essential equipment more chaotic.

The City has used the following model:

$$\text{Assets} - \text{Depreciation} + \text{Cash} = \text{Original Purchase Price}$$

The assumption has been that interest earning would somewhat offset price increases, allowing the fund to be able to fully replace all its equipment at any given time. To evaluate this, Finance prepared Table 3, Internal Service Funds, from last year’s audit.

**Table 3**

Internal Service Funds		
as of 6/30/06		
Amounts in Millions		
	Vehicle Replacement Fund	Information Services Fund
Cash	7.5	1.7
Orig. Cost of Assets	9.6	2.9
Accum. Dep.	(5.2)	(2.5)
Net Assets	11.9	2.1
Ratio of Net Assets to Original Cost	1.2	0.7
5 year max cash flow shortfall	0.8	0.8
Implied Average Life of Assets, years	14.0	5.0
Cash in excess of Original Cost	2.3	(0.8)

The ratio of net assets to original cost was expected to be 1.0. Instead, Finance found that the vehicle replacement fund was much higher, 1.2, and the Information Services Fund was much lower, 0.7. Under our current model, the Information Services Fund is underfunded by 30 percent or \$800,000 and the Vehicle Replacement Fund is overfunded by 20 percent or \$2.3 million.

The reason why a fund might have more assets than original cost would be to fund the increased cost of future equipment. However, the City could also take a position that the fund only contains assets equal to original cost. If the asset level drops below a certain level, then staff would need to recommend to Council that additional resources be put into the fund to purchase vehicles or computers.

To rebalance these funds, \$800,000 should be transferred from the Vehicle Replacement Fund to the Computer Replacement fund, bringing the Computer replacement fund back to the City's model. At that point, the Vehicle replacement fund would have \$1.5 million more than the City's model. That money would be available for Council priorities.

**SPCA Building and Oaks Stadium Funding Plan.**

The collective result of these resources matched against the capital commitments is shown in Table 4, Capital Projects Plan. The table compares sources of one-time cash compared to the project's costs. The redirection of resources can pay for \$8.4 million of the SPCA building and the Oaks Stadium. The remaining shortfall, \$5.7 million, may be paid from a borrowing at an annual cost of approximately \$500,000 a year. Of this amount, \$300,000 would come from Oak Stadium rents. Thus, the net General Fund obligation is \$200,000, money that would be available on an on-going basis.

In the end, the plan addresses the two important capital needs. Available one-time monies are \$5.7 million less than the proposed capital projects. This shortfall can be met by a debt offering funded from currently available revenues (\$300,000 from Oak Stadium rents and \$200,000 from current revenues). As a result, the plan ***requires no future General Fund revenue growth. Available resources can fully fund the Council's capital commitments.***

Table 4 Capital Projects Plan Amounts in Millions	
<b><u>Resources</u></b>	<b><u>One-time</u></b>
PERS Investment Swing Reserve	6.0
Water Co. Sale	.9
Internal Service Funds	<u>1.5</u>
	8.4
<b><u>Capital Projects</u></b>	
Stadium	10.6
SPCA Bldg.	<u>3.5</u>
	14.1
Surplus /Financing Need)	(5.7)
<b><u>Financing \$5.7 million, annual Debt Service</u></b>	
Financing @ 6% for 20 years of \$5.7 million, annual Debt Service	0.5
Less: Oak Stadium Revenues	<u>(0.3)</u>
Net General Fund Obligation	0.2

## **RETIREE HEALTH CARE**

Another financial commitment that the City has made efforts to manage is Retiree Health Care. The City has a practice of offering City retirees access to the City's health plan after employment. The past practice is to offer the plan at essentially the employee's cost (\$100) plus an additional \$57.42 a month. The City's practice, like most governments, is to pay for these costs as they occur. The world, however, is changing. Shortly, governments will be required to estimate and report these costs much like pension reporting. There is no requirement to fully fund these costs, but the information is needed by those that lend to government to assess the government's ability to meet its obligations.

The City has an "A" credit rating from Standard and Poor's. This rating agency and other will ask what is the City's plan to pay for retiree health costs. To that end, the Council has taken the following steps:

- Implemented a plan over the last 6 years where retirees now pay an additional \$100/month.
- Approved last June the deposit of \$500,000 to a "Retiree Health Care" fund in Fiscal Year 07/08 to begin paying for retiree health care costs;
- Commissioned an actuarial study of potential health care costs;
- Meeting with retirees to discuss potential approaches to managing retiree health care;
- Consideration of various changes in retiree health care plan design.

A great deal of work has been done on this issue, however, the final form of the health fund still needs to be developed. However, the advantages of pre-funding the benefit are staggering. CalPERS has determined that the benefits its recipients receive are 75% paid from interest earnings with only 15% being paid by employer contributions and 10% from employee contributions. Thus, the City can most efficiently pay for this employee cost by pre-funding the obligation now.

The 2007/08 budget includes \$500,000 from the General Fund to a new internal service fund, Retiree Health Care. Additionally, a proportional amount will be due from the other funds for non-General Fund personnel (approximately \$300,000). An additional opportunity to make progress in funding this obligation exists by reducing PERS costs through a Pension Obligation Bond.

**Reducing Ongoing Costs, Pension Obligation Bonds.** Staff has been working on a potential financing alternative which offers an opportunity to save approximately \$400,000 a year. The City has pension obligations it pays each year in the form of required PERS contributions. The contributions pay for both current and past service costs in the form of a rate against payroll. Past service costs occur if investment returns do not meet actuarial assumptions or if the City has added retirement enhancements. In the case of Visalia, both have occurred.

The City has the option of refinancing the past service cost through a pension obligation bond. This refinancing is like refinancing a home. A number of communities up and down the state have used this approach including Kings County and the City of Merced. The current rate that the City pays on its past service cost to PERS is 7.75%. A fixed debt offering would cost the City about 6.25%. The cash flow savings is approximately \$300,000 annually. Staff recommends that these savings be used to partially fund the retiree health care obligation.

By taking this action and asking the Non-General Fund funds to pay for their employees, the total annual commitment to retiree health care would be as shown on Table 5, Retiree Health

Care Contributions. The recommendation will show a sincere effort to dealing with what is for many governments a substantial liability. The rating agencies are not asking governments to solve the problem immediately, but to have a plan and make progress.

Table 5  
Retiree Health Care Contributions

Current General Fund Budget Contributions	\$500,000
Non-General Fund Contributions	300,000
Pension Obligation Bond Savings	<u>300,000</u>
Total	\$1,100,000

**Staff recommends issuing the Pension Obligation Bonds and moving all savings to contributions for Retiree Health Care.**

Council will need to weigh these priorities against other priorities and management will need to strive to improve the fiscal picture. However, the above plan begins to solve the long-term challenges of the City and allows the Council then to focus on the current year recommendations.

**Staff recommends that Council adopt these two financing plans for the SPCA Building, Oaks Stadium and Retiree Health Care. Because the commitments will take some time to develop, Staff also recommends that the plan be reviewed again during the Mid-year Review and staff be directed to work to reduce their impacts on the General Fund.**

**BUDGET RECOMMENDATIONS, JUNE 4, 2007 MEETING**

For this year, the following are the four recommended adjustments to the General Fund, found in Table 6. General Fund Budget Recommendations.

**General Fund Recommended Items.**

**SPCA (\$42,000).** The SPCA has requested additional monies from the City. Management recommends that the requested money be set-aside.

**Table 6**

General Fund Budget Recommendations		
All Amounts in Thousands		
	Projected Surplus/(Deficit) 2007/08	577
	<b><i>Potential Ongoing Cost Items</i></b>	<b>Recommended</b>
<b>Source</b>		
Council	SPCA Operations	(42)
Admin	CHN Second Floor Rent	(17)
Park & Rec	Janitorial - Police Substations	(30)
Park & Rec	Sports Park ongoing cost	(176)
	Remaining Funds for Near-term commitments	268

**2<sup>nd</sup> Floor Rent (\$17,000 General Fund and \$16,000 from Solid Waste and Waste Water)**

Annual rent payments for use of the 2<sup>nd</sup> floor of the Transit Building is \$33,000, half to paid from the enterprise operations for the Natural Resource Conservation Division (NRCD).

**Police Precinct Janitorial (\$30,000).** The Police Department will be opening their two precincts shortly. The Police budget includes janitorial cost. The Police Department, however, has asked that Park and Recreation increase their janitorial program to include the Police Department instead of contracting out the service. As a result, management is asking that the Building Division's budget be increased by \$30,000.

**Sports Park - (\$176,500).** With the opening of the Sports Park, the City will add a tremendous asset to the City, benefiting the community for many years into the future. Last year, staff estimated the potential contract cost for the Sports Park. Table 7, Sports Park Funding, shows what monies were put into the budget compared to revised cost estimates now that the park is about to open.

Mowing and janitorial contracts set-aside \$100,000 dollars in the budget. Also, chemical and fertilizer use was estimated at \$10,000. However, as the park has been completed, these estimates have been revised and the actual amounts of these contracts are in excess of the estimates. Management recommends fully funding these contracts and material expenses.

When the budget for the Sports Park was created, monies were not included for a public fountain feature and parking lot street sweeping. The water feature will be great fun but will have the mechanical features of a public pool; water will be recirculated through a filter and used in the fountain again and again. Children will play in the fountain leading to the need to maintain the water in a sanitized condition. Thus, some contract to maintain the water in a suitable condition, much like a public pool needs to be considered. The parking lot sweeping, \$6,500 annually, is needed to keep the park appearance in a well kept manner. Management also recommends funding these items.

Last year, the General Fund realigned positions to allow the Park Division to refocus their efforts on parks. The realignment has helped add back positions to a division not usually funded. Part of the realignment, however, was to fund a position at the Sports Park. The problem that has developed is that all the positions have been fully deployed and the Department is asking for an additional full-time parks maintenance position as well as three, 1000 hour temporary employees. The need exists to maintain the Sports Park but budget constraints have led management to recommend funding only the full-time position at this time, with three 1000 hours part-time positions to be reconsidered at mid-year. Thus, of the additional \$206,500 requested by the department, management recommends \$176,500 for next year.

Table 7

Sports Park Funding				
07-08 Budget				
Function	Current	Request	Change	
Contract Mowing	75,000	110,000	(35,000)	
Janitorial Contract	25,000	38,300	(13,300)	
Parking Lost Sweeping		6,500	(6,500)	
Water Element (Pool)		31,500	(31,500)	
Chemicals and Fertilizer	10,000	29,000	(19,000)	
Sr. Park Maint. Tech.		71,200	(71,200)	
Hourly Park Workers		30,000	(30,000)	
	110,000	316,500	(206,500)	

**Staff recommends NOT funding the \$30,000 in hourly parks workers but considering the hourly park workers at the mid-year budget after the City has some experience with operations.**

**General Fund Not recommended**

The following items have been raised in the past but are not recommended because of the structural deficit the General Fund is experiencing.

**Special Events Funding (\$50,000).** The Council has expressed a desire to fund special events in the downtown. The program would provide funds to encourage special events in the City. The precise method of distributing funds would need to be finalized.

Staff does not recommend this program due to:

- a lack of funds;
- the difficulty in determining how to distribute these funds. The City is evolving a program for non-profit funding from which it may learn. However, first indications is that it will take time to perfect an adequate funding process if undertaken;
- a potentially much larger demand for funds than can be reasonably provided by the City. A number of current events enrich the community. If a special events program exists, a number of these events would probably approach the City for assistance.
- Council currently has some, although limited, ability to help special events with their discretionary funds.

**Convention and Visitors Bureau Increased Funding (\$20,000).** Some Council members have expressed a desire to increase VCVB funding. The new organization has made progress this past year; however, the VCVB staff has indicated, in light of the City's financial situation and the on-going transition of the VCVB to an independent organization, the VCVB can adjust its budget and maintain operations without an increase for another year. This adjustment would primarily be accomplished by reducing advertising expenses. This can be accomplished with limited service interruption because the Bureau does not have a focused advertising plan for 2007-2008; however, if one is developed during the year, it was agreed that the Bureau could bring that plan to the city for additional funding consideration.

**Aquatics Study (\$35,000).** Some work has gone forward to analyze the potential for an aquatics center. Given the weight of the other projects that the City is considering and the deterioration of the revenue base, management recommends holding off on this project until at least the mid-year review in order to better weigh the City's fiscal capacity to proceed forward.

**An alternative to this recommendation would be to fund 1/3 from Park Impact Fees (\$11,000) and the remainder from the General Fund.** The challenge with this recommendation is that the aquatic center will eventually become a General Fund capital project and operating cost with a number of other ongoing costs remaining on the horizon.

#### **Non-General Fund Budget Recommendations**

The following items are not funded by the General Fund. Monies exist to fund these projects. Management recommends the following actions.

#### **Ongoing cost.**

##### ***Landscape and Lighting Maintenance Assessment District Monitoring LLMAD (\$8,000).***

The City's increased use of LLMAD districts has provided a funding source for maintaining the various public areas found throughout Visalia in residential areas. These funds provide over \$1 million annually for maintenance of these public areas. The challenge, however, is to monitor the contract maintenance of these areas. Without proper monitoring, contractors may not perform to the agreed upon level of maintenance. This allocation will fund a 1,000 hour employee to support a maintenance monitoring program, assuring contractor performance. The costs will be fully paid from LLMAD districts.

**Natural Resources Conservation Division Costs (\$51,000).** This new division is being created by combining a City position and a Solid Waste recycling contract. The value of the contract and the positions cost does not fund the complete cost of two positions, a manager and an office assistant. In addition, management recommends funding the division's request for hourly assistance to monitor water compliance (\$12,500), promotions (\$15,000), training (\$2,000), and office expenses (\$2,000). These costs will be allocated back to Solid Waste and Waste Water.

**Construction and Demolition Processing (\$108,000 ongoing, \$55,000 one-time).** The Council approved a Construction and Demolition fee on June 4. This fee pays for staffing and related equipment to process construction debris. The proposed increase would pay for clerical work and management support (\$108,000), equipment (\$15,000) and software upgrades to the permit system (\$40,000). All these costs would be paid by the Solid Waste Fund.

#### **One-time projects.**

**Sports Park Phase II, Design Phase.** \$600,000 from Park Impact Fees is requested to fund the design phase of Sports Park Phase II, including bid documents. The proposed next phase will include 4 youth baseball fields and related amenities.

The Sports Park is being paid from a combination of General Fund and Impact Fee Funds. The 59/41 percent ratio represents the proportional shares being born by current and future residents. These proposed amounts are recommended to come from impact fees because the General Fund has paid more than its fair share of the project to date. The \$600,000 expense will bring the required General Fund/Park Impact Fee ratio back into balance.

**Measure R Projects.** On May 7, Council approved the expenditure plan for Measure R. The expenditure plan did not list fiscal year 2007/08 funding for the Measure R Regional projects. The Measure R Expenditure Plan allocates 50% of revenues to fund specific regional projects

over a 30 year life span. If these projects are not funded by Measure R, the Measure R monies are retained and allocated as the Measure R committee sees fit.

Listed below in Table 8, Measure R Projects, are the approved regional projects that staff is or will be working on in the next 12 months. **These projects are partially budgeted in the Transportation Impact Fund, Transportation Fund, and/or Gas Tax Fund.** If the City does not apply for Measure R funding, then the Transportation or Gas Tax funds will pay for these projects and the City will never have direct access to these Measure R funds.

Table 8  
Measure R Projects

Item #	Project Description	Proposed Funding for FY 07/08	Current Funding Sources & Appropriated Amount
<b>Phase 1 (years 1-15)</b>			
1	Widen Plaza Dr. including Hwy. 198 overcrossing to Goshen; widening to 6 lanes from Hwy. 198 to Hurley and 4 lanes from Hurley to Goshen. Phase 1 (2008-9) Prepare a project report of Plaza Drive/SR 198 interchange for Caltrans & design. Phase 2 (2009-10) acquire Row. Phase 3 (2010-12) Construction. Estimated project cost \$14 million.	\$ 1,500,000	Transportation Fund (STIP) - \$615k + \$686 (July 2007) State Transportation Improvement Program (STIP) money has been combined with Measure R Regional Funds.
<b>Phase 2 (years 16-30)</b>			
2	Widen Riggan Ave in phases from Plaza Drive to Dinuba Blvd. Phase 1 (2008): Demaree to Dinuba Blvd Construction. Phase 2 (2008-10): Shirk to Akers Design, ROW, & Construction. Phase 3 (2009-12) Plaza Drive to Shirk Ave; Design, ROW, & Construction. Estimated project cost \$5 million.	\$ 1,000,000	Transportation Impact Fund - \$1.2m
3	Widen Shirk Bridge in conjunction with Shirk widening project. Phase 1 (2008-09): Environmental & ROW. Phase 2 (2010): Design. Phase 3 (2010-12): Construction. Estimated project cost \$10 million.	\$ 500,000	Transportation Impact Fund - \$541k
4	Lovers Lane and SR 198 interchange. Phase 1 (2008): Prepare project study report and submit to Caltrans. Phase 2 (2008-2010): ROW acquisition and design. Phase 3 (2010-2012) Construction. Estimated project cost \$7 million.	\$ 500,000	Motor Vehicle In-Lieu -\$250k + \$500k(July 2007)
5	Santa Fe bridge widening. Remove existing railroad tracks and widen bridge to accommodate 5 lanes. Signals will be added at Mineral King/Santa Fe and Noble/Santa Fe. Construction will begin Winter 2008 and is expected to cost \$6.3 million.	\$ 3,500,000	Gas Tax - \$3.8m + \$500k (July 2007) Transportation Impact Fund - \$705k
6	Ben Maddox bridge widening. Widen bridge to by an additional 3 lanes to accommodate a total of 8 lanes. Three signals will be upgraded: Ben Maddox/Noble, Ben Maddox/Mineral King, & Noble/SR 198 ramp. Construction will begin Winter 2008 and is expected to cost \$6.5 million.	\$ 2,780,000	Gas Tax - \$2.5m + \$1.2m (July 2007) Transportation Impact Fund - \$883k Transportation Fund (SAFTEA-LU Grant) - \$1.2m (July 1)
7	Provide signal synchronization for Caldwell Avenue between Akers Street and Shady Street	300,000	Motor Vehicle In-Lieu -\$150k + \$150k(July 2007)
<b>Total</b>		<b>\$ 10,080,000</b>	

The projects are separated by phases as listed in the Measure R Plan. Phase 1 projects will be reimbursed in years 1-15 and phase 2 projects will be reimbursed in year 16-30. All agencies have the authority to begin their projects prior to the year listed in the Measure R Expenditure Plan. The Tulare County Transportation Authority (TCAG) is currently discussing the option of bonding to enable Cities to be reimbursed as projects are constructed.

This is an important point. If TCAG does not finance the projects, the City will need to develop a financing plan. Prior to moving forward, staff will work with Measure R staff to resolve these funding issues. **Staff recommends Council approve the projects so reimbursement agreements may be executed with TCAG staff.**

## **Summary**

The City has adopted a two year budget which instituted a number of changes, adding more personnel in one year than ever before. The City's revenues are slowing after several years' of rapid grow. The net result is a need to slow spending in order that current spending will be supported by current revenues.

In separate items, the Council has also been asked to approve the recertified Measure T plan and the State required spending limit. Nevertheless, the current budget dramatically moves the City forward, supporting the Council's goals of strong public safety and important community capital projects.

### **Prior Council/Board Actions:**

Mid-cycle review, June 4, 2007  
2006/08 Budget Adoption, June 19, 2006  
Mid-year Financial Report, March 19, 2007

### **Committee/Commission Review and Actions:**

**Alternatives:** The City Council could:

- 1) act on these items tonight; or,
- 2) request more information and act upon this and other items on June 11 or June 18.

The Council has met the Charter requirement of adopting a balanced budget when it did so last year. Article IX, section 8 states:

Section 8. Adoption of the Budget: After the conclusion of the public hearing, the Council shall further consider the proposed budget and make any revisions thereof that it may deem advisable, and thereafter it shall adopt the budget with revisions, if any. Upon final adoption, the budget shall be in effect for the ensuing fiscal year.

From the effective date of the budget, the several amounts stated therein as proposed expenditures shall be and become appropriated to the various departments or activities therein described. All appropriations shall lapse at the end of the fiscal year to the extent that they shall not have been expended or lawfully encumbered.

***At any meeting after the adoption of the budget, the Council may amend or supplement the budget by motion.***

These proposed actions are meant to make small changes in the City's budget as it moves forward.

**Attachments:** #1 - General Fund Position Additions  
#2 - June 4, 2007 staff report extracts on the Current Budget Status Budget

**Recommended Motion (and Alternative Motions if expected):**

Approve the following at the June 25, 2007 meeting (with exceptions as appropriate):

1. Approval of the SPCA Building and Oaks Stadium funding plan, including the reallocation of Council designations and internal service funds.
2. The dedication of Pension Obligation Bond savings to retiree health care funding.
3. Proposed revisions to the 2007/08 Budget from the June 4, 2007 Council meeting, including:

General Fund

- \$42,000 for SPCA operations
- \$17,000 for the General Fund portion of the 2<sup>nd</sup> Floor rent at the Transit Center
- \$30,000 for Police Precinct Janitorial
- \$176,000 for Sport Park ongoing cost

Landscape and Lighting Maintenance Assessment Districts

- \$8,000 for contract monitoring via a 1,000 hour employee

Waste Water and Solid Waste to Share Equally

- \$16,000 for the Enterprise portion of the 2<sup>nd</sup> Floor rent at the Transit Center
- \$51,000 for the new cost of the Natural Resource Conservation Division

Solid Waste

- \$163,000 to pay for the Construction and Demolition Permitting offset by fees

Park Impact Fees

- \$600,000 for Phase II Sports Park design

Measure R

- \$10,080,000 in capital projects with the condition that before any construction contracts are signed, a financing plan will be presented to Council.

4. Certified Measure T plan; and,
5. Proposition 4 spending limit.

***Environmental Assessment Status***

**CEQA Review:**

**NEPA Review:**

## Approved Personnel Additions for FY 06/07 and 07/08

Table VII

General Fund											
New Position											
2006/07 and 2007/08											
Department	Division	Position/Classification	# of pos	Comments	CM Rec.	General Fund					
						Cost	2006/07	2007/08			
Public Works	Engineering	Public Works Inspectors	2	Contract, to handle increased workload, offset by reduction in \$180k in contract inspections	Rec.	128,872	128,872				
Public Works	Traffic	Traffic Engineering Asst.	1	Able to improve traffic safety CIP processing, may assist in Street maintenance contracting	Rec.	91,623	91,623				
Police	Administration	Duty Officer	2	Staffing required for two new precincts	Rec.	118,026	118,026				
Police	Administration	Police Records Specialist	1	Provide clerical support at new precinct, one position to come from current personnel	Rec.	36,353	36,353				
Parks & Rec.	Parks/Urban	Office Assistant/Sr.	1	Provide admin support for Landscape and Lighting Maintenance Assessment Districts	Rec.	55,335	55,335				
Parks & Rec.	Buildings	Lead Custodial Serv Wkr	1	Provide lead coverage and oversight for split shifts	Rec.	54,300	54,300				
Fire	Operations	Firefighter/Paramedia	3	Relief positions to maintain staffing levels, offset by \$285,000 in overtime cost.	Rec.	315,426	315,426				
Comm. Dev.	Planning	Assistant Planner	1	Workload in planning division	Rec.	75,407	75,407				
Comm. Dev.	Neighborhood Preservation	Combined Building Inspector	1	Support Neighborhood Revitalization and Preservation efforts	Rec.	74,496	74,496				
Comm. Dev.	Neighborhood Preservation	Admin. Assistant (SR.)	1	Support Neighborhood Revitalization and Preservation efforts	Rec.	29,500	29,500				
Administration	CM	Office Assistant/Sr. Off Asst.	1	Assist City Manager's office, replace hourly clerical, offsetting cost by \$16,000	Rec.	55,335	55,335				
Admin Services	MIS	Computer Technician	1	Provide desktop support functions in departments, freeing analyst to work on new technology projects	Rec.	65,000	65,000				
Admin Services	HR/Risk	Management Analyst	0.5	Improve Risk and HR with management response capabilities	Rec.	46,000	46,000				
Admin Services	Finance	Financial Analyst	1	Impact fees, provide support on special projects (Sue Merrill replacement)	Rec.	92,000		92,000			
						17.5			1,237,673	1,145,673	92,000
									Offset	(488,000)	0
									Net Cost	657,673	92,000

Table VIII

Non-General Fund Positions									
New Position									
2006/07 and 2007/08									
Department	Division	Position/Classification	# of pos	Comment	CM Rec.	Annual Cost	Fund	2006/07	2007/08
Admin Services	HR/Risk	Management Analyst	0.5	Improve Risk and HR with management response capabilities	Rec.	46,000	Risk	46,000	
Administration	Transit	Transit Planner (Adm. Analyst)	1	Help manage Transit System, SEKI contract	Rec.	76,594	Transit	76,594	
Comm. Dev.	Neighborhood Preservation	Admin. Assistant (SR.)	0.5	Support Neighborhood Revitalization and Preservation efforts	Rec.	29,500	CDBG	29,500	
Police	Patrol	Police Officer	5	Measure T; staffing	Rec.	700,450	Meas. T	700,450	
Police	Patrol	Police Officer	5	Measure T; staffing	Rec.	712,515	Meas. T		712,515
Public Works	Engineering	Associate Civil Engineer	1	May be charged to Projects2	Rec.	97,611	CIP Proj.	97,611	
Public Works	Solid Waste	Office Assistant	1	Reduce lost calls, handle volume	Rec.	55,335	Solid Waste	55,335	
Public Works	Solid Waste	SW Maint & Delivery Wkr	1	Reduce overtime; growth in commercial accounts	Rec.	56,929	Solid Waste	56,929	
Public Works	SW - Comm	Solid Waste Operator	1	Limited to growth in commercial accounts	Rec.	56,929	Solid Waste	56,929	
Public Works	SW - Res	Lead SW Operator	1	Provide lead coverage; reduce overtime	Rec.	62,559	Solid Waste	62,559	
Public Works	SW - Res	Solid Waste Operator	1	Limited to growth in residential accounts	Rec.	56,929	Solid Waste		56,929
Public Works	Solid Waste	Natural Resources Conservation Officer	1	Replace contract w/Sunset; consolidate with Water Conservation and create Natural Resource position	Rec.	58,999	Several - SW, WWTP		58,999
Public Works	Sanitary Sewers	Wastewater Maint Worker	2	Phase II Storm water Permit requirements	Rec.	52,334	WWTP	52,334	
<b>total positions</b>			<b>21.0</b>			<b>2,062,684</b>		<b>1,234,241</b>	<b>828,443</b>

**Current Fiscal Status**

**Expenditures.** On April 2, 2007, Council approved amendments to the 2-year budget, as shown in Table I, Summary of General Fund Mid-Cycle Amendments, which have been included in the current projections.

**Table 1**  
**Summary of General Fund Mid-Cycle Amendments**  
 FY July 2006 – June 2008

	FY 06/07	FY 07/08
<b>General Fund Mid-Year Amendments:</b>		
United Way - First Call	3,000	3,000
Community Outreach Manager		92,000
Accelerate Police Precinct equipment	100,000	(100,000)
Median Maintenance	110,000	200,000
Sister City travel/housing	5,000	
<b>Total</b>	<b>218,000</b>	<b>195,000</b>

**07/08 - Revenues - Slowing Down.**

The forecast for next year is based upon slower revenue growth, increasing only 3.1% for this next fiscal year. This forecast seems consistent with the state of the economy locally and nationally.

While economic indicators such as Gross Domestic Product, mortgage interest rates and stock market growth show a healthy U.S. economy, the City of Visalia faces a unique set of economic challenges. Visalia has recently experienced remarkable increases in local real estate values in excess of national averages. During the housing boom of 2003-2006, the General Fund's two main revenue sources, sales tax and property tax, grew in response to the increase in housing units and population in the City. As shown in Table 2, Summary of Combined Property and Sales Taxes Growth 2005-2008, these two revenue sources combined grew 20.3% in fiscal year 05/06. However, this growth has slowed and these same revenues are projected to grow 9.8% in 06/07 and 3.1% in 07/08.

**Table 2**  
**Summary of Combined Property and Sales Tax Growth**  
 2005-2008\*

	2005	2006	2007	2008	% change from 2007 to 2008
Property Tax Revenue	\$ 5,741,408	\$ 6,538,292	\$ 7,082,180	\$ 7,613,644	7.5%
Transfer and Supplemental	\$ 960,705	\$ 1,408,683	\$ 1,247,045	\$ 955,839	-23.4%
Property Tax In-lieu (triple flip)	4,095,605	4,434,898	6,046,823	5,746,797	-5.0%
Sales Tax Revenue	14,136,164	16,982,141	16,590,368	17,253,982	4.0%
VLF Property Tax Swap	4,454,208	6,001,439	7,877,899	8,468,741	7.5%
<b>Total</b>	<b>\$ 29,388,090</b>	<b>\$ 35,365,453</b>	<b>\$ 38,844,315</b>	<b>\$ 40,039,004</b>	<b>3.1%</b>
<b>Annual Growth %</b>		<b>20.3%</b>	<b>9.8%</b>	<b>3.1%</b>	

\*Revenue amounts for Fiscal Years 06/07 and 07/08 are projected

It is important to note the property tax revenues are still growing substantially. These revenues are set based upon a percentage of assessed value. The tax roll is set as of January 1 of each year and includes activity up to 12 months before. The tax levy is made in July. The actual collections are then delinquent on the subsequent December and April. Thus, the April collection will relate to activity that occurred 16 to 28 months before. In contrast, the transfer and supplemental taxes relate to activity that occurs during the tax year and are better predictors of future revenue growth.

As a result, Finance sees General Fund revenue growth slowing substantially and recommends caution in making new, ongoing financial commitments.

### Analysis of Major Revenues.

Property Tax. Major developers such as Ennis and Centex are reducing their workforce and reducing home prices to maintain sales numbers. The housing industry is experiencing slower sales. Median home prices are dropping but mortgage interest rates remain comparatively low. As a result, the local housing market may experience a soft landing. In any case with permits for single family homes down 36 percent from last year, Visalia will be experiencing a lower volume of home sales. With fewer homes changing hands and being reassessed at higher values, as well as less new homes being added to the tax rolls, property tax revenue growth will slow proportionately. *The largest effect will be on transfer and supplemental taxes which rise and fall in direct correlation to housing turnover.*

Sales Tax. Sales tax from the sale of construction materials accounts for approximately 14.1% of the total sales tax received. The downturn in housing has negatively affected the sale of building materials at the wholesale and retail level. Compared to the fourth quarter of 2005, construction materials sales decreased by 12.0% in the fourth quarter of 2006.

1. Triple Flip – Sales Tax. The decrease in the property tax in-lieu payment from the prior year is due to an overpayment in 2006-07. The state has been unsuccessful at projecting the in-lieu property tax to be paid to the City. In the 2005-06 the State under paid the City \$485,000. In 2006-07 the property tax in lieu payment increased by 44%. A part of this growth was due to the underpayment in the previous year. The State assumed continued robust growth in sales tax in 2006-07 and consequently overpaid the City by approximately \$350,000.

### Fiscal Year 07/08 Projections.

Carrying forward the projected revenues and amended budget items, the 2007/08 budget would be as shown in Table 3, General Fund Amended Budget and Projections.

Despite the slowing revenue growth, the carry over effect from past growth leaves the next fiscal year with approximately \$577,000 in available, ongoing resources after the City's past actions.

**Management recommends that new, ongoing expenditures be funded only from ongoing revenue sources. Therefore, approximately \$577,000 of new, ongoing programs may be funded. The challenge is that new initiatives conceptually approved by Council or recommended by management will eventually be \$1.35 million, more than twice available revenues.**

**Non-General Fund Items**

Current Status

The other funds besides the General Fund are performing as expected. However, one group of funds, Risk Management, have sustained a larger than normal amount of activity. Table 6, Risk Management Fund Summary, projects the expected activity for this fiscal year.

Table 6

Risk Management Fund Summary				
All Amounts in Thousands				
Estimated as of June 30, 2007				
	<b>Property/ Liability Fund 5511</b>	<b>Workers Compensation Fund 5513</b>	<b>Health Fund 5512</b>	<b>All Risk</b>
Revenues	1,277	1,201	8,740	11,218
Expenses	(2,032)	(820)	(8,742)	(11,594)
Net Change	(755)	381	(2)	(376)
Beginning Assets	3,076	1,703	488	5,267
Ending Assets	2,321	2,084	486	4,891

The City has three funds which track various risk management activities the City has: Property/Liability, Workers Compensation and Health Benefits. The purpose of risk management funds is to fund risk costs over time. Most claims come in shock losses, all at once. As a result, risk management tries to estimate the long-run cost of claims and set aside sufficient resources to pay for shock losses when they come.

This year, the Property/Liability program has suffered larger than normal claims experience. However, the fund has set-aside sufficient resources to pay those claims. After paying or reserving funds sufficient for those claims, the Property/Liability fund will still have \$2.3 million remaining for as yet unspecified claims. Risk Management has attempted to keep at least \$1 million available for unspecified claims in both the Workers Compensation and Property/Liability Funds. Both these funds have reserves twice the \$1 million objective. As a result, despite the larger than expected cost this year, Finance does not recommend any changes to the risk funding program. Rather, Risk Management is designed to build up funds over time to pay such one-time cost.

# City of Visalia Agenda Item Transmittal

**Meeting Date:** June 25, 2007

**Agenda Item Number (Assigned by City Clerk):** 4B

**Agenda Item Wording:** City Managers Annual Recertification of the Measure T Plan

**Deadline for Action:** June 25, 2007

**Submitting Department:** Administration – City Manager

**Contact Name and Phone Number:**

Steve Salomon, City Manager – 713-4312  
Gus Aiello, Finance Manager – 713-4423

**Department Recommendation:**

**That Council recertify the Measure T Plan for fiscal year 2007-08 by:**

- 1) Authorizing the implementation of the Measure T plan elements.
- 2) Authorizing that the recertified Measure T plan utilizes any excess revenues to fund higher priced capital projects.

**Summary/background:**

Each year the Measure T plan requires recertification by the City Manager and Council in order to continue plan implementation. The Citizens Advisory Committee (CAC) is also required to recommend recertification or changes to the plan as appropriate. At its monthly meeting on June 6, 2007, the CAC recommended recertification of the plan for fiscal year 2007-08. A memorandum from the CAC Measure T subcommittee Chairperson is attached for reference.

**Plan Status**

On July 1, 2004, the City began collecting a ¼ cent sales tax to implement the Measure T plan. The revenues from the tax collections are split between police and fire, 60% and 40%, respectively. Revenues and expenditures for both police and fire are segregated into individual funds. Each year, the City Manager is required to recertify the plan and bring it to Council for approval. It is recommended that Council accept the City Manager's recertification of the plan for the 2007-08 fiscal year.

**For action by:**

City Council  
 Redev. Agency Bd.  
 Cap. Impr. Corp.  
 VPFA

**For placement on which agenda:**

Work Session  
 Closed Session

**Regular Session:**

Consent Calendar  
 Regular Item  
 Public Hearing

Est. Time (Min.): \_\_\_\_\_

**Review:**

Dept. Head \_\_\_\_\_  
(Initials & date required)

Finance \_\_\_\_\_  
City Atty \_\_\_\_\_  
(Initials & date required or N/A)

City Mgr \_\_\_\_\_  
(Initials Required)

If report is being re-routed after revisions leave date of initials if no significant change has affected Finance or City Attorney Review.

The third year (2006-07) of the Measure T Plan is almost complete. Below is a summary of the major accomplishments met according to the plan through the first three years of implementation;

- Hired 15 police officers.
- Purchased 15 police patrol vehicles.
- Hired 4 new Firefighters
- Completed the designs of a new Fire station and training facility in the northwest portion of the City. Construction is projected to begin in July 2007 with estimated completion in the summer of 2008.
- The construction of 2 Police precincts is near completion. Operational use of the facilities is expected in July 2007.

**2007- 08 Plan**

Heading into fiscal year 2007-08, the fourth year of the Plan, the following elements are scheduled to be implemented:

- Hire 5 police officers.
- Purchase 5 police patrol vehicles and equipment.
- Construction of the northwest fire and training facility.
- Begin the planning stages of a public safety building.

**Measure T Revenues**

Table I, Measure T Revenues, provides detail of the Measure T revenues; including actuals from 2004-05 and 2005-06 as well as projections for 2006-07 and 2007-08.

**Table I**  
Measure T Revenues

<u>Fiscal Year</u>	<u>Budget</u>	<u>Actual/ Estimate</u>	<u>Difference</u>
2004-05	4,578,250	4,217,184	(361,066)
2005-06	4,660,310	5,193,988	533,678
2006-07	4,792,400	5,360,988	568,588
2007-08	4,921,696	5,468,208	546,512
Total	<u>18,952,656</u>	<u>20,240,368</u>	<u>1,287,712</u>

Due to the growth of the local economy, revenues in fiscal year 2005-06 exceeded the original plan by over \$0.5 million. During the first two full years of the special district tax, collections have exceeded the plan by nearly \$0.2 million. Currently, staff estimates revenues for 2006-07 and 2007-08 to exceed the plan by approximately \$0.5 million each year.

**Capital Projects**

There are three major capital projects funded partly with Measure T funds; two new police precincts, a northwest fire station and training facility and a public safety building.

The precincts were completed in May 2007 and will be operational in July 2007. The northwest fire project continues to progress as well. The architect on the project, RRM Design Group, has completed final designs. Construction should begin in July 2007 and is estimated to be completed in July 2008. Although the public safety headquarters and dispatch building project has not begun, it is another significant investment partially funded with Measure T funding.

Table II - Capital Project Costs, details the funding sources for two of three major capital projects partially funded with Measure T revenues.

**Table II**  
Capital Project Costs  
(in millions)

	Police Precincts			NW Fire Facility			Total		
	Orig	Curr. Est.	Diff.	Orig	Curr. Est.	Diff.	Orig	Curr. Est.	Diff.
Measure T	\$ 1.0	\$ 3.7	\$2.7	\$ 1.5	\$ 2.0	\$0.5	\$ 2.5	\$ 5.7	\$ 3.2
Impact Fees	\$ 1.8	\$ 4.3	\$2.5	\$ 3.4	\$ 4.4	\$1.0	\$ 5.2	\$ 8.7	\$ 3.5
General Fund	\$ 1.0	\$ 1.0	\$-	\$ -	\$ -	\$-	\$ 1.0	\$ 1.0	\$ -
Total	\$ 3.8	\$ 9.0	\$5.2	\$ 4.9	\$ 6.4	\$1.5	\$ 8.7	\$ 15.4	\$ 6.7

As evident in Table II above, the two capital projects are estimated to cost more than originally anticipated. The costs of the projects come from actual invoices or contractor estimates. Measure T revenues should be sufficient to fund its portion of the projects. However, the cost of the Public Safety Building may present funding challenges. Although there is no current estimate of the potential cost, it will be more than the original estimate in the Measure T plan. Staff will work to control the cost as the project progresses, however, there may be a need to finance this project over a certain period of time, using future excess revenues to make annual debt payments.

**Operations**

During the first three years of implementation, Measure T is projected to recognize an overall savings of approximately \$437k in its operational expenditures. Table III, Measure T Operations, details the budget and projected expenditures for both Police and Fire during the first three years of operations.

**Table III**  
Measure T Operations  
2004-05 Thru 2006-07 Projected

	<u>Budget</u>	<u>Actual</u>	<u>Difference</u>
Police	3,207,651	2,923,078	284,573
Fire	733,966	581,737	152,229
<b>Total</b>	<b>3,941,617</b>	<b>3,504,815</b>	<b>436,802</b>

All elements of the Plan continue to be implemented even with an operational savings during the first two years of implementation. The following milestones of the Plan have been met through fiscal year ending June 30, 2006:

- Hired 15 new Police Officers
- Purchased 15 new Police vehicles
- Hired 4 Firefighters in advance of the Plan requirement

### **Plan Implementation**

The Measure passed by the voters indicates that the Plan must be implemented in the following order:

- 1) Implement the current year plan.** As discussed above, years 1, 2 and 3 of the Plan have significant capital projects; the construction of the Northwest Fire Station and Training Facility, design and construction of 2 Police precincts and a Police Administration and Dispatch Center. The location of the Administration and Dispatch Center has been included in the Civic Center master plan for further discussion with Council.

The estimated costs of the capital projects may potentially exceed the original estimates in the Plan by approximately \$11.7 million. Due to the costs of these projects, staff and the CAC recommend utilizing any excess revenues to help fund capital projects.

As discussed above, all operational elements continue to be implemented according to plan. 15 Police and 4 new Fire personnel have been added since the plan began in fiscal year 2004-05.

- 2) Fund the economic uncertainty fund,** provided sufficient funding is available after funding the current year plan. The Measure requires that the economic uncertainty fund be funded each year. This will continue for both Police and Fire.
- 3) Accelerate the Plan,** if excess funding is available. Because capital projects costs are higher than the original plan anticipated, excess funding will not be available and the plan will not be accelerated.

### **Conclusion**

Measure T is moving forward according to plan except for capital projects. All operational elements of the plan are being implemented according to plan timelines, resulting in direct

services to the community. Delivery of capital projects have been delayed, but are progressing. The costs of capital projects may exceed the original plan amount by \$11.7 million.

The City Manager and the CAC recommend that Council recertify the Measure T plan in order to implement the fiscal year 2007-08 elements of the plan as well as utilizing any excess revenues to help fund higher priced capital projects.

**Prior Council/Board Actions:**

**December 2, 2003** – Council agenda item authorizing an ordinance to a tax ballot measure for a ¼ cent tax

**March 29, 2004** – Council review of the proposed implementing actions and direct staff as appropriate (includes fiscal accountability measures).

**April 5, 2004** - adoption of resolution certifying the results of the Measure T ballot.

**June 28, 2004** – certification of the Measure T plan

**March 28, 2005** – recommendation for staff to monitor revenues and revise the Measure T plan if revenues significantly vary from projections.

**March 28, 2005** – accelerate the hiring of Measure T personnel and capital expenditures from FY 05/06.

**June 20, 2005** – Recertification of the Measure T plan

**July 18, 2005** – Measure T audit Resolution

**January 17, 2006** – Presentation and acceptance of the first annual Measure T audit report.

**June 16, 2006** – Recertification of the Measure T plan

**January 16, 2007** – Presentation and acceptance of the fiscal year 2005-06 Measure T audit report.

**Committee/Commission Review and Actions:** CAC recommendation to recertify the Measure T plan.

**Alternatives:** Do not approve the plan, or approve the plan with changes.

**Attachments:** Letter from the Chairperson of the CAC's Measure T subcommittee recommending recertification of the plan.

**Recommended Motion (and Alternative Motions if expected):** I move to recertify the Measure T plan for fiscal year 2007-08 by:

1. Authorizing the implementation of the plan elements, and
2. Authorizing that the recertified plan uses any excess revenues to fund higher priced capital projects

***Environmental Assessment Status***

**CEQA Review:**

**NEPA Review:**

**Tracking Information:** *(Staff must list/include appropriate review, assessment, appointment and contract dates and other information that needs to be followed up on at a future date)*

Copies of this report have been provided to:

**City of Visalia  
Agenda Item Transmittal**

**Meeting Date:** June 25, 2007

**Agenda Item Number (Assigned by City Clerk):** 4C

**Agenda Item Wording:** Pension Obligation Bonds

**Deadline for Action:** June 25, 2007

**Submitting Department:** Administrative Services - Finance

**Contact Name and Phone Number:**  
Gus Aiello, Finance Manager – 713-4423

**Department Recommendation:**

**That Council receive a report on Pension Obligation Bonds (POB) and direct staff to proceed with participating in the pooled pension obligation bond program offered through the California Statewide Communities Development Authority (CSCDA). The amount of bonds issued is estimated to be approximately \$31.6 million.**

**Summary/background:**

The City has pension obligations it pays each year to PERS to fund employees retirements. The annual contributions pay for both current and past service costs in the form of a rate against payroll. Past service costs occur if investment returns do not meet actuarial assumptions of if the City has added retirement enhancements. In Visalia's case, both have occurred.

The City has the option of refinancing the past service cost through a pension obligation bond program offered through the California Statewide Communities Development Authority (CSCDA). This refinancing is similar to refinancing a home. The current rate the City pays on its past service cost to PERS is 7.75%. A fixed debt offering would cost the City about 6.25%. The annual cash flow savings are about \$335,000 a year, with a net present value cash flow savings is approximately \$180,000 annually. The savings may be used to pay near-term commitments. Currently, the City pays approximately \$6.0 million to PERS annually, including both current and past service costs. The past service cost equates to approximately \$2.0 million per year. This payment may be reduced to approximately \$1.665 million per year if the City participated in the pension obligation bond program.

**For action by:**

City Council  
 Redev. Agency Bd.  
 Cap. Impr. Corp.  
 VPFA

**For placement on which agenda:**

Work Session  
 Closed Session

**Regular Session:**

Consent Calendar  
 Regular Item  
 Public Hearing

Est. Time (Min.): \_\_\_\_\_

**Review:**

Dept. Head \_\_\_\_\_  
(Initials & date required)

Finance \_\_\_\_\_  
City Atty \_\_\_\_\_  
(Initials & date required or N/A)

City Mgr \_\_\_\_\_  
(Initials Required)

If report is being re-routed after revisions leave date of initials if no significant change has affected Finance or City Attorney Review.

The savings scenario above assumes an interest rate of 6.25%. Should market conditions change, the savings scenario may change. Prior to issuing the bonds, staff will update Council on the current market conditions to ensure Council's desire to proceed with the bond issuance.

Since 2004, 26 bond issues in the amount of approximately \$411 million have been completed through the CSCDA pooled program (see Attachment #1 for detail). These include Kings County as well as the City of Merced.

#### Detail

As mentioned above, the City of Visalia funds employee retirement benefits through the California Public Employees Retirement System (CALPERS). Each year an actuarial study is done to determine if the City's funding is sufficient to pay for the benefit when employees retire. There are two components the actuarial study addresses:

- The amount of future benefits (referred to as normal cost)
- The amount of any unfunded actuarial liability (UAAL). This occurs when an employer's retirement account balance is less than the amount projected to be required to fund future retirement obligations. UAAL's are generally created due to investment earnings less than actuarial assumptions (PERS assumes earnings at 7.75% a year) or enhancements to retirements benefits.

The City of Visalia's deficit can be attributed to four years of negative returns from 2000 through 2003, creating the unfunded accrued actuarial liability (UAAL) noted above. The current UAAL according to the most recent actuarial report is approximately \$30.9 million for all City employees.

Unless the City takes extraordinary steps, unfunded liabilities are paid through payroll contributions each pay period. The city may consider several options to fund the UAAL:

- The use reserves to make the payment
- A decrease in plan benefits
- Issue pension obligation bonds (POB's) to fund the UAAL

#### Pension Obligation Bonds (POB's)

An option the City is reviewing is to fully fund the pension liability. An opportunity to issue pension obligation bonds in the amount of approximately \$30.9 million to pay off the unfunded PERS liability is being offered through California Statewide Communities Development Authority (CSCDA). The City will be required to follow a set timeline in order to participate in this pooled funding process to complete the bond issuance include. Some of the benefits in using the program offered through CSCDA include:

- All parties involved in the transaction are in place, eliminating the requirement for City staff to solicit bids or proposals from interested companies
- The costs of the transaction have been negotiated up front

A pension obligation bond is a refunding of an unfunded obligation to PERS. It can be equated to refinancing a home mortgage to a lower rate. The bond issue is offered at an interest rate of approximately 6.25%, as opposed to the 7.75% currently paid to PERS, and is estimated to

save the City approximately \$5.036 million (present value) over a 28 year period beginning 9/5/07, as displayed in Table I – POB Savings Summary.

Table I  
POB Savings Summary  
Combined Safety & Miscellaneous

Present Value Savings (\$)	\$	5,035,987
Present Value Savings (%)		15.94%
Total Gross Savings	\$	9,370,843
Avg. Annual Cashflow Savings	\$	334,673
Avg. Annual Present Value Savings	\$	179,598

### Risk/Mitigants of POB's

As with most financial decisions, issuing pension obligations does not come without risks. The two most critical risks are:

- Investment earnings may be less than the required debt service payment
- Future enhancements to pension benefits can create a new unfunded liability

Although there are some risks associated with POB's, the largest mitigating factor is that PERS now uses a 15 year smoothing of gains and losses, alleviating any potential spikes in losses.

A benefit of participating in a pension bond issuance is that the normal costs as well as the unfunded liability are being paid off in 28 years, essentially making full payment for PERS obligations. Currently, PERS charges the City 7.75% interest on its outstanding balance. Any earnings less than the 7.75% interest charge increase the city's outstanding balance. Any shortfalls in earned interest will need to be offset by higher earnings in the future, leaving the possibility open that liability may never be paid off.

However, perhaps the largest benefit of issuing pension obligation bonds is the estimated \$5.0 million present value savings over the 28 year life of the bonds. This savings allows the City flexibility to reallocate those General Fund resources to other Council priorities. Staff recommends channeling those savings into paying down retiree health liabilities.

### POB Pooled Funding Process

In order for the City to participate in the POB process, the following timelines will need to be met:

- June 25, 2007 - Council adopts a Resolution allowing the transaction, which begins a 90 day validation period. The validation period is a process whereby the court determines the legality of the bond issue.
- September 25, 2007 – the 90-day validation period concludes.
- October 25, 2007 - the bond issue will close and the UAAL will be paid off.
- Annually, the City will make a payment towards the bonds instead of PERS starting at \$1.5 million and rising over time.

**Prior Council/Board Actions:**

**Committee/Commission Review and Actions:**

**Alternatives:** Do not direct staff to proceed with the CSCDA pooled pension obligation bond program.

**Attachments:** Attachment #1: Listing of Pension Obligation Bond Program Transactions through CSCDA from 2004 - 2007

**Recommended Motion (and Alternative Motions if expected):** I move to authorize staff to proceed with participating in the pooled pension obligation program offered through the California Statewide Communities Development Authority (CSCDA) and issue \$31.6 million in pension obligation bonds.

***Environmental Assessment Status***

**CEQA Review:**

**NEPA Review:**

**Tracking Information:** *(Staff must list/include appropriate review, assessment, appointment and contract dates and other information that needs to be followed up on at a future date)*

Copies of this report have been provided to:

**City of Visalia  
Agenda Item Transmittal**

**Meeting Date:** June 25, 2007

**Agenda Item Number (Assigned by City Clerk):** 4D

**Agenda Item Wording:** City Council approval of Resolution No. 2007-50 adopting the 2007-08 appropriations limit for the City of Visalia's General Fund.

**Deadline for Action:** June 30, 2007

**Submitting Department:** Administration / Finance Division

**Contact Name and Phone Number:**

Eric Frost, 713-4474  
Ruth Martinez, 713-4327

**Department Recommendation:**

That the City Council adopt Resolution No. 2007-50 establishing the appropriations limit for the 2007-08 fiscal year in the amount of \$98,074,678 for the General Fund.

**Discussion:**

The Appropriation Limitation imposed by Propositions 4 and 111 creates a restriction on the amount of revenue which can be appropriated in any fiscal year. The limit is based on actual appropriations during the 1978-79 fiscal year and is increased each year by a factor comprised of the change in population combined with the change in California per capita personal income.

The General Fund is the only fund subject to the appropriation limit. Any challenge to the appropriations limit must be brought within 45 days from the effective date of the resolution.

The State of California Department of Finance is mandated to provide the population and California per capita personal income change data for local jurisdictions to calculate their appropriations limit. Based on the following data received from the Department of Finance, a population change of 6.04% and per capita income change of 4.42%, the appropriations limit for 2007-08 is \$98,074,678. The total appropriation subject to limitation for the 2007-08 fiscal year is \$44,956,300 which is well under the appropriations limit as shown in Table 1, Gann Appropriations Limit.

**For action by:**

City Council  
 Redev. Agency Bd.  
 Cap. Impr. Corp.  
 VPFA

**For placement on which agenda:**

Work Session  
 Closed Session

**Regular Session:**

Consent Calendar  
 Regular Item  
 Public Hearing

Est. Time (Min.):\_\_

**Review:**

**Dept. Head** \_\_\_\_\_  
(Initials & date required)

**Finance** \_\_\_\_\_  
**City Atty** \_\_\_\_\_  
(Initials & date required or N/A)

**City Mgr** \_\_\_\_\_  
(Initials Required)

If report is being re-routed after revisions leave date of initials if no significant change has affected Finance or City Attorney Review.

**Table 1  
Gann Appropriations Limit  
FY 2007-08**

Appropriations Limit FY 2006-07	\$88,571,009
Adjustment Factors:	
Population Change (6.04+100/100=1.0604)	1.0604
Per Capita Income Change (4.42+100/100=1.0442)	x <u>1.0442</u>
Total Adjustment Factor	<u>1.1073</u>
Increase to FY 2006-07	<u>9,503,669</u>
Appropriations Limit for FY 2007-08	98,074,678
Budgeted Expenditures Subject to Limit FY 2007-08	<u>44,956,300</u>
Amount of Unspent Authorized Appropriation	<u><u>\$53,118,378</u></u>

Table 2, Calculation of Proceeds of Taxes, categorizes General Fund revenues. As shown in the table, the amount of taxes is equivalent to the budgeted expenditures subject to the 2007-08 limit.

**Table 2  
Calculation of Proceeds of Taxes  
FY 2007-08**

	<u>Tax Proceeds</u>	<u>Non-Tax Proceeds</u>	<u>Total</u>
General Fund			
Taxes	\$44,956,300	\$0	\$44,956,300
Licenses & Permits	0	3,575,000	3,575,000
Fines	0	1,105,700	1,105,700
Revenue From Use of Money & Property	0	300,200	300,200
Revenue From Other Agencies	0	2,495,887	2,495,887
Revenue for Current Services	0	3,052,961	3,052,961
Other Revenue	0	331,905	331,905
Subtotal	<u>44,956,300</u>	<u>10,861,653</u>	<u>55,817,953</u>
Interest	0	2,013,100	2,013,100
Total General Fund	<u><u>\$44,956,300</u></u>	<u><u>\$12,874,753</u></u>	<u><u>\$57,831,053</u></u>

**Prior Council/Board Actions:** June 26, 2006 - Council adoption of Resolution establishing the appropriations limit for the 2006-07 fiscal year.

**Committee/Commission Review and Actions:** None

**Alternatives:** None

**Attachments:**

Attachment 1 – Resolution No. 2007-50

Attachment 2 – CA Department of Finance Letter on Price and Population

**Recommended Motion (and Alternative Motions if expected):**

I recommend that the City Council adopt Resolution No. 2007-50 establishing the appropriations limit for the 2007-08 fiscal year in the amount of \$98,074,678 for the General Fund.

***Environmental Assessment Status***

**CEQA Review:**

**NEPA Review:**

**Tracking Information:** *(Staff must list/include appropriate review, assessment, appointment and contract dates and other information that needs to be followed up on at a future date)*

Copies of this report have been provided to:

Attachment 1

RESOLUTION NO. 2007-50

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF VISALIA  
ESTABLISHING THE 2007-08 APPROPRIATIONS LIMIT

WHEREAS, in 1979, California voters approved Proposition 4 (Article XIII-B of the California State Constitution). Informally known as the "Gann Initiative," Article XIII-B provides limits to the amount of tax proceeds state and local governments can spend each year.

WHEREAS, in 1980, the State Legislature added Section 9710 of the Government Code stating that the governing body of each City must establish, by resolution, an appropriations limit for the following year. The limit for any fiscal year is equal to the previous year's limit, adjusted for population changes and the change in the U.S. Consumer Price Index (or California per capita personal income, if smaller). The necessary statistical information is provided by the California Department of Finance.

WHEREAS, Proposition 111 modified Article XIII-B. A City may choose which annual adjustments to use. The adjustment factors include the growth in the California Per Capita Income, or the growth in the non-residential assessed valuation due to construction within the City and the population growth within the City or county.

AND IT FURTHER provided for the 2007-08 fiscal year, any challenge to the appropriations limit must be brought within 45 days from the effective date of the resolution.

NOW, THEREFORE, BE IT RESOLVED that the appropriations limit as defined by Propositions 4 and 111 is set at \$ 98,074,678 for 2007-08 fiscal using a percentage change growth factor of 6.04% and change in per capita income of 4.42% as established by the California Department of Finance.

**City of Visalia  
Agenda Item Transmittal**

**Meeting Date:** June 25, 2007

**Agenda Item Number (Assigned by City Clerk):** 8b

**Agenda Item Wording:**

Second Reading of Ordinance No. 2007-10 authorizing the City Manager to execute a new 40-year Lease Agreement with the Faria & Sons Family Limited Partnership for approximately 90 acres of farmland at the Visalia Municipal Airport.

**Deadline for Action:** None

**Submitting Department:** Administrative Services

**Contact Name and Phone Number:**

Mario Cifuentez, Airport Manager: 713-4480

**Department Recommendation:**

City staff recommends that Council adopt the ordinance thereby authorizing the City Manager to execute an agreement with the Faria & Sons Family Limited Partnership for the use of farmland at the Visalia Airport.

**Summary/background:**

Council has recently approved the purchase of approximately 90 acres of property owned by the Faria family. The property to be acquired is located within approach zone of runway 30 and immediately south of the Visalia Municipal Airport (see attached maps). The property is comprised of portions of five (5) separate parcels all previously owned by the Faria and Sons Family Limited Partnership. The shape of the property is determined by the requirements of the existing and future Runway Protection Zones (RPZ's) for the Visalia Municipal Airport with those zones squared off to form the most logical parcel shape.

The acquisition of this property will allow for an expanded protection zone to correspond to the proposed runway extension already included in the airport's 5-year Capital Improvement Program. Any runway extension will occur on property already owned by the City, however the acquisition will also provide space for required runway approach lights. The runway expansion project is not considered an immediate need by the City; however, it has been budgeted as part of the 2007/08 fiscal year and will be funded primarily by FAA grant funding.

Because only a relatively small area of the proposed overall purchase would be needed for the approach lighting, the surrounding uses would not be disturbed and would be perfectly suited to a long-term lease back to continue the current farming practices.

**For action by:**

City Council  
 Redev. Agency Bd.  
 Cap. Impr. Corp.  
 VPFA

**For placement on which agenda:**

Work Session  
 Closed Session

**Regular Session:**

Consent Calendar  
 Regular Item  
 Public Hearing

Est. Time (Min.): 10

**Review:**

**Dept. Head** \_\_\_\_\_  
(Initials & date required)

**Finance** \_\_\_\_\_  
**City Atty** \_\_\_\_\_  
(Initials & date required or N/A)

**City Mgr** \_\_\_\_\_  
(Initials Required)

If report is being re-routed after revisions leave date of initials if no significant change has affected Finance or City Attorney Review.

The FAA allows for leases of grant-funded acquisitions with maximum terms of up to 40 years. This lease will generate revenue at the rate of \$150 per acre for the first year, increasing annually based on the CPI. Based on the size of the property, this new lease will provide \$13,350 in new revenue the first year and relieve the City of the responsibility and cost to maintain the property. The City currently is party to a similar lease of approximately 260 acres of airport property to Eric Shuklian, who has leased the property from the Airport since 1997.

The lease and all related documents have been prepared and reviewed by the City Attorney's office.

**Prior Council/Board Actions:**

April 2, 2007 – Council approved the purchase of property from the Faria & Sons Family limited partnership and approved a long-term (up to 40 years) lease back of all or part of the purchased property and authorized the City Manager to execute same and return to Council with a proposed ordinance related to same.

**Committee/Commission Review and Actions:** The Airport Committee concurs with staff's recommendations and recommends execution of this lease.

**Alternatives:** Choosing not to adopt the ordinance would cancel the purchase of the property, which included the long-term leaseback as a condition of the sale.

**Attachments:**

1. Lease Agreement
2. Proposed Ordinance
3. Exhibit "A" Legal Description
4. Property Map

**Recommended Motion (and Alternative Motions if expected):** I move: the Second Reading of Ordinance No. 2007-10 authorizing the City Manager to execute a new 40-year Lease Agreement with the Faria & Sons Family Limited Partnership for approximately 90 acres of farmland at the Visalia Municipal Airport.

***Environmental Assessment Status***

**CEQA Review:** N/A

**NEPA Review:** N/A

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**Tracking Information:** *(Staff must list/include appropriate review, assessment, appointment and contract dates and other information that needs to be followed up on at a future date)*

Execution of the referenced Agreement after Ordinance Process  
Coordinate billing with Finance

Copies of this report have been provided to:

**ORDINANCE NO. 2007-10**

**AN ORDINANCE OF THE CITY COUNCIL OF  
THE CITY OF VISALIA**

**AUTHORIZING THE LEASE OF APPROXIMATELY 90 ACRES OF  
PROPERTY AT THE VISALIA MUNICIPAL AIRPORT  
TO THE FARIA & SONS FAMILY LIMITED PARTNERSHIP FOR  
AGRICULTURAL PURPOSES**

**WHEREAS**, the City of Visalia owns certain property generally located southeast of the intersections of highways 99 and 198, commonly referred to as the Visalia Municipal Airport, and,

**WHEREAS**, the City of Visalia has recently acquired approximately 90 acres of property from the Faria & Sons Family Limited Partnership for the purpose of providing approach protection and future runway expansion, and,

**WHEREAS**, the City of Visalia desires to lease all of the approximately 90 acres of property back to the Family for agricultural purposes, and,

**WHEREAS**, said lease for agricultural purposes is of benefit to the Visalia Municipal Airport based on the revenue generation and approach protection, and,

**WHEREAS**, leasing the property back to the Faria Family will provide for a seamless transition of ownership without disrupting the current farming operation.,

**WHEREAS**, the subject real property is more particularly and legally described in Exhibit "A" attached hereto.

**Be it ordained by the Council of the City of Visalia,**

Section 1. The City Manager of the City of Visalia be, and is hereby authorized to execute on behalf of the City of Visalia, that certain Airport Ground Lease Agreement by and between the City of Visalia as Lessor and the Faria & Sons Family Limited Partnership, as Lessee.

Section 2. This ordinance shall go into effect thirty (30) days after its passage.

**City of Visalia  
Agenda Item Transmittal**

**Meeting Date:** June 25, 2007

**Agenda Item Number (Assigned by City Clerk):** 8c

**Agenda Item Wording:** Authorize the City Manager to execute an agreement with the College of Sequoias that provides for the City's participation in the Federal Work Study Program for the 2007/2008 fiscal year.

**Deadline for Action:** June 25, 2007

**Submitting Department:** Administrative Services – Human Resources

**Contact Name and Phone Number** Janice Avila, Human Resources Manager, 713-4417

**Department Recommendation and Summary:**

Authorize the City Manager to execute an agreement with the College of the Sequoias that provides for the City's participation in the college's Federal Work Study Program. The main objectives of this program are:

- To develop employment and learning opportunities that will improve low-income students' skills and readiness for the transition from school to work.
- To increase the low-income college students' awareness of employment opportunities within public service.
- To provide for ongoing cooperative efforts between the College of the Sequoias and the City by creating opportunities for low-income disadvantaged college students to become involved in Visalia, both as a community and as an organization with diverse employment opportunities.

**Summary / background**

For the past seven years, the City has had the opportunity to participate in this federally-funded program that provides low-income disadvantaged students an opportunity to work in a part-time job while attending college. Through this program, the City of Visalia and College of the Sequoias have been able to develop a successful partnership that has allowed the City to provide part-time employment and learning opportunities for eligible students.

**For action by:**

- City Council
- Redev. Agency Bd.
- Cap. Impr. Corp.
- VPFA

**For placement on which agenda:**

- Work Session
- Closed Session

**Regular Session:**

- Consent Calendar
- Regular Item
- Public Hearing

Est. Time (Min.): \_\_\_\_\_

**Review:**

**Dept. Head** \_\_\_\_\_  
(Initials & date required)

**Finance** \_\_\_\_\_  
**City Atty** \_\_\_\_\_  
(Initials & date required or N/A)

**City Mgr** \_\_\_\_\_  
(Initials required)

If report is being re-routed after revisions leave date of initials if no significant change has affected Finance or City Attorney Review.

Because of the success in the past, we are interested in participating in the program again this year. The students who participated in last year's program were assigned to Convention Center, Fire Administration, Community Development and Transit.

The Federal Work Study Program is funded by the fiscal year July 1 through June 30. The students are placed into the part-time "student worker" positions with the City. The student workers are paid as employees of the College of Sequoias (as such, the College of Sequoias assumes all liability for social security, workers compensation, unemployment insurance, and any other mandated employment benefit).

The total number of hours each student may work is determined by the amount of the student's Federal Work Study award. The City will be notified of the total number of work hours available for each student worker. Each student worker will be paid minimum wage. When a student worker's accumulated gross earnings are reached, the student must end his/her participation in the Federal Work Study Program.

As in previous years, the College of the Sequoias will be charging a twenty-five (25%) administration fee for each participant in the program. This administration fee will be based upon the wages earned by each student worker. The college will send a monthly invoice to the City. The administration fee will be divided among the City's departments who have a student worker assigned.

Eligible students will receive a work study award for a value up to \$2,500 for the 2007/2008 fiscal year. This dollar award equates to approximately 333 hours of work at the anticipated minimum wage of \$7.50 per hour. Assuming the student works approximately 15 hours per week, the student will be able to work for approximately 22 weeks. In the example, the administrative cost to the City for the student worker will be \$625.00. It is estimated that approximately six (6) students will be placed through this program which would cost the City an estimated \$3,750 for the year long program. The costs for participating in this program have been included in the FY 2007/2008 budget for hourly employees.

NOTE: The amount of each student's work study award will vary based on the student's financial need. If the student's award is less than the amount shown in the example, then the student will be eligible for fewer hours of work.

All departments are encouraged to consider participation in this work study program. This program requires a commitment from the department to provide a meaningful part-time employment opportunity. The supervisors of these students will be required to provide on-the-job training and be a mentor to the students.

**Prior Council/Board Actions:** July 17, 2006

**Committee/Commission Review and Actions:**

**Alternatives:**

**Attachments:** College of the Sequoias Work Study Agreement between the College of the Sequoias and the City of Visalia

**Recommended Motion (and Alternative Motions if expected):**

I move to authorize the City Manager to execute an agreement between the City of Visalia and the College of the Sequoias that provides for the City's participation in the Federal Work Study Program for the 2007/08 fiscal year.

**Environmental Assessment Status**

**CEQA Review:**

**NEPA Review:**

**Tracking Information:** *(Staff must list/include appropriate review, assessment, appointment and contract dates and other information that needs to be followed up on at a future date)*

Copies of this report have been provided to:

**Federal College Work Study (FCWS)  
&  
CalWORKs Work Study (CWWS)  
Agreement  
(Off-Campus/Non-Profit Organizations)**

THIS AGREEMENT, is entered into as of \_\_\_\_\_, 2007, between College of the Sequoias Community College District, hereinafter known as the Institution and \_\_\_\_\_ hereinafter known as the Organization, for the purposes of providing work to students eligible to participate in the Federal and CalWORKs Work Study Programs:

1. Institution has received Federal Title IV Work Study and CalWORKs Work Study funding for the 2007-2008 academic year.
2. Institution is requested by the California Student Aid Commission, the Community College Chancellor's Office and the U.S. Department of Education, to use a portion of its Work Study funding to place students in Work Study positions with public agencies, educational institutions, private non-profit corporations, and private for-profit corporations in the Institution's service area.
3. Organization is willing to accept and supervise Federal Work Study and CalWORKs Work Study student workers pursuant to the terms and conditions of this Agreement.

**ACCORDINGLY, IT IS AGREED:**

- I. TERM: This Agreement, when executed, shall be effective as of the date specified above, and shall continue in effect until June 30, 2008.
- II. INSTITUTION RESPONSIBILITIES: Institution shall:
  1. Refer students to the Organization for participation in Work Study employment;
  2. Provide compensation to students for work performed pursuant to this Agreement;
  3. Make all payments due as an employer's contribution under State or local workers' compensation laws, under federal or State social security laws, or under other applicable laws;
  4. Provide Student Agreement forms to be signed by an authorized official of the Organization, and Job Description Forms, which will set forth the names of the students employed under this Agreement, their hourly rates of pay, description of duties, and maximum gross earnings per student. These forms are considered part of this agreement. Utilize matching employer-contribution funds towards administrative costs;
  5. Be and remain the employer of all Work Study students. Institution has the ultimate right to control and direct the services of the students for the Organization. It also has the responsibility to determine whether the students meet the eligibility requirements for employment under the Federal Work Study, CalWORKs Work Study, to assign students to work for the Organization, and to determine that the students do perform their work in fact. The Organization's right is limited to direction of the details and means by which the result is to be accomplished;

III. ORGANIZATION RESPONSIBILITIES: Organization shall:

1. Interview and select students for Work Study assignments;
2. Provide Work Study positions for students furnished by Institution who are eligible to participate in the Federal and CalWORKs Work Study Programs, and who are qualified as determined by the Institution, and who are acceptable to the Organization; students may be removed from work on a particular assignment or from the Organization by the Institution, either on its own initiative or at the request of the Organization;
3. Instruct students as to the Organization's rules and regulations to be adhered to while performing Work Study services hereunder;
4. Direct the details and means by which the work result is to be accomplished subject to Institution's superseding right to control and direct the services of the students of the Organization;
5. Maintain accurate records of student attendance. Time reports indicating the total hours worked each one month period in clock time sequence, and containing the Organization supervisor's certification as to the accuracy of the hours reported and that work was performed in a satisfactory manner, will be provided to the Institution each month by the Organization at a time agreed upon;
6. Provide overall working conditions that meet the requirements of all applicable federal, state and local laws, rules and regulations pertaining to health, safety and employment, and which will otherwise not endanger the health, safety or welfare of the students;
7. Complete and provide evaluations of the students' work which shall be shared with Institution and the Work Study students;
8. Allow monitoring visits from the Institution to ensure the Federal Work Study and CalWORKs Work Study Programs are being properly carried out;
9. Pay to the Institution an amount equivalent to twenty-five (25%) percent of the salaries of Federal Work Study and CalWORKs Work Study students furnished by Institution and supervised by the Organization. Billings to the Organization will be made at the end of each quarter;
10. Monitor student's earnings to ensure earnings do not exceed award limit and
- 11 Not assign a student to lift an object in excess of 30 lbs.;
- 12 Ensure a student performs only the daily duties listed on his/her Job Description Form;
- 13 Not allow a student to perform volunteer work while employed under the Federal Work Study and CalWORKs Work Study Programs;
- 14 Provide proper training for student to work efficiently for the Organization;

IV. CONDITIONS OF WORK STUDY ASSIGNMENTS BY ORGANIZATION: The parties agree to and understand that work to be performed under this agreement is to be in the public interest, and which:

1. Will not result in the displacement of employed workers or impair existing contract for services; placement of student will not be in a position previously held by an employee of the Organization within the last 12 months;
2. Will be governed by such conditions for employment as will be appropriate and reasonable in light of such factors as type of work performed, geographical region and proficiency of the employee and as mutually agreed by the Institution and the Organization; compensation will be paid at the minimum wage rate set by the State of California or by the Federal Minimum Wage; if the State minimum wage is less;
3. Does not involve the construction, operation, or maintenance of so much of any

facility as is used, or is to be used, for sectarian instruction or as a place of religious worship; and

4. Does not involve any partisan or nonpartisan political activity associated with a candidate, or contending faction or group, in an election for public or party office.
  
- V. ASSURANCES OF NON-DISCRIMINATION: Organization expressly agrees that no student will be denied work or subjected to different treatment under this Agreement on the basis of any characteristic or condition upon which discrimination is prohibited by state or federal law or regulation.
  
- VI. LIMITATION ON HOURS OF WORK: During periods of regular enrollment, CalWORKs Work Study students employed under this Agreement may work no more than thirty-two (32) hours per week. Federal Work Study students may work no more than nineteen (19) hours per week during enrollment. All students may work up to forty (40) hours per week during summer, winter and spring breaks. When a student's accumulated gross earnings reach his/her Federal and CalWORKS Work Study award limit, (s)he must stop working under this Agreement. Supervisors, designated by the Organization, must keep track of the student's earnings. If the total earnings exceed the student's award, the Organization will be responsible for compensating the student for the overage(excess) within 30 days of time sheet submission. Students will have varying schedules. The Institution shall determine the maximum hours available for each student. If a student is permitted to work over forty (40) hours per week or over eight (8) hours per day, the Organization will be responsible and will compensate the student for overtime wages within 30 days of time sheet submission.
  
- VII. TRANSPORTATION: Transportation for students to and from their work assignments will be provided by the students at their own expense and in a manner acceptable to the Institution. Neither the Institution nor the Organization will be responsible for any means of transportation for those student employees. The Institution does not authorize any student to operate a vehicle, either the student's or the Organization's, in the course of his/her daily work hours.
  
- VIII. HOLD HARMLESS: Institution and Organization each agree to hold harmless, defend and indemnify the other from and against any claims, actions, costs, losses, damages or liability for injury, including death to any person or damage to any property arising out of their duties, acts or omissions, or those of their respective officers, employees or agents, pursuant to this Agreement, including any negligent or intentional acts on their part. This obligation shall continue in full force and effect notwithstanding the expiration of the term of this Agreement. A completed/signed Agreement does not guarantee the referral or placement of a Federal and CalWORKs Work Study student within an Organization. The award for Work Study can be adjusted by the Institution at anytime. It is the Institution's responsibility to notify the Organization of the change in a Work Study award.
  
- IX. SIGNATURE: The Institution and the Organization each warrants and represents that the signature affixed below has been authorized by appropriate action of its governing body.

Organization: \_\_\_\_\_

Authorized Representative: \_\_\_\_\_

Date: \_\_\_\_\_

Organization: \_\_\_\_\_

Authorized Representative: \_\_\_\_\_

Date: \_\_\_\_\_

Institution: College of the Sequoias Community College District

Authorized Representative: \_\_\_\_\_

Date: \_\_\_\_\_

Linda Fontanilla, Ed.D  
Dean, Student Services

Authorized Representative: \_\_\_\_\_

Date: \_\_\_\_\_

William T. Scroggins  
Superintendent/President

## City of Visalia Agenda Item Transmittal

**Meeting Date:** June 25, 2007

**Agenda Item Number (Assigned by City Clerk):**

**Agenda Item Wording:** Authorization for the City Manager to sign an agreement with Visalia Mountain Transit, Inc., a subsidiary of MV Transportation, for the purpose of operating the Sequoia Shuttle, for \$52.22 per vehicle service hour for a total of \$514,133 for 2007.

**Department Recommendation:** Staff recommends authorization for the City Manager to sign an agreement with Visalia Mountain Transit, Inc., a subsidiary of MV Transportation, for the purpose of operating the Sequoia Shuttle, for \$52.22 per vehicle service hour or a total of \$514,133 for the 2007.

**Summary:** On May 23, 2007, the Sequoia Shuttle started making its first runs up to the park. The system is designed to service visitors arriving/staying in the gateway communities and visiting Sequoia and Kings Canyon National Parks. It also serves employees living in the gateway communities who work in the Sequoia and Kings Canyon National Park. Staff worked with Visalia Mountain Transit to finalize the agreement. The operating expenses, \$514,133 for the 2007 season, will be paid for out of grants obtained by the City Transit Division and the NPS. The NPS will be reimbursing the City for the internal shuttle out of their share of the grants, and from funds generated for this purpose through increased park entrance fee. Some of the funds, primarily capital, will be reimbursed over multiple years. The agreement includes the following provisions;

- The agreement has a term of one year beginning May 23, 2007, to September 11, 2007, for an amount not to exceed \$514,133 that includes provisions for three one-year options.
- The General Manager and Regional Operations Manager for the Contractor shall meet with the City Transit Manager and the Deputy City Manager on a monthly basis to review the Sequoia Shuttle operations, customer complaints, timeliness, route efficiency, and other operational issues.
- Performance Incentives of \$500 per Season.  
Incentives are available for the following parameters:
  - No preventable accidents – Avoidance of preventable accidents within the Sequoia Shuttle service area.

**For action by:**

City Council  
 Redev. Agency Bd.  
 Cap. Impr. Corp.  
 VPFA

**For placement on which agenda:**

Work Session  
 Closed Session

**Regular Session:**

Consent Calendar  
 Regular Item  
 Public Hearing

Est. Time (Min.):\_\_

**Review:**

**Dept. Head** \_\_\_\_\_  
(Initials & date required)

**Finance** \_\_\_\_\_  
**City Atty** \_\_\_\_\_  
(Initials & date required or N/A)

**City Mgr** \_\_\_\_\_  
(Initials Required)

If report is being re-routed after revisions leave date of initials if no significant change has affected Finance or City Attorney Review.

- Schedule reliability – A minimum of 90 percent of all Sequoia Shuttle departures will be within five minutes after the scheduled departure time, as indicated by published timetables.
- Missed Run – Less than one percent of scheduled departures from the City's Visalia Transit Center or the Giant Forest Museum shall be missed runs.
- Early Departure – No Sequoia Shuttle trip or run shall depart a designated time point prior to the published schedule time.

### **Discussion:**

During the past several years the City has been working with the National Parks Service (NPS) to organize a series of two shuttles; one within the Sequoia National park (internal) and one from Visalia to the park (external). The external shuttle is independent of the NPS and was initially considered at the request of Congressman Nunes, while the internal shuttle will be operated by the City of Visalia at the request and under a cooperative agreement with the NPS.

The shuttles will be operated by Visalia Mountain Transit, Inc. under the same provisions included in the agreement between the City of Visalia and MV Transportation with a few modifications. The primary differences are in the incentive and penalties, payment, and insurance. Each is discussed below:

Many of the incentives and penalties that are included in the Visalia City Coach operation apply to the Dial-A-Ride and; therefore, are not included in the Sequoia Shuttle. The Incentives and Penalties that are included are related to early departures, on-time performance and accidents. The Payment section has been modified to include only an hourly rate of \$52.22 per vehicle service hour. This is a simplified version of the previous agreement that included a monthly rate, mileage rate and an hourly rate. Since this service will be for a shorter duration and seasonal it will not be subject to the variables that make the other rates warranted. The current VCC service operates at approximately \$45.00 per service hour. The difference is due to an increase in the driver wage and increased insurance costs, both of which were significantly higher in order to provide this service.

The excess liability insurance requirements were reduced from \$10,000,000 to \$5,000,000. The shuttle is a unique system that is outside the norm of typical municipal transit operations. This uniqueness made it difficult and financially infeasible to obtain insurance for at the higher limits; therefore, the decision was made to accept the same \$5 million limits required by the NPS

On January 8, 2007 Council appropriated \$2,024,235 for the Sequoia Shuttle project, which included funding for operations and capital for the external and internal shuttles. The \$2,024,235 appropriation will come from a variety of federal and state sources obtained by the NPS and the City of Visalia. The operating expenses, \$514,133 for the 2007 season, will be paid for out of this funding. The NPS will be reimbursing the City for the internal shuttle operations, including lease payments for the capital purchased by the City to operate the internal shuttle. The current year appropriation includes only one year of external operating cost due to federal budgeting guidelines.

A summary of the operating and capital expenditures for the first three years is as follows:

	<u>External Cost</u>	<u>Internal Cost</u>	<u>Total Cost</u>
Operations			
2007 Season	184,518	377,055	561,573
2008 Season	141,190	388,367	529,557
2009 Season	<u>145,426</u>	<u>400,018</u>	<u>545,443</u>
Total Operating Cost	471,134	1,165,439	1,636,573
Capital Bus Purchase	<u>390,000</u>	<u>786,046</u>	<u>1,176,046</u>
Total Expenditures	<u>861,134</u>	<u>1,951,485</u>	<u>2,812,619</u>

**Prior Council/Board Actions:**

- June 1, 2004 Authorization to apply for CMAQ funds for the study and 1<sup>st</sup> phase of operations.
- June 29, 2004 Authorization to sign MOU with NPS to develop shuttles.
- February 7, 2005 Award of contract to develop the shuttle plan.
- June 4, 2007 Council update regarding the Sequoia Shuttle.

**Committee/Commission Review and Actions:** None

**Alternatives:** None

**Attachments:** None

**City Manager Recommendation:**

**Recommended Motion (and Alternative Motions if expected):** I move that the City Council authorize the City Attorney to draft and the City Manager to sign an agreement with Visalia Mountain Transit, Inc., a subsidiary of MV Transportation, for the purpose of operating the Sequoia Shuttle, for \$52.22 per vehicle service hour or a total of \$514,133 for the 2007.

***Financial Impact***

**Funding Source:**

Account Number:

**Budget Recap:**

Total Estimated cost: \$ 0	New Revenue: \$ 0
Amount Budgeted: \$ 0	Lost Revenue: \$
New funding required: \$ 0	New Personnel: \$
Council Policy Change: Yes _____ No <u>X</u>	

***Environmental Assessment Status***

**CEQA Review:**

Required? No  
Review and Action: Prior:  
Require:

**NEPA Review:**

Required? No  
Review and Action: Prior:  
Require:

**Tracking Information:**

Copies of this report have been provided to:

## City of Visalia Agenda Item Transmittal

**Meeting Date:** June 25, 2007

**Agenda Item Number (Assigned by City Clerk):** 8f

**Agenda Item Wording:** Authorize the City Manager to execute the amendment to the Agreement with Visalia Unified School District to modify the administrative fee portion for collecting School Facilities Fees paid to the City of Visalia from 2% statutory to 1% statutory effective July 1, 2007.

**Deadline for Action:** June 25, 2007

**Submitting Department:** Community Development

**Contact Name and Phone Number:** Michael Olmos 713-4332;  
Dennis Lehman 713-4495

**Department Recommendation:** Authorize the City Manager to execute the amendment to the Agreement with Visalia Unified School District to modify the administrative fee portion for collecting School Facilities Fees paid to the City of Visalia from 2% statutory to 1% statutory effective July 1, 2007. This amendment will limit the portion of the fees retained by the City to cover costs of collecting school fees.

**Summary/background:** In December of 2001, City Council approved an agreement authorizes the City to collect the District's School Facilities Fees during the building permit process and to retain 2% for administrative costs with no additional cost to the builder. Each week the City of Visalia passes on those School fees to VUSD in a form of a check.

In August of 2006, City Council approved an amendment to the agreement to retain 2% of the statutory developer fees allowable under Government Code Section 65995(b) for administrative costs. Because the District moved to Level II fees, the City can only collect administrative fees on the current statutory fees (Level I) and the balance of Level II goes directly to the growth needs of new students.

With the recent decline in residential building, Visalia Unified School District has requested to reduce the statutory rate from 2% to 1%. City staff has analyzed the 1% revenue stream and determined that it is enough to cover the City's costs for providing this service and allows more of the developer fees to go directly to the growth needs of new students within our community.

**For action by:**

City Council  
 Redev. Agency Bd.  
 Cap. Impr. Corp.  
 VPFA

**For placement on which agenda:**

Work Session  
 Closed Session

**Regular Session:**

Consent Calendar  
 Regular Item  
 Public Hearing

Est. Time (Min.): 5

**Review:**

**Dept. Head** \_\_\_\_\_  
(Initials & date required)

**Finance** \_\_\_\_\_  
**City Atty** \_\_\_\_\_  
(Initials & date required or N/A)

**City Mgr** \_\_\_\_\_  
(Initials Required)

If report is being re-routed after revisions leave date of initials if no significant change has affected Finance or City Attorney Review.

During the past five and half years, this collaborative effort between the City and the School District and the support, convenience and savings to the development community has been a great success.

**Prior Council/Board Actions:** December 17, 2001  
August 21, 2006

**Committee/Commission Review and Actions:**

**Alternatives:** Do not modify agreement and continue retaining administrative costs of 2% statutory.

**Attachments:** Addendum to Agreement between the City of Visalia and Visalia Unified School District regarding collection services by City of District's School Facilities Fees.

**Recommended Motion (and Alternative Motions if expected):** I move to authorize the City Manager to execute the amendment to the Agreement with Visalia Unified School District to modify the administrative fee portion for collecting School Facilities Fees paid to the City of Visalia from 2% statutory to 1% statutory effective July 1, 2007.

***Environmental Assessment Status***

**CEQA Review:**

**NEPA Review:**

**Tracking Information:** *(Staff must list/include appropriate review, assessment, appointment and contract dates and other information that needs to be followed up on at a future date)*

Copies of this report have been provided to:

**Agreement Between  
the City of Visalia and the Unified School District  
Regarding Collection Services by City of District's School Facilities Fees**

This Agreement Between the City of Visalia and the Visalia Unified School District Regarding Collection by City of District's School Facilities Fees (hereinafter "Agreement") is made and entered into July 1st, 2007 by and between the CITY OF VISALIA, a Municipal Corporation and charter law city of the State of California (hereinafter "CITY"), and the Visalia Unified School District, a political subdivision of the State of California (hereinafter "VUSD").

**R E C I T A L S**

**WHEREAS**, VUSD is authorized by California Education Code section 17620<sup>1</sup> to levy fees, charges, and dedications or other requirements (hereinafter referred to as "school facilities fees") against any construction within VUSD boundaries, subject to the limitations set forth in said section, for the purpose of funding the construction or reconstruction of school facilities; and

**WHEREAS**, pursuant to the procedures set forth in California Education Code section 17621, VUSD adopted Resolution No. \_\_\_\_\_, which establishes the school facilities fees and provides documentation and a map clearly indicating the boundaries of the area subject to said school facilities fees; and

**WHEREAS**, for the convenience of VUSD and the individuals and entities subject to the school facilities fees, VUSD desires to have CITY collect said school facilities fees on VUSD's behalf as permitted by Section 17620(a) (4) & (5); and

**WHEREAS**, CITY agrees to collect said school facilities fees on VUSD's behalf pursuant to the terms and conditions contained in this Agreement.

**NOW, THEREFORE**, based upon the mutual covenants contained herein, the parties agree as follows:

1. **PURPOSE:** The intent of the parties in entering into this Agreement is to provide for the collection by CITY of school facilities fees payable by building permit applicants to VUSD and the accounting and distribution of said fees by CITY to VUSD subject to CITY's administrative costs therefore.

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All further section references shall be to the California Education Code unless otherwise specifically indicated.

2. **TERMS OF AGREEMENT:** The term of this Agreement shall commence with the execution of this Agreement and continue for a period of two (2) years thereafter. This Agreement shall automatically renew annually following the original Term, unless either party provides a written termination notice to the other sixty (60) days prior to expiration of the then current term.
  
3. **CITY COVENANTS:**
  - a. **Collection of fees:** CITY covenants and agrees to collect school facilities fees from all non-exempt building permit applicants in accord with the fee schedule resolution provided to CITY by VUSD.
  
  - b. **Monthly Accounting/Retention of Administrative Costs:** CITY will prepare accounting records of the school facility fees collected each month, in a mutually acceptable format, and will forward said records along with a check payable to VUSD for said funds, less an administrative fee of one percent (1%) of the statutory developer fees allowable under Government Code Section 65995(b), which CITY shall retain, within (30) days of the month following the applicable accounting period.
  
  - c. **Calculation of Square Footage/Fees:** CITY will calculate the square footage to which VUSD's facilities fees schedule will be applied.
  
  - d. **Transition from VUSD to CITY:** CITY covenants to work with VUSD to provide a smooth transition of collection services and to work with VUSD throughout the implementation of this Agreement to develop mutually acceptable accounting and payment procedures based on the parties' internal accounting methods.
  
4. **VUSD COVENANTS:** In exchange for CITY's covenants, VUSD covenants and agrees to:
  - a. **Fee Schedule Resolution:** Provide CITY with its current school facilities fee schedule resolution. Additionally, VUSD agrees to provide to CITY, well in advance of its effective date, any new fee schedule so that CITY may timely post notices of the anticipated change.
  
  - b. **Fee Exemptions:** VUSD shall provide to CITY all applicable exemptions to its fees, other than those contained in California Education Code section 17620.
  
  - c. **Transition from VUSD to CITY:** VUSD covenants to work with CITY to provide a smooth transition of collection services and to work with CITY throughout the implementation of this Agreement to develop mutually

acceptable accounting and payment procedures based on the parties' internal accounting methods.

5. **INDEMNIFICATION:** The parties agree to indemnify, defend (at either's option) and hold the other and its officers, agents, employees, and assigns harmless from any liability directly or indirectly caused, occasioned or contributed to, or claimed to be caused, occasioned or contributed to, in whole or in part, by reason of any act or omission, of the other, or of anyone acting under the other's direction or control or on its behalf, in connection with or incident to, or arising out of implementation of this Agreement, except a party's own negligence or willful misconduct. VUSD agrees to indemnify, defend (at CITY's options) and hold it and its officers, agents, employees, and assigns harmless from any liability stemming from any fee protests filed in accord with Government Code Section 66020, et seq., except CITY's own negligence or willful misconduct.

6. **MISCELLANEOUS PROVISIONS:**

- a. **Authority:** CITY and VUSD and its respective signatories represent that the signatory holds the position set forth below his/her signature and that the signatory is authorized to execute this Agreement and to bind said party hereto.
- b. **Assignment:** Neither this Agreement nor any of the rights hereunder may be assigned without prior written consent of the other party.
- c. **Interpretation/Headings:** The headings/captions are for convenience and reference only and are not intended to define or limit the scope of any provision and shall have no effect on the Agreement's interpretation. When required by the context of this Agreement, the singular shall include the plural.
- d. **Integration/Amendment:** This Agreement represents the complete and entire understanding between the parties as to those matters contained herein. This Agreement may only be modified or amended in writing and signed by both parties.
- e. **Severability:** If any term, condition, covenant, provision or part thereof this Agreement is, or is declared, invalid, void or unenforceable for any reason, the remainder of the Agreement shall continue in full force and effect.
- f. **Governing Law/Venue:** The laws of the State of California shall govern the interpretation and enforcement of this Agreement and any legal acts arising out the terms of this Agreement shall be brought in Tulare County.

- g. Attorney's Fees/Costs: In the event of legal action arising from this Agreement, the non-prevailing party agrees to pay the prevailing party reasonable attorney's fees and costs.
- h. Construction: This Agreement is the product of negotiation and compromise of the parties and the parties agree, notwithstanding Civil Code Section 1654, or successor provision, that in the event of uncertainty the language of the Agreement will not be construed against the party causing the uncertainty.

IN WITNESS WHEREOF, the parties hereto have entered into this Agreement on the date first written above.

CITY OF VISALIA

VISALIA UNIFIED SCHOOL DISTRICT

By: \_\_\_\_\_  
Steven M. Salomon  
City Manager

By: \_\_\_\_\_  
Robert Gröeber  
Assistant Superintendent -  
Administrative Services

ATTEST:

ATTEST:

\_\_\_\_\_  
City Clerk

\_\_\_\_\_  
Director of Facilities

**APPROVED AS TO FORM:**

CITY OF VISALIA

VISALIA UNIFIED SCHOOL DISTRICT

\_\_\_\_\_  
Attorney for CITY

\_\_\_\_\_  
Attorney for VUSD

\_\_\_\_\_  
Risk Manager

\_\_\_\_\_  
Risk Management

**City of Visalia  
Agenda Item Transmittal**

**Meeting Date:** June 25, 2007

**Agenda Item Number (Assigned by City Clerk):** 8g

**Agenda Item Wording:** Authorization to enter into agreement with Visalia Unified School District for after school enrichment program services

**Deadline for Action:** N/A

**Submitting Department:** Parks & Recreation Department

**Contact Name and Phone Number:**

Vince Elizondo, Parks & Recreation Director (559) 713-4367  
Jeannie Greenwood, Recreation Manager (559) 713-4042

**Staff Recommendation:**

City staff recommends that the City Council:

1. Authorize the City Manager to execute an Agreement between the City of Visalia and Visalia Unified School District for an after school enrichment program at the Manuel F. Hernandez Community Center.
2. Authorize a budget appropriation of \$44,000.00 for fiscal year 2007-2008 to provide services outlined in the terms of this Agreement. This amount includes \$14,000 unspent funds from 2006-2007 and \$30,000 for 2007-2008. This amount will fully support the program expenses, including staffing and direct program costs. This amount does not represent an impact on the general fund as funds are reimbursed by Visalia Unified School District.

**Background:**

On September 26, 2006 the California Department of Education released a Request for Application for After School Education and Safety (ASES) program funding. With the passing of Proposition 40, the ASES program originally funded for \$122 million was increased an additional \$428 million to amount to a total of \$550 million available for after school programs to serve elementary and middle/junior high school students.

**For action by:**

City Council  
 Redev. Agency Bd.  
 Cap. Impr. Corp.  
 VPFA

**For placement on which agenda:**

Work Session  
 Closed Session

**Regular Session:**

Consent Calendar  
 Regular Item  
 Public Hearing

Est. Time (Min.): 1

**Review:**

Dept. Head \_\_\_\_\_  
(Initials & date required)

Finance \_\_\_\_\_  
City Atty \_\_\_\_\_  
(Initials & date required or N/A)

City Mgr \_\_\_\_\_  
(Initials Required)

If report is being re-routed after revisions leave date of initials if no significant change has affected Finance or City Attorney Review.

Visalia Unified School District (VUSD) worked with several agencies to develop ASES programs for all Visalia Unified Schools, including the four middle schools. Grant applications were submitted by the November 6, 2006 deadline and on December 11, 2006 initial notification was posted on the California Department of Education's website. Nine of the fifteen elementary school sites and three middle schools received funding.

VUSD continues contracting with Pro Youth HEART for after school services in the elementary school sites. Of the three funded middle schools, VUSD will be contracting with various agencies to provide enrichment programs. Students from Divisadero will be bused to the Boys and Girls Club and the Whitman Center, students from Green Acres will attend a YMCA program at the Anthony Community Center, and students from Valley Oak will be sent to the Manuel F. Hernandez Community Center as well as to the Ivanhoe Youth Center operated by CSET.

Staff recommends that authorization be given to the City Manager to execute an Agreement between the City of Visalia and Visalia Unified School District for the after school enrichment program at the Manuel F. Hernandez Community Center. The Agreement was prepared by Visalia Unified School District and has been approved by the City attorney.

The ASES program focuses on providing a quality after school program for students while increasing academic achievement and providing enrichment opportunities. In order to achieve the best possible experience for students, Visalia Unified School District and the City of Visalia Parks and Recreation Department are asking to continue their collaborative partnership to fulfill the program requirements of this grant.

Since Visalia Unified School District employs professionals skilled in providing educational curriculum and academic achievement standards for students, Visalia Unified will be responsible for the one and a half hour academic requirement of the grant. Whereas the City of Visalia Parks and Recreation Department employs professionals in the areas of providing enrichment activities and quality after school programs, it is proposed that the City of Visalia provide enrichment activities for students from the Valley Oak campus at the Manuel F. Hernandez Community Center. Both entities feel that this collaborative relationship would be beneficial to the ASES program, allowing each agency to provide the best service to the students.

ASES is a three year grant with annual funding dependent on maintaining a seventy-five percent enrollment. This MOU is for the second year of the grant. Visalia Unified School District is proposing to pay the City of Visalia the sum of \$30,000 to provide an enrichment program at the Manuel F. Hernandez Community Center. The funded amount for the first year of the grant was for the entire annual amount, regardless of operating for just five months of the school year. That allows \$14,000 in unspent funds be carried over into this second year of the program.

The Parks and Recreation Department continues to develop an enrichment program that includes organized sports, martial arts, dance, art, drama and life skill components. The middle school age student has been identified by the Parks and Recreation Department as an under-served population. This program will not only allows the City the opportunity to provide services to this population, but to also assist in the task of providing gang prevention and/or intervention programs for youth ages 12-14.

The ASES program will not interfere with or replace the existing after school drop in program at the Manuel F. Hernandez Community Center. Both programs will be able to share facility space and resources.

Staff is also asking for a budget appropriation of \$44,000.00 for fiscal year 2007-2008 to provide services outlined in the terms of this Agreement. This amount includes \$14,000 not expended from fiscal year 2006-2007 and \$30,000 for 2007-2008. This amount will fully support the cost of service, including staffing and direct program costs.

**Prior Council Actions:**

2006-2007 Agreement approved January 8, 2007.

**Commission Review and Actions:**

none

**Attachments:** Exhibit A - Agreement  
Exhibit B – Scope of Services

**Recommended Motion (and Alternative Motions if expected):**

I hereby move to authorize the City Manager to execute an Agreement between the City of Visalia and Visalia Unified School District for the purpose of providing an enrichment after school program at the Manuel F. Hernandez Community Center.

I further move to appropriate the sum of \$44,000.00 to operate said program.

***Environmental Assessment Status***

**CEQA Review:**

**NEPA Review:**

**Tracking Information:** (*Staff must list/include appropriate review, assessment, appointment and contract dates and other information that needs to be followed up on at a future date*)

Copies of this report have been provided to:

**VISALIA UNIFIED SCHOOL DISTRICT  
AND  
THE CITY OF VISALIA PARKS AND RECREATION DIVISION  
AFTER SCHOOL PROGRAM AGREEMENT**

**THIS AGREEMENT**, is entered into as of 7-1-07, between the VISALIA UNIFIED SCHOOL DISTRICT, referred to as DISTRICT, and CITY OF VISALIA, referred to as CITY, with reference to the following:

- A. The VISALIA UNIFIED SCHOOL DISTRICT has received a State Grant (hereinafter referred to as “Grant”) to implement after school programs to its’ four middle schools;
- B. DISTRICT desires, in cooperation with CITY, to provide an after school program in compliance with the After School Education and Safety (hereinafter referred to as “ASES”) Grant.
- C. The VISALIA UNIFIED SCHOOL DISTRICT is contracting with CITY, funded by the Grant, to coordinate and implement at the Manuel Hernandez Community Center, a safe, supervised after school enrichment program that focuses on personal and social development carried out through a variety of social, recreational, and leadership activities.
- D. CITY has agreed to provide such services in partnership with DISTRICT.
- E. CITY has agreed to provide such services under this Agreement for the specific student population attending Valley Oak Middle School.
- F. DISTRICT and CITY acknowledge that the agreed upon number of students who will be served by CITY under this Agreement is equal to the amount of fifty-six (56) students or 50% of the total number of students to be served by Valley Oak Middle School under the ASES Grant.
- G. CITY agrees that DISTRICT will pay CITY the amount sum of \$30,000.00 to provide such services as agreed upon under the Grant and this Agreement and for the designated number of students as referred to in Section G. for the date beginning on July 1st, 2007 and ending on June 30th, 2008.
- H. DISTRICT and CITY equally agree that CITY will invoice DISTRICT on a monthly basis for services provided under this Agreement. The monthly installment will be equal to the total contract amount divided by twelve (12) months.
- I. CITY agrees to provide service and adhere to the Grant-appropriate staff-to-pupil work ratio of 1:20.

**ACCORDINGLY, IT IS AGREED:**

**1. RESPONSIBILITIES OF CITY:**

- a. CITY shall provide the services specified in this Agreement for the after school enrichment program in compliance with the ASES Grant under this Agreement with the DISTRICT. The parties expect, under the provisions of the Grant, that the students must participate in the program at least three (3) hours per day and a minimum of three (3) days per week during the school year. The hours of program operation shall be from immediate arrival of students to the provider site (4:30pm) and until 6:15pm. In the case of a minimum day, CITY shall provide regular services upon the immediate arrival (1:30pm) of students and for the duration of three (3) hours. The funding for the program provides a ratio of approximately one (1) staff per cluster of twenty (20) students, and the level of staffing is based upon the number of students actively participating in the program on a daily basis.
- b. CITY shall designate one staff member to provide service under the Grant and this Agreement to act as a Site Director, for whom will oversee, monitor, and supervise all daily operations of the after school program and who will work cooperatively with the DISTRICT designee known as Program Manager to meet all requirements, goals and objectives of the Grant. The Site Director shall be counted in the 1:20 staff-to-pupil ratio.
- c. The Site Director shall also utilize his/her time to be on the school campus in order to develop and foster working relationships with the Principal, Lead Teacher and other school staff. The Site Director shall be responsible for acting as the liaison between the school campus and CITY site. Responsibilities while on campus shall include but are not limited to:
  - (i) on-going communication with Principal, Lead Teacher, and School Staff
  - (ii) assist Lead Teacher with tracking daily attendance, student behavior, and other program-related tasks.
  - (iii) act as liaison between the school campus and CITY site and assist Lead Teacher with various program-related tasks and responsibilities; including attendance, student discipline, special events and arrangements, recruitment.
- d. CITY shall assign Grant-compliant staff to coordinate and support the supervision and daily operation of the after school enrichment program. CITY, in collaboration with

DISTRICT is responsible for evaluating progress and assessing effectiveness of staff, program services, and policies to ensure consistency with the Grant.

e. CITY shall provide coaching and mentoring to site staff consistent with Grant standards and collaborate with DISTRICT in the implementation of ongoing staff development and training programs.

e. Except as otherwise provided herein or subsequently agreed to in writing signed by both DISTRICT and CITY, CITY shall be the employer for all personnel employed to provide after school enrichment services at the Manuel Hernandez Community Center. CITY shall be solely responsible for all costs of employment and personnel administration, including but not limited to wages, salaries, workers' compensation costs, unemployment costs and employee discipline.

f. CITY does agree to advise everyone it assigns or hires to perform duty under this Agreement shall work as an employee of the Grant and therefore carry out all duties and responsibilities according to the requirements, goals and objectives of the Grant.

g. CITY program services shall operate under the provisions of the Grant, and under the direction of the DISTRICT, and all parties shall work cooperatively to accomplish the program objectives as outlined by the Grant.

h. If CITY employs any person who is employed by DISTRICT and who is not exempt from the Fair Labor Standards Act, CITY shall limit its employment of such person to a number hours which, when combined with the hours the person works for the DISTRICT, will not exceed 40 hours in any one work week.

i. CITY shall maintain a staffing level and supplies at Manuel Hernandez Community Center that is consistent for Grant-compliant service and shall be responsible for assisting with the safe transport of all students from Valley Oak Middle School by assuring that all students are accounted for upon student arrival to the Manuel Hernandez Community Center.

j. CITY agrees to actively inform and update DISTRICT designee know as Program Manager of any/all hiring of staff to work under this contract and the ASES Grant. In addition, agree to notify DISTRICT designee of all dates and times of applicant interviews.

2. **RESPONSIBILITIES OF THE DISTRICT:**

a. DISTRICT shall provide adequate and appropriate support and guidance, including the sharing of Grant-related goals and objectives to ensure CITY is adequately equipped and prepared to provide services consistent with the Grant.

b. DISTRICT shall assign an administrative staff member to provide Grant-related support for CITY to provide Grant-appropriate services.

c. DISTRICT will disburse payment to CITY on a monthly payment scheduled upon being invoiced by CITY.

d. DISTRICT shall provide adequate transportation from Valley Oak Middle School to the Manuel Hernandez Community Center everyday that the after school program is operational under the Grant.

3. **REPORTS:**

a. Attendance Reports: Attendance reports record the number of students served and the number of days of program operation. It is the responsibility of the Site Director and CITY to gather and submit attendance data to the DISTRICT designee known as the ASES Grant Program Manager (hereinafter referred to as "Program Manager"). CITY shall be responsible for maintaining these records and supporting documentation verifying student attendance and days of operation recorded on Attendance Reports for the Manuel Hernandez Community Center after school enrichment program.

b. Evaluation Reports: Evaluation is a required component of the ASES Grant and its after-school programs. CITY shall work cooperatively with the DISTRICT to collect any/all program data including attendance and behavior data as required by the Grant.

c. All reports required by the ASES Grant shall be submitted by CITY to the DISTRICT within 7 business days prior to the dates imposed on the DISTRICT by the Grant. This includes any/all attendance data for purposes of quarterly reporting and any/all behavior-related data to be reported in final fiscal report by DISTRICT to the California Department of Education.

4. **RECORDS AND AUDIT:** CITY shall maintain complete and accurate records with respect to the services rendered and the costs incurred under this Agreement. In addition, CITY shall maintain complete and accurate records with respect to any payments to employees or subcontractors. All such records shall be prepared in accordance with generally accepted accounting procedures, shall be clearly identified, and shall be kept readily accessible. Upon request, CITY shall make such records available within Tulare County to the designated public and/or private auditor of DISTRICT and to his agents and representatives, for the purpose of auditing and/or collecting such records for a period of five (5) years from the date of final payment under this Agreement.

5. **COMPLIANCE WITH LAW:** DISTRICT and CITY shall each provide services in accordance with applicable Federal, State, and local laws, regulations and directives. With respect to CITY's employees, CITY shall comply with all laws and regulations pertaining to wages and hours, state and federal income tax, unemployment insurance, Social Security, disability

insurance, workers' compensation insurance and discrimination in employment.

6. **COMPLIANCE WITH THE GRANT:** This Agreement is subject to the Grant, and any additional restrictions, or conditions enacted by the California Department of Education which may affect the provisions, terms, or funding of this Agreement in any manner.

7. **INSURANCE:** Prior to approval of this Agreement by DISTRICT, CITY shall file with the Clerk of the Board of Trustees of the DISTRICT evidence of the required insurance as set forth in attached.

8. **INDEPENDENT CONTRACTOR STATUS:** This Agreement is entered into by both parties with the express understanding that CITY will perform all services required under this Agreement as an independent contractor. Nothing in this Agreement shall be construed to constitute CITY or any of its agents, employees or officers as an agent, employee or officer of DISTRICT. CITY agrees to advise everyone it assigns or hires to perform any duty under this Agreement that they are not employees of the DISTRICT. CITY is responsible for paying all required state and federal taxes.

In particular, DISTRICT will not:

- a. Withhold FICA (Social Security) from CITY's payments.
- b. Make state or federal unemployment insurance contributions on CITY's behalf.
- c. Withhold state or federal income tax from payments to CITY.
- d. Make disability insurance contributions on behalf of CITY.
- e. Obtain unemployment compensation insurance on behalf of CITY.

Notwithstanding this independent contractor relationship, DISTRICT shall have the right to monitor and evaluate the performance of CITY to assure compliance with the Grant and this Agreement. CITY may contract with District for special services. CITY and District shall arrange for compensation through DISTRICT for these special services.

9. **FINGERPRINTING REQUIREMENTS:**

a. Pursuant to California Education Code section 45125.1 (d), before any agent, employee, or volunteer of CITY may enter school grounds where they may have any contact with pupils, CITY shall submit fingerprints of its employees and volunteers in a manner authorized by the California Department of Justice. CITY shall not permit any employee to come in contact with pupils of DISTRICT until the Department of Justice has ascertained that the employee has not been convicted of a felony as defined in Education Code section 45122.1.

b. In a form provided by the DISTRICT, CITY shall certify in writing, under penalty of perjury, that it has complied with the requirements of Education Code section, 45125.1 and that

none of its employees who may come in contact with pupils have been convicted of a felony as defined in Education Code section 45122.1, based upon the information CITY has received from the Department of Justice.

c. CITY shall impose foregoing requirements on any subcontractors or assignees.

10. **INDEMNIFICATION:** CITY and DISTRICT each agree to hold harmless, defend and indemnify the other from and against any claims, actions, costs, losses, damages or liability of any kind, including death or injury to any person or damage to any property arising out of their duties, acts or omissions, or those of their respective officers, employees, volunteers or agents, pursuant to this Agreement, including any negligent or intentional acts on their part. This indemnification specifically includes, but is not limited to, any claims that may be made against CITY arising out of the transportation by the DISTRICT of pupils to CITY's program sites, claims made against DISTRICT or the CITY by any taxing authority asserting that an employer-employee relationship exists by reason of this Agreement, any claims made against DISTRICT or CITY alleging civil rights violations by CITY or DISTRICT under Government Code Section 12920 et seq. (California Fair Employment and Housing Act), and any overtime pay or compensatory time DISTRICT is required to grant in case CITY is in breach of section 1. This indemnification obligation shall continue in full force and effect beyond term of this Agreement or any extension of this Agreement.

11. **TERMINATION:** The right to terminate this Agreement under this provision may be exercised without prejudice to any other right or remedy to which the terminating party may be entitled at law under this Agreement.

a. **Without Cause:** Either party shall have the right to terminate this Agreement without cause by giving thirty (30) days prior written notice of intention to terminate pursuant to this provision, specifying the date of termination.

b. **With Cause:** This Agreement may be terminated by either party should the other party:

- (i) be adjudged a bankrupt, or
- (ii) become insolvent or have a receiver appointed, or
- (iii) make a general assignment for the benefit of creditors, or
- (iv) suffer any judgment which remains unsatisfied for 30 days, and which would substantively impair the ability of the judgment debtor to perform under this Agreement, or
- (v) materially breach this Agreement.

For any of the occurrences except item (v), termination may be effected upon written notice by the terminating party specifying the date of the termination. Upon a material breach, the

Agreement may be terminated following the failure of the defaulting party to remedy the breach to the satisfaction of the non-defaulting party within five (5) days of written notice specifying the breach. If the breach is not remedied within that five (5) day period, the non-defaulting party may terminate the Agreement on further written notice specifying the date of termination.

If the nature of the breach is such that it cannot be cured within that five (5) day period, the defaulting party may, submit a written proposal within that period which sets forth a specific means to resolve the default. If the non-defaulting party consents to that proposal in writing, which consent shall not be unreasonably withheld, the defaulting party shall immediately embark on its plan to cure. If the default is not cured within the time agreed, the non-defaulting party may terminate upon written notice specifying the date of termination.

c. Effects of Termination: Termination of this Agreement shall not terminate any obligations to indemnify, to maintain and make available any records pertaining to the Agreement, to cooperate with any audit, to be subject to offset, or to make any reports of pre-termination contract activities.

12. **AGREEMENT REPRESENTED:** This Agreement represents the Agreement between DISTRICT and CITY as to its subject matter and no prior oral or written understanding shall be of any force or effect. No part of this Agreement may be modified without the written consent of both parties.

13. **HEADINGS:** Section headings are provided for organizational purposes only and do not in any manner affect the scope, meaning or intent of the provisions under the headings.

14. **NOTICES:** CITY's representative for the administration of this Agreement shall be the Recreation Manager. DISTRICT's representative for the administration of this Agreement shall be the Superintendent or Designee of DISTRICT. Any notice that either party desires to give in connection with this Agreement shall be in writing and shall be served by personal delivery, facsimile transmission or first class mail to the specified representatives as follows:

**DISTRICT:**

Superintendent  
Visalia Unified School District  
5000 W. Cypress  
Visalia, CA 93277  
Fax No. (559) 625-2634  
Telephone No. (559) 730-7522

**CITY:**

Recreation Manager  
City of Visalia – Parks and Recreation Department  
345 N. Jacob St.  
Visalia, CA 93291  
Fax No. (559) 713-4819  
Telephone No. (559) 713-4365

Notice delivered personally or sent by facsimile transmission is deemed to be received upon receipt. Notice sent by first class mail shall be deemed received on the fourth day after the date of mailing.

15. **CONSTRUCTION:** This Agreement reflects the contributions of both parties and accordingly the provisions of Civil Code section 1654 shall not apply to address and interpret any uncertainty.

16. **NO THIRD PARTY BENEFICIARIES INTENDED:** Unless specifically set forth, the parties to this Agreement do not intend to provide any other party with any benefit or enforceable legal or equitable right or remedy.

17. **GOVERNING LAW:** This Agreement shall be interpreted and governed under the law of the State of California without reference to California conflicts of law principles. The parties agree that this Agreement is made in and is to be performed in the County of Tulare, California.

18. **WAIVERS:** The failure of either party to insist on strict compliances with any provision of this Agreement shall not be considered a waiver of any right to do so, whether for that breach or any subsequent breach. The acceptance by either party of either performance or payment shall not be considered to be a waiver of any preceding breach of the Agreement by the other party.

19. **EXHIBITS AND RECITALS:** The Recitals and the Exhibits to this Agreement are fully incorporated into and are integral parts of this Agreement.

20. **CONFLICT WITH LAWS OR REGULATIONS/SEVERABILITY:** This Agreement is subject to all applicable laws and regulations. If any provision of this Agreement is found by any court or other legal authority, or is agreed by the parties, to be in conflict with any code or regulation governing its subject, the conflict provision shall be considered null and void. If the effect of nullifying any conflicting provision is such that a material benefit of the Agreement to either party is lost, the Agreement may be terminated at the option of the affected party. In all other cases, the remainder of the Agreement shall continue in full force and effect.

21. **FURTHER ASSURANCES:** Each party agrees to execute any additional documents and to perform any further acts which may be reasonably required to affect the purposes of this Agreement.

22. **ASSURANCES OF NON-DISCRIMINATION:** CITY expressly agrees that it will not discriminate in employment or in the provision of services on the basis of any characteristics or condition upon which discrimination is prohibited by state or federal law or regulation.

23. **ASSIGNMENT/SUBCONTRACTING:** Unless otherwise provided in this Agreement, DISTRICT is relying on the personal skill, expertise, training and experience of CITY and CITY's employees and no part of this Agreement may be assigned or subcontracted by either party without written consent of the other party.

24. **TERM:** This Agreement shall become effective July 1st, 2007 and shall terminate on June 30th,

2008, unless terminated earlier as provided in this Agreement.

THE PARTIES, having read and considered the above positions, indicate their Agreement by their authorized signatures below.

VISALIA UNIFIED SCHOOL DISTRICT

BY \_\_\_\_\_

Superintendent

DISTRICT

COMMUNITY SERVICES EMPLOYMENT TRAINING

BY \_\_\_\_\_

City Manager

CITY





# ***Visalia Unified School District***

## **After School Programs – Middle Schools**

### **SCOPE OF SERVICE**

#### **ASES Grant Provisions:**

- I. VUSD will serve as the fiscal agent for the grant**
- II. To serve 112 students per school site**
- III. To maintain an ongoing attendance rate of 75%**
- IV. To maintain a pupil-to-staff ratio of 20:1**
- V. Each partner will share the responsibility of the quality of the program**
- VI. The program day will begin immediately after the completion of the regular school day and will run for 3.0 hours and at least until 6:00pm everyday that school is in session**
- VII. Students enrolled must attend a minimum of 15 hours per week and participate in both an academic and social enrichment component daily**
- VIII. Fiscal agent will report attendance to CDE twice per fiscal year**
- IX. To provide a safe physical and emotional environment for participating students**
- X. To provide opportunities for relationship building and to promote active pupil engagement**

#### **GENERAL SERVICE**

**Each contracting provider acknowledges that the Visalia Unified School District will be the designated fiscal agent for this grant and agrees to provide enrichment services to the designated student population in accordance to the pre-designated school site within the pre-designated operational times. The goal of each provider should be in cooperation with the fiscal agent (District) to achieve at minimum the goals and objectives as stated by the ASES Grant.**

#### **ENRICHMENT SERVICES**

**The enrichment services provided by the provider should coincide with the data collected from the Student Interest Surveys conducted on their respective campus. The purpose is to generate as much student retention possible through the enrichment activities being facilitated by the provider.**

## **OPERATIONAL TIMES**

**Each provider will be required to work accordingly with each of their school sites in which their students are attending to determine the start time of their enrichment service. Each provider agrees to provide enrichment services until at least 6:00pm daily (except for minimum day schedule) as to meet the time standards per the ASES Grant. Each provider also agrees to provide enrichment service until the time of day in which at least 3.0 hours has been completed for the entire program day. In addition, each provider agrees to provide service on everyday that school is in regular session per the ASES Grant.**

## **STAFFING**

**All staff hired by the provider for purposes of providing service under the ASES Grant should consider themselves in addition to their employer, staff to the After School Program. It will be imperative that all staff working in the After School Program understand the goals and objectives of the program as well as work cooperatively with all District personnel managing the After School Program. Lastly, all staff hired by the provider for purposes of providing service under the ASES Grant should possess and maintain the following personal and employee characteristics:**

- High Moral Character**
- Positive/Encouraging Attitude**
- Relationship Building Capacity**
- An Interest in Working with Youth**
- Good Moral Judgement**
- Good Physical/Mental/Emotional Well Being**
- Excellent Communication Skills**

**Each provider must hire (1) Site Director and the minimum number of Program Leaders to appropriately meet the pupil-to-staff ration of 20:1.**

**Site Director – each provider must have a Site Director or Site Leader whom will provide supervision for activity staff, monitor enrollments and terminations, oversee attendance and discipline, coordinate logistics for activity staff, supervise student transporting from school site to provider site, attend to parent issues, work cooperatively with school site staff, and report to District Program Manager.**

**Program Leaders/Activity Leaders – each provider must have qualified and trained activity leaders that are equivalent to an instructional aide. Program Leaders/Activity Leaders will be responsible for facilitating various enrichment activities with participating students and must carry the capacity to build and maintain strong rapport with students, address minor disciplinary issues, coordinate and lesson their activities, provide safe learning environment, etc.**

## **SUPPLIES/EQUIPMENT**

**Per the contract between the fiscal agent (District) and each provider, it will be the responsibility of the provider to order all necessary supplies and equipment to appropriately facilitate and manage the enrichment service.**

## **REPORTING**

**Each provider will be responsible for reporting daily attendance, disciplinary, safety, and health-related incidents to the fiscal agent (District) immediately. It is imperative that each provider work closely and cooperatively with the fiscal agent (District) as to promote continuity and successfully meet the requirements of the ASES Grant.**

**(More information on this subject will be provided)**

## **SUMMARY**

**Each provider agrees that their scope of service is provided with a commitment to work cohesively and cooperatively with the fiscal agent (District) to meet the goals and objectives as set forth by the ASES Grant.**

**City of Visalia  
Agenda Item Transmittal**

**Meeting Date:** June 25, 2007

**Agenda Item Number (Assigned by City Clerk):**

**Agenda Item Wording:** Authorization for the City Manager to sign a contract with the Visalia Convention and Visitors Bureau to provide convention and tourism sales and marketing services for one year for \$239,000.

**Deadline for Action:** July 1, 2007

**Submitting Department:** Administration

**Contact Name and Phone Number:** Leslie Caviglia, 713-4317;  
Wally Roeben, 713-4004

**Department Recommendation:**

It is recommended that the City Council authorize staff to negotiate a contract with the Visalia Convention and Visitors Bureau (VCVB) to provide convention and tourism sales and marketing from July 1, 2007 to June 30, 2008.

**Department Discussion:**

Last June, the Council approved a one-year contract for services with the Visalia Convention and Visitors Bureau. 2006-2007 was the first year the VCVB operated as an independent organization following a two-year transition from a separate visitor bureau and convention bureau operated by the Chamber of Commerce and City respectively, to an independent organization that consolidated these efforts.

Vice Mayor Greg Kirkpatrick serves on the VCVB Board and the Executive Committee, and Council Member Bob Link also serves on the Board. Other community members who comprise the VCVB Board are:

- Samantha Rummage – Hotel Representative (Holiday Inn)
- Joe Kuhn – Hotel Representative (Marriott)
- Kathleen Remillard – Community Member (Creative Center Foundation)
- Anil Chagan – Hotel Representative (Comfort Suites)
- Cathy Parker – Community Member (Premiere Color Graphics)
- Molly Bambl – Community Member (Fairfield Inn)
- Armondo Apadaca - Food Service Representative (Depot)
- Robert Lee – Hotel Representative (Lampliter Inn)
- Wally Roeben – City Representative (Convention Center)
- Sue Sa - Food Service Representative (Sue Sa's Creative Catering)
- Mike Cully – Community Member (Chamber of Commerce)
- Mark Tilchen – Community Member (Sequoia Natural History Association)

**For action by:**

- City Council
- Redev. Agency Bd.
- Cap. Impr. Corp.
- VPFA

**For placement on which agenda:**

- Work Session
- Closed Session

**Regular Session:**

- Consent Calendar
- Regular Item
- Public Hearing

Est. Time (Min.): \_\_\_\_\_

**Review:**

**Dept. Head LBC 6/19/07**  
**Finance** \_\_\_\_\_

**City Atty** \_\_\_\_\_

**City Mgr** \_\_\_\_\_

### **Goals Accomplished:**

During the first year as an independent organization, the VCVB has accomplished the following in accordance with the contract between the City and the VCVB:

- \*Finalized the documents to form the independent organization
- \*Redesigned the website
- \*Continued to refine the sales and processing systems for conventions including generating or processing more than 30 convention RFP's.
- \*Continued to respond to requests for tourism information including over 900 requests in the first 6 months of this year, 739 from the CA Visitor's Guide and 116 from phone/e-mail requests. 20 web requests were received in the first 2 weeks of the new website going live in June
- \*Serviced bus tours and conferences upon request
- \*Solicited two bus tour operators (last 6 months)
- \*Developed five tour itineraries featuring one, two, and three-day tour options (Arts & Culture, Eco-tourism, Farms & Agriculture, Sequoia National Park and Western Americana) These are pitched to tour operators considering the region as a stop, and are available to visitors at tourist locations and on the website.
- \*Conducted two "FAM" (familiarization) tours for targeted meeting planners and tour operators.
- \*Developed targeted co-op sales and advertising opportunities
- \*Revised the Bureau's tradeshow schedule to better focus on the area's target markets
- \*Issued two visitor's publications (winter and summer)
- \*Updated the visitor's guide to include new properties

### **Recommendations for Coming Year:**

The VCVB Board is developing a set of goals and objectives for the coming year. Staff will work with the VCVB to refine the specific goals for inclusion in the final agreement. The Management Oversight Committee is recommending, and staff concurs, that the Council contract with the VCVB for convention and visitor sales and marketing services in FY 2007/2008. Staff is recommending that the contract be approved with a specific work program that includes, but is not limited, to the following:

- \*Generate at least \$4.5 million in qualified leads for new conventions that result in at least \$350,000 in new booked convention business. The Board, including the major hotel managers, are developing criteria that will determine what constitutes a qualified lead. Qualified leads will be reviewed and confirmed monthly by the Board. Booked conventions will be tracked based on signed contracts with the various properties.
- \*Process Requests for Proposals for all rebookings (conventions that were held in Visalia within the last three years and are considering returning), and for any citywide leads generated by other properties. These will also be tracked and monitored monthly by the Board.
- \*Update the website on a continual basis, and add applicable website links for major features, including the Sequoia Shuttle, all hotels, and the See & Go options by September 1, 2007
- \*Begin a Tourism Committee that will develop a targeted plan to increase tourism to the Sequoia Region.
- \*Develop and implement a membership program to offset at least the \$5,000 budget shortfall anticipated for 2007-2008.

Staff is recommending that the Council approve \$239,000 for the operation of the Bureau in the coming year. This is the same amount provided in 2006-2007, and the VCVB Executive Director, Glenn Morris, has indicated he believes this amount will be adequate for the coming

year, with the understanding that if the Bureau develops a targeted advertising plan that is supported by the lodging properties, the Bureau may ask the City for additional funding to help fund the campaign.

**Prior Council/Board Actions:**

June, 2006 – Council authorized a one year agreement with the CV B for \$239,000.

June, 2005 – Council approved management agreement for CVB with the Visalia Chamber of Commerce

May, 2006 – Council received the Visitor’s Task Force recommendations and concurred that the Visitor and Convention Bureaus should be combined into one unit and managed for the first year by the Chamber of Commerce.

July, 2004 – The Council appointed a Visitor’s Task Force to review the current sales and marketing efforts and make recommendations to improve the effectiveness of the operations.

**Committee/Commission Review and Actions:**

**Alternatives:**

To eliminate attraction funding

To have another entity provide attraction efforts

**Attachments:**

**Recommended Motion (and Alternative Motions if expected):**  
I authorize the City Attorney to draft the and the City Manager to sign a contract that includes appropriate goals and objectives, with the Visalia Convention and Visitors Bureau for \$239,000 to provide sales and marketing services for the next year.

***Environmental Assessment Status***

**CEQA Review:**

**NEPA Review:**

**Tracking Information:** *(Staff must list/include appropriate review, assessment, appointment and contract dates and other information that needs to be followed up on at a future date)*

**City of Visalia  
Agenda Item Transmittal**

**Meeting Date:** June 25, 2007

**Agenda Item Number (Assigned by City Clerk):** 8i

**Agenda Item Wording:** Approve the recommended appointment of Richard Garcia to the Bicycle, Pedestrian and Waterway Trails Committee as recommended by the Citizens Advisory Committee.

**Deadline for Action:** None

**Submitting Department:** Parks and Recreation

**Contact Name and Phone Number:** Paul Shepard, 713-4209

**Department Recommendation:** Approve the recommended appointment of Richard Garcia to the Bicycle, Pedestrian and Waterway Trails Committee.

**Summary/background:** The Bicycle, Pedestrian and Waterway Trails Committee has a maximum membership of fifteen and currently has one vacancy. This committee voted unanimously to recommend Richard Garcia for the vacancy. At its June 2007 meeting the Citizens Advisory Committee reviewed the application of Mr. Garcia to the Bicycle, Pedestrian and Waterway Trails Committee and recommended approval. Mr. Garcia has been attending this committee's meetings since 2001 when the committee met as the Waterways and Trails Task Force.

**Prior Council/Board Actions:**

**Committee/Commission Review and Actions:** At its June 2007 meeting, the CAC recommended approval of this individual.

**Alternatives:**

**Attachments:** Mr. Garcia's application to serve on the Bicycle, Pedestrian and Waterway Trails Committee.

**For action by:**

City Council  
 Redev. Agency Bd.  
 Cap. Impr. Corp.  
 VPFA

**For placement on which agenda:**

Work Session  
 Closed Session

**Regular Session:**

Consent Calendar  
 Regular Item  
 Public Hearing

Est. Time (Min.): \_\_\_\_\_

**Review:**

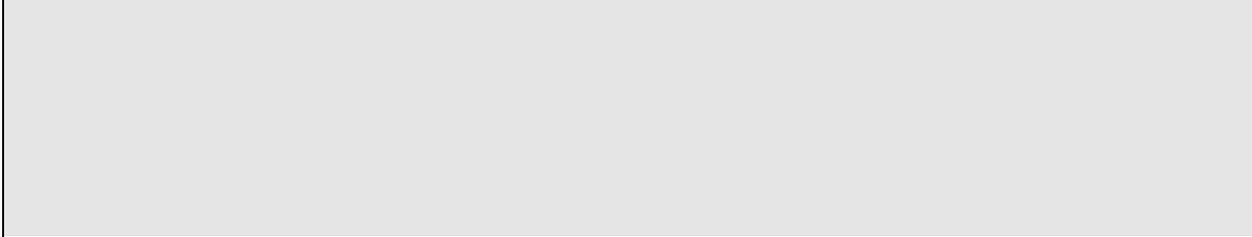
**Dept. Head** \_\_\_\_\_  
(Initials & date required)

**Finance** \_\_\_\_\_ N/A  
**City Atty** \_\_\_\_\_ N/A  
(Initials & date required or N/A)

**City Mgr** \_\_\_\_\_  
(Initials Required)

If report is being re-routed after revisions leave date of initials if no significant change has affected Finance or City Attorney Review.

**Recommended Motion (and Alternative Motions if expected):** Move to approve the recommended appointment of Richard Garcia to the Bicycle, Pedestrian and Waterway Trails Committee.



***Environmental Assessment Status***

**CEQA Review:**

**NEPA Review:**

**Tracking Information:** *(Staff must list/include appropriate review, assessment, appointment and contract dates and other information that needs to be followed up on at a future date)*

Copies of this report have been provided to:

# City of Visalia Agenda Item Transmittal

**Meeting Date:** June 18, 2007

**Agenda Item Number (Assigned by City Clerk):** 8j

**Agenda Item Wording:** City Council Adoption of Resolution 2007-56 requesting Allocation of Proposition 1B funds as outlined in SB 286 (Lowenthal and Dutton).

**Deadline for Action:**

June 18, 2007

**Submitting Department:**

Administration

**Contact Name and Phone Number:** Carol L. Cairns, Assistant City Manager 713-4324

**Department Recommendation:**

Staff recommends that Council adopt Resolution 2007-56 requesting allocation of Proposition 1B funds as outline in SB 286 (Lowenthal and Dutton).

**Summary:** The Assembly and Senate Budget Subcommittees on Transportation made their recommendations for the allocation of the \$2 billion included in Proposition 1B for cities and counties (split evenly at \$1 billion each). While the League of California Cities is advocating for the full \$1 billion to cities in FY 2007-08, both subcommittees are recommending different, and significantly lower funding levels.

The Senate recommendation provides \$400 million, split evenly between cities and counties. This represents just 20 percent of cities' guaranteed allocation. The Assembly recommendation is consistent with the Governor's May Budget Revision, which allocates \$600 million, split evenly between cities and counties.

The issue now goes to the Budget Conference Committee where the Assembly and Senate proposals will be debated and reconciled.

Legislators are urged to support a \$1 billion appropriation for cities in the 2007-08 fiscal year from the Proposition 1B account for local streets and roads. Cities are seeking the full \$1 billion appropriation for the following reasons:

- Voters who passed Prop. 1B (\$19.9 billion transportation bond) in November 2006 were promised \$2 billion would be used to improve local streets, roads and other priority local transportation projects. Voters want and deserve to see immediate results.

**For action by:**

City Council  
 Redev. Agency Bd.  
 Cap. Impr. Corp.  
 VPFA

**For placement on which agenda:**

Work Session  
 Closed Session

**Regular Session:**

Consent Calendar  
 Regular Item  
 Public Hearing

Est. Time (Min.): \_\_\_\_\_

**Review:**

**Dept. Head** \_\_\_\_\_  
(Initials & date required)

**Finance** \_\_\_\_\_  
**City Atty** \_\_\_\_\_  
(Initials & date required or N/A)

**City Mgr** \_\_\_\_\_  
(Initials Required)

If report is being re-routed after revisions leave date of initials if no significant change has affected Finance or City Attorney Review.

- Cities are “ready-to-go” and early allocation means the expenditure of funds for local projects can immediately get underway. Untimely or inadequate Prop.1B funding allocation would unnecessarily cause project delays and limit the construction of many mid- and large-sized projects that are otherwise ready to go.
- Prop. 1B funds will allow projects already underway to continue without interruption. This is especially important because cities will not receive any Prop. 42 (gasoline sales tax) funds for local streets and roads during the 2007-08 year.
- The State can keep faith with voters by demonstrating that the State and local governments are making good on their promise to use bond funding responsibly and efficiently. Additionally, SB 286 (Lowenthal and Dutton) sets forth specific accountability, transparency and deliverability requirements to ensure public funds are spent responsibly and on projects the voters were promised.

**Prior Council/Board Actions:**

**Committee/Commission Review and Actions:**

**Alternatives:**

**Attachments:**

Resolution  
Copy of League of California Cities letter

**Recommended Motion (and Alternative Motions if expected):** I move the City Council adopt Resolution 2007-56 requesting allocation of Proposition 1B funds as outlined in SB 286 (Lowenthal and Dutton).

***Environmental Assessment Status***

**CEQA Review:**

**NEPA Review:**

**Tracking Information:** *(Staff must list/include appropriate review, assessment, appointment and contract dates and other information that needs to be followed up on at a future date)*

Copies of this report have been provided to:

## ***Item #8k***

### ***City of Visalia***

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**To:** Visalia City Council

**From:** Michael Olmos, AICP, Director of  
Community and Development/Assistant City  
Manager

**CC:** Steve Salomon, City Manager

**Date:** June 25, 2007

**Re:** Adoption of Resolution denying the appeal of Tentative Parcel Map No. 2007-04  
and upholding the Planning Commission's approval.  
(APN: 089-030-035)

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#### **INFORMATION**

On June 18, 2007, the Visalia City Council held a public hearing regarding the appeal of Tentative Parcel Map No. 2007-04. During that hearing, Staff recommended that the City Council do one of the following: (1) Affirm the Commission's action and approve the tentative map with conditions as recommended by staff; (2) approve the map in modified form or with modified conditions, or (3) deny the map if it finds that compliance with Policy 3.5.6 has not been achieved. Staff requested that Council provide direction on its appropriate action and staff would return on June 25, 2007, with the appropriate resolution.

Council denied the appeal and approved Tentative Parcel Map No. 2007-04, affirming the Commission's action and approving the tentative map with conditions as recommended by staff. The resolution reflecting the City Council's action is attached.

Attachment:

- Resolution No. 2007-

RESOLUTION NO. 2007-57

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF VISALIA  
DENYING THE APPEAL AND APPROVING TENTATIVE PARCEL MAP NO. 2007-04  
LOCATED ON THE EAST SIDE OF NORTH DEMAREE STREET BETWEEN WEST GOSHEN  
AND WEST HOUSTON AVENUES.

**WHEREAS**, Tentative Parcel Map No. 2007-04 is a request by Visalia Development Ltd. to divide 17.4 acres into four parcels. The site is located on the east side of North Demaree Street between west Goshen and West Houston Avenues. (APN: 089-030-035); and

**WHEREAS**, the Planning Commission of the City of Visalia, after a duly published notice did hold a public hearing before said Commission on May 14, 2007; and

**WHEREAS**, the Planning Commission of the City of Visalia, after conducting a public hearing, approved Tentative Parcel Map No. 2007-04; and

**WHEREAS**, an appeal of the Planning Commission's approval of Tentative Parcel Map No. 2007-04 was received on May 24, 2007; and

**WHEREAS**, the City Council of the City of Visalia, after ten (10) days published notice held a public hearing before said Council on June 18, 2007; and

**WHEREAS**, the Council of the City finds the subdivision in accordance with Section 16.16.120 of the Ordinance Code of the City of Visalia based on the evidence contained in the staff report and testimony presented at the public hearing; and

**NOW, THEREFORE, BE IT RESOLVED** that Mitigated Negative Declaration No. 2007-32 was prepared consistent with the California Environmental Quality Act and City of Visalia Environmental Guidelines.

**NOW, THEREFORE, BE IT FURTHER RESOLVED** that the City Council of the City of Visalia makes the following specific findings and based on the evidence presented:

1. That the proposed Tentative Parcel Map is consistent with the policies and intent of the General Plan, Zoning Ordinance, and Subdivision Ordinance.
  - The map is consistent with all provisions prescribed by the Zoning Ordinance for a subdivision map in the P-C-N.
2. That the proposed location of the Tentative Parcel Map is consistent with the policies and intent of the General Plan, Zoning Ordinance and Subdivision Map.
3. That the proposed location of the tentative parcel map and the conditions under which it would be built or maintained will not be detrimental to the public health, safety, or welfare nor materially injurious to properties or improvements in the vicinity.
4. That an Initial Study was prepared for this project, consistent with CEQA, which disclosed that environmental impacts are determined to be not significant, and Mitigated Negative Declaration No. 2007-32 is hereby adopted.

**BE IT FURTHER RESOLVED** that the City Council denies the applicant's appeal approves the subdivision on the real property herein above described in accordance with the terms of this resolution under the provisions of Section 16.04.040 of the Ordinance Code of the City of Visalia and subject to the following conditions:

1. That the project be developed consistent with the comments and conditions of the Site Plan Review No. 2007-011.
2. That all other City codes and ordinances shall be met, unless modified by the Specific Plan.
3. A cross access and shared parking agreement between all parcels be recorded prior to the recording of the final parcel map.
4. The main entrance located on West Houston Avenue will be required to be constructed with Phase 1 of this project.
5. That the applicant submit to the City of Visalia a signed receipt and acceptance of conditions from the applicant and property owner, stating that they understand and agree to all the conditions of Parcel Map No. 2007-04, prior to the recording of the final map for this project.
6. CUP No. 2007-10 and Variance No. 2007-05 shall be contingent on Parcel Map No. 2007-04 being effective.

**City of Visalia  
Agenda Item Transmittal**

**Meeting Date:** June 25, 2007

**Agenda Item Number (Assigned by City Clerk):** 8I

**Agenda Item Wording:** Authorize the Recordation of the Final Map for Woodside Sousa Property Unit No. 1, located at the southeast corner of Walnut Avenue and McAuliff Street (129 lots) and the Formation of Landscape and Lighting District Nos. 07-11 and 07-11-PARK, Woodside Sousa Property (Resolution Nos. 2007-58, 2007-59, 2007-60 and 2007-61 required). APN 127-030-026

**Deadline for Action:** N/A

**Submitting Department:** Public Works

**Contact Name and Phone Number:**

Andrew Benelli 713-4340  
Doug Damko 713-4268

**Department Recommendation:**

***Final Map***

Staff recommends that City Council authorize the recordation of the final map for Woodside Sousa Property Unit No. 1 containing 129 lots with public streets. All bonds, cash payments, subdivision agreement and final map are in the possession of the City as follows: 1) An executed subdivision agreement; 2) Faithful Performance Bond in the amount of \$1,285,966.60 and Labor and Material Bond in the amount of \$662,003.30; 3) cash payment of \$574,940.82 distributed to various accounts; and 4) Final Map.

The Faithful Performance Bond covers the cost of constructing the public improvements noted in the subdivision agreement and the Labor and Material Bond covers the salaries and benefits as well as the materials supplied to install the required public improvements. As required by the Subdivision Ordinance, the Faithful Performance Bond covers 100% of the cost of the public improvements. The Labor and Material Bond is valued at 50% of the Faithful Performance Bond. A Maintenance Bond valued at 10% of the cost of the public improvements will be required prior to recording the Notice of Completion. The Maintenance Bond is held for one year after the recording and acts as a warranty for the public improvements installed per the subdivision agreement. The cash payment covers Development Impact Fees such as storm water acquisition, waterways, sewer front foot fees and any outstanding plan check and

**For action by:**

- City Council
- Redev. Agency Bd.
- Cap. Impr. Corp.
- VPFA

**For placement on which agenda:**

- Work Session
- Closed Session

**Regular Session:**

- Consent Calendar
- Regular Item
- Public Hearing

Est. Time (Min.): \_\_\_\_\_

**Review:**

**Dept. Head** \_\_\_\_\_  
**(Initials & date required)**

**Finance** \_\_\_\_\_  
**City Atty** \_\_\_\_\_  
**(Initials & date required or N/A)**

**City Mgr** \_\_\_\_\_  
**(Initials Required)**

If report is being re-routed after revisions leave date of initials if no significant change has affected Finance or City Attorney Review.

inspection fees. The plan check and inspection fees are estimated at the beginning of the final map process and are not confirmed until the subdivision agreement is finalized. Differences are due in cash at the time of City Council approval of the final map.

According to Resolution No. 2004-117 adopted by City Council on October 18, 2004 the City will reimburse the Developer for street improvements made to Arterial or Collector streets. This development is constructing street improvements along Walnut Avenue (Arterial) and McAuliff Street (Collector). The City will be reimbursing approximately \$853,000 to the developer (Woodside Homes) through a combination of fee credits applied towards the City's Transportation Impact Fee and a final cash payment due after a Notice of Completion is approved by City Council.

### ***Landscape & Lighting***

Staff recommends that the City Council: adopt Resolution No. 2007-58 Initiating Proceedings for Formation of Assessment District No. 07-11, Woodside Sousa Property; adopt the associated Engineer's Report as submitted; and adopt Resolution No. 2007-59 confirming the Engineer's Report, ordering the improvements and levying the annual assessments.

Staff also recommends that the City Council: adopt Resolution No. 2007-60 Initiating Proceedings for Formation of Assessment District No. 07-11-PARK, Woodside Sousa Property; adopt the associated Engineer's Report as submitted; and adopt Resolution No. 2007-61 confirming the Engineer's Report, ordering the improvements and levying the annual assessments.

The City of Visalia has been allowing the developers of subdivisions to form assessment districts under the Landscape and Lighting Act of 1972, and now under Proposition 218, in lieu of using homeowners associations for the maintenance of common features such as landscaping, irrigation systems, street lights, trees on local streets and pavement on local streets. The maintenance of these improvements is a special benefit to the development and enhances the land values to the individual property owners in the district.

On February 7, 2005, the City Council adopted a new pocket park policy that will offer a small open-space/recreational venue of a more passive or intimate nature, internal to a specific residential development. The pocket park will be maintained by the landscape and lighting district for the subdivision under the Landscape and Lighting Act of 1972. Its construction costs will be financed through a General Fund loan and a separate assessment district will be formed per this report that coordinates the loan payments among the district lots over a 20-year period as described in the Engineer's Report.

The Landscape and Lighting Act allows for the use of summary proceedings when all the affected property owners have given their written consent. This process waives the requirement for a public hearing since the owners of this development have given their written consent to form this district. This development is being done in a two phases.

**Prior Council/Board Actions:** The City has been allowing the use of the Landscape and Lighting Act of 1972 for maintaining common area features that are a special benefit and enhance the subdivision.

On September 7, 2004, Council approved the Street Maintenance Assessment Policy establishing guidelines and processes for placing street maintenance costs into assessment districts.

**Committee/Commission Review and Actions:** The tentative subdivision map for Woodside Sousa Property subdivision was approved by the Planning Commission on September 26, 2005. The tentative map will expire on September 26, 2007.

**Alternatives:** N/A

**Attachments:** Location Map; Surrounding Developments; Resolutions Initiating Proceedings; Clerk's Certifications; Resolutions Ordering the Improvements; Exhibits "A", "B", "C", "D" for 07-11; Exhibits "A", "B", "C", "D" for 07-11-PARK

**Recommended Motion (and Alternative Motions if expected):**

"I move to authorize the recordation of the Final Map for Woodside Sousa Property Unit No. 1 and I move to adopt Resolution Nos. 2007-58 and 2007-60 Initiating Proceedings for Formation of Assessment District Nos. 07-11 and 07-11-PARK "Woodside Sousa Property" and adopt Resolution Nos. 2007-59 and 2007-61 Ordering the Improvements for Assessment District Nos. 07-11 and 07-11-PARK "Woodside Sousa Property."

***Environmental Assessment Status***

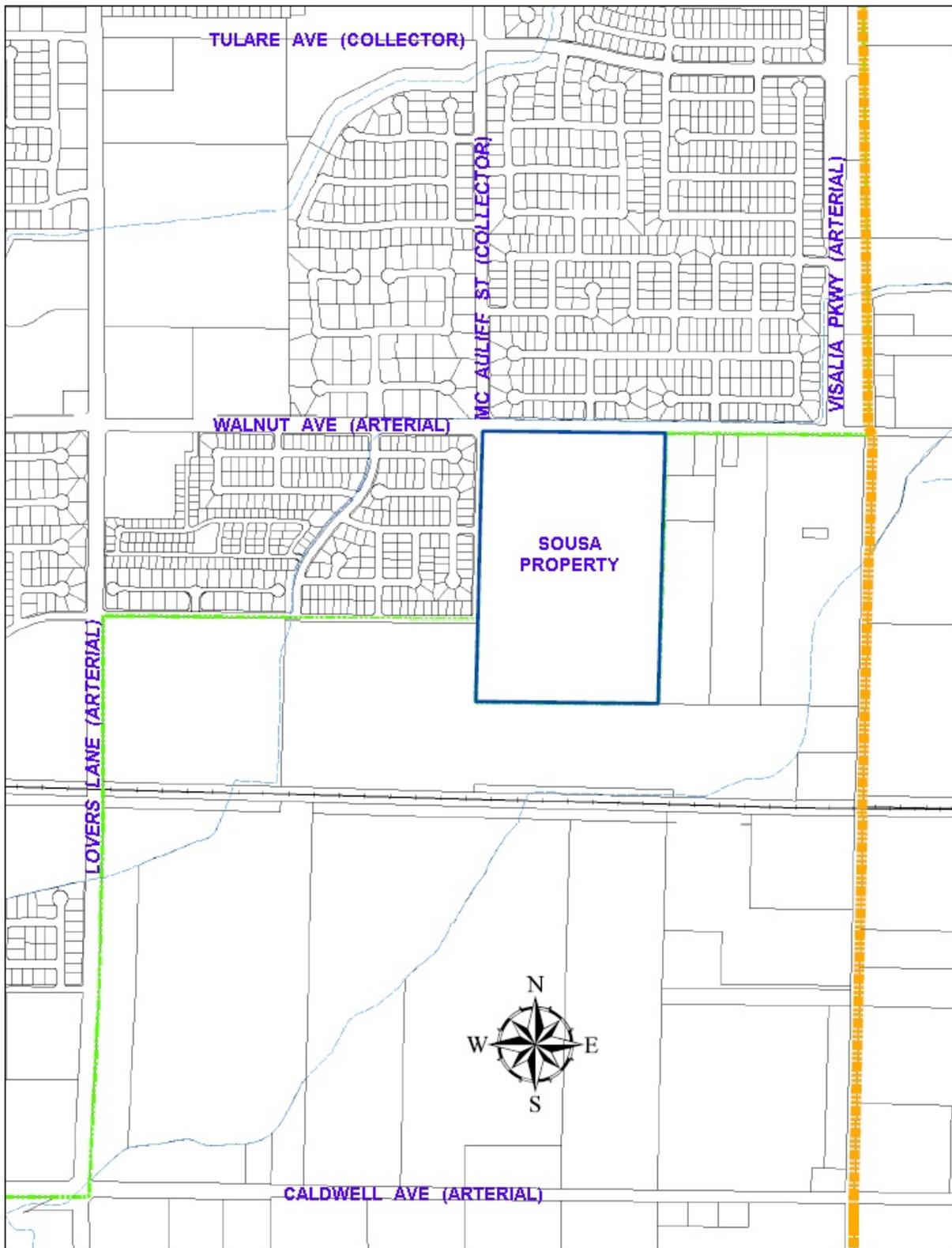
**CEQA Review:**

**NEPA Review:**

**Tracking Information:** (*Staff must list/include appropriate review, assessment, appointment and contract dates and other information that needs to be followed up on at a future date*)

Copies of this report have been provided to:

# LOCATION MAP



# SURROUNDING DEVELOPMENTS



RESOLUTION NO. 07-\_\_\_\_\_

RESOLUTION INITIATING PROCEEDINGS FOR  
ASSESSMENT DISTRICT 07-11  
WOODSIDE SOUSA PROPERTY  
(Pursuant to Landscape and Lighting Act of 1972)

NOW THEREFORE BE IT RESOLVED AS FOLLOWS:

1. The City Council proposes to form an assessment district pursuant to the Landscaping & Lighting act of 1972 (Section 22500 and following, Streets & Highways Code) for the purpose of the following improvements:

Maintenance of turf areas, shrub areas, irrigation systems, trees, block walls, pavement on local streets and any other applicable equipment or improvements.

2. The proposed district shall be designated Assessment District No. 07-11, City of Visalia, Tulare County, California, and shall include the land shown on the map designated "Assessment Diagram, Assessment District No. 07-11, City of Visalia, Tulare County, California", which is on file with the City Clerk and is hereby approved and known as "Woodside Sousa Property".
3. The City Engineer of the City of Visalia is hereby designated engineer for the purpose of these formation proceedings. The City Council hereby directs the Engineer to prepare and file with the City Clerk a report in accordance with Article 4 of Chapter 1 of the Landscape & Lighting Act of 1972.

PASSED AND ADOPTED:

CLERK'S CERTIFICATION TO COUNTY AUDITOR

ASSESSMENT DISTRICT NO. 07-11  
WOODSIDE SOUSA PROPERTY  
(Pursuant to Landscaping & Lighting Act of 1972)

TO THE COUNTY AUDITOR OF THE COUNTY OF TULARE:

I hereby certify that the attached document is a true copy of that certain Engineer's Report, including assessments and assessment diagram, for "Assessment District No. 07-11, City of Visalia, Tulare County, California" confirmed by the City Council of the City of Visalia on the 25th day of June, 2007 by its Resolution No. 07-\_\_\_\_\_

This document is certified, and is filed with you, pursuant to Section 22641 of the Streets and Highways Code.

RESOLUTION NO. 07-\_\_\_\_\_

RESOLUTION ORDERING IMPROVEMENTS FOR  
ASSESSMENT DISTRICT NO. 07-11  
WOODSIDE SOUSA PROPERTY  
(Pursuant to the Landscape & Lighting Act of 1972)

NOW THEREFORE BE IT RESOLVED AS FOLLOWS:

1. The City Council adopted its Resolution Initiating Proceedings for Assessment District No. 07-11, City of Visalia, Tulare County, California, and directed the preparation and filing of the Engineer's Report on the proposed formation.
2. The Engineer for the proceedings has filed an Engineer's Report with the City Clerk.
3. Owners of all land within the boundaries of the proposed landscape and lighting district have filed their consent to the formation of the proposed district, and to the adoption of the Engineer's Report and the levy of the assessments stated therein.
4. The City Council hereby orders the improvements and the formation of the assessment district described in the Resolution Initiating Proceedings and in the Engineer's Report.
5. The City Council hereby confirms the diagram and the assessment contained in the Engineer's Report and levies the assessment for the fiscal year 2007-08.
6. The City Council hereby forwards the following attachments to Tulare County Recorder's Office for recordation:
  - a. Clerk's Certification to County Auditor
  - b. Resolution Initiating Proceedings
  - c. Resolution Ordering Improvements
  - d. Engineer's Report:
    - Exhibit A - Assessment Diagram showing all parcels of real property within the Assessment District
    - Exhibit B - Landscape Location Diagram
    - Exhibit C - Tax Roll Assessment
    - Exhibit D - Engineer's Report

PASSED AND ADOPTED

RESOLUTION NO. 07-\_\_\_\_\_

RESOLUTION INITIATING PROCEEDINGS FOR  
ASSESSMENT DISTRICT 07-11-PARK  
WOODSIDE SOUSA PROPERTY  
(Pursuant to Landscape and Lighting Act of 1972)

NOW THEREFORE BE IT RESOLVED AS FOLLOWS:

4. The City Council proposes to form an assessment district pursuant to the Landscaping & Lighting act of 1972 (Section 22500 and following, Streets & Highways Code) for the purpose of the following improvements:

Installation of park improvements, including, but not limited to, grading, leveling, cutting and filling, sod, landscaping, irrigation systems, sidewalks, drainage, lights, playground equipment, arbors, benches, tables, fountains and trash receptacles. Design, construction management, inspection and other overhead costs associated with the installation of the park improvements are included.

5. The proposed district shall be designated Assessment District No. 07-11-PARK, City of Visalia, Tulare County, California, and shall include the land shown on the map designated "Assessment Diagram, Assessment District No. 07-11-PARK, City of Visalia, Tulare County, California", which is on file with the City Clerk and is hereby approved and known as "Woodside Sousa Property".
6. The City Engineer of the City of Visalia is hereby designated engineer for the purpose of these formation proceedings. The City Council hereby directs the Engineer to prepare and file with the City Clerk a report in accordance with Article 4 of Chapter 1 of the Landscape & Lighting Act of 1972.

PASSED AND ADOPTED:

CLERK'S CERTIFICATION TO COUNTY AUDITOR

ASSESSMENT DISTRICT NO. 07-11-PARK  
WOODSIDE SOUSA PROPERTY  
(Pursuant to Landscaping & Lighting Act of 1972)

TO THE COUNTY AUDITOR OF THE COUNTY OF TULARE:

I hereby certify that the attached document is a true copy of that certain Engineer's Report, including assessments and assessment diagram, for "Assessment District No. 07-11-PARK, City of Visalia, Tulare County, California" confirmed by the City Council of the City of Visalia on the 25th day of June, 2007 by its Resolution No. 07-\_\_\_\_\_

This document is certified, and is filed with you, pursuant to Section 22641 of the Streets and Highways Code.

RESOLUTION NO. 07-\_\_\_\_\_

RESOLUTION ORDERING IMPROVEMENTS FOR  
ASSESSMENT DISTRICT NO. 07-11-PARK  
WOODSIDE SOUSA PROPERTY  
(Pursuant to the Landscape & Lighting Act of 1972)

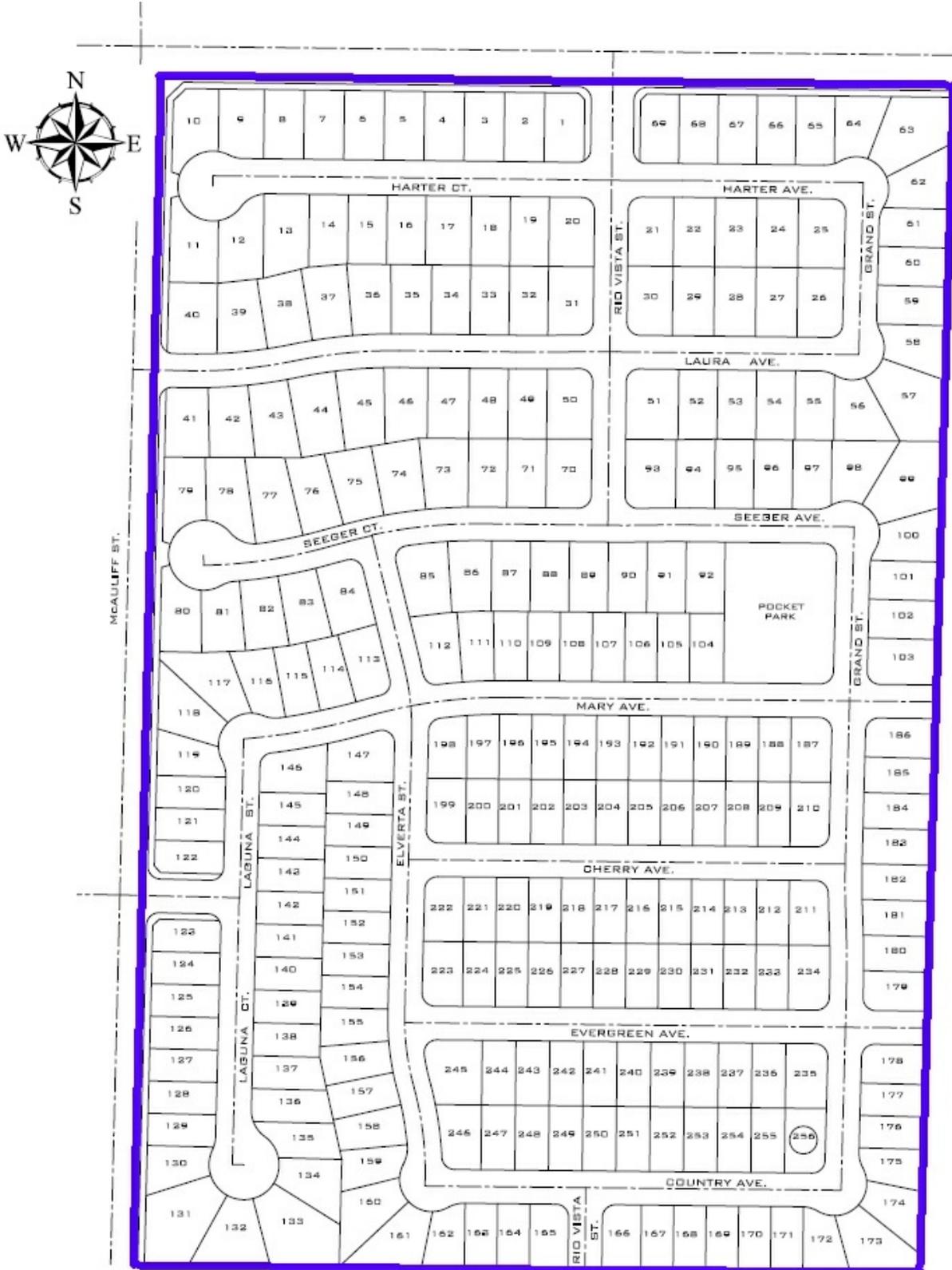
NOW THEREFORE BE IT RESOLVED AS FOLLOWS:

7. The City Council adopted its Resolution Initiating Proceedings for Assessment District No. 07-11-PARK, City of Visalia, Tulare County, California, and directed the preparation and filing of the Engineer's Report on the proposed formation.
8. The Engineer for the proceedings has filed an Engineer's Report with the City Clerk.
9. Owners of all land within the boundaries of the proposed landscape and lighting district have filed their consent to the formation of the proposed district, and to the adoption of the Engineer's Report and the levy of the assessments stated therein.
10. The City Council hereby orders the improvements and the formation of the assessment district described in the Resolution Initiating Proceedings and in the Engineer's Report.
11. The City Council hereby confirms the diagram and the assessment contained in the Engineer's Report and levies the assessment for the fiscal year 2007-08.
12. The City Council hereby forwards the following attachments to Tulare County Recorder's Office for recordation:
  - a. Clerk's Certification to County Auditor
  - b. Resolution Initiating Proceedings
  - c. Resolution Ordering Improvements
  - d. Engineer's Report:
    - Exhibit A - Assessment Diagram showing all parcels of real property within the Assessment District
    - Exhibit B - Park Location Diagram
    - Exhibit C - Tax Roll Assessment
    - Exhibit D - Engineer's Report

PASSED AND ADOPTED

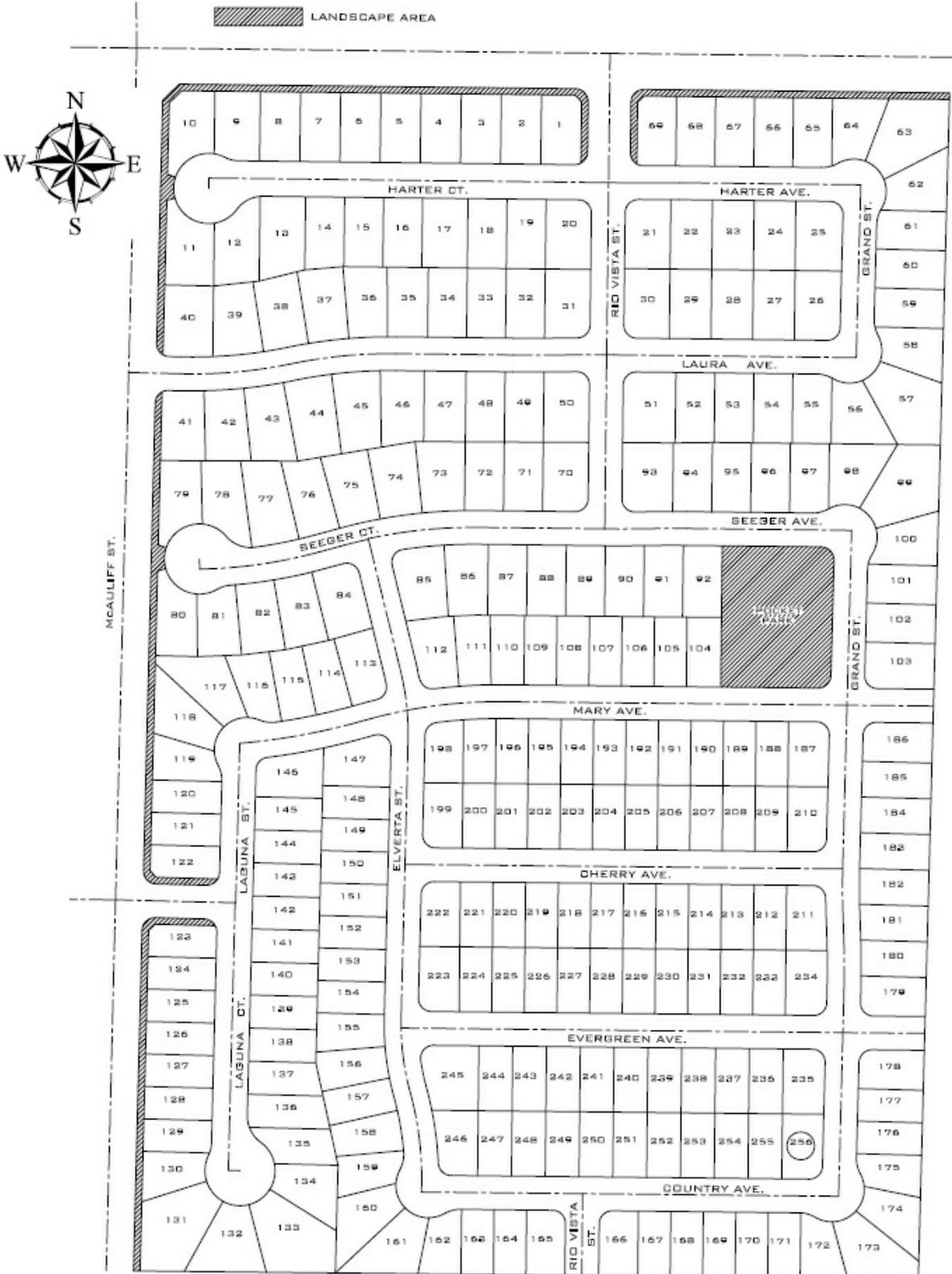
# Exhibit "A"

## Assessment Diagram Assessment District No. 07-11 City of Visalia, Tulare County, California



# Exhibit "B"

## Landscape Location Diagram Assessment District No. 07-11 Woodside Sousa Property



**Exhibit "C"**

Tax Roll Assessment  
Assessment District No. 07-11  
Woodside Sousa Property  
Fiscal Year 2007-08

<u>APN #</u>	<u>Assessment</u>	<u>Owner</u>	<u>Lot #</u>	<u>District</u>
To Be Assigned	\$292.56	To Be Assigned	07-11001	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11002	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11003	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11004	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11005	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11006	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11007	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11008	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11009	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11010	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11011	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11012	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11013	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11014	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11015	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11016	Woodside Sousa Property
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To Be Assigned	\$292.56	To Be Assigned	07-11019	Woodside Sousa Property
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To Be Assigned	\$292.56	To Be Assigned	07-11021	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11022	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11023	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11024	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11025	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11026	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11027	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11028	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11029	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11030	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11031	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11032	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11033	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11034	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11035	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11036	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11037	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11038	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11039	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11040	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11041	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11042	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11043	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11044	Woodside Sousa Property

**Exhibit "C"**

Tax Roll Assessment  
Assessment District No. 07-11  
Woodside Sousa Property  
Fiscal Year 2007-08

<u>APN #</u>	<u>Assessment</u>	<u>Owner</u>	<u>Lot #</u>	<u>District</u>
To Be Assigned	\$292.56	To Be Assigned	07-11045	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11046	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11047	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11048	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11049	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11050	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11051	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11052	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11053	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11054	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11055	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11056	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11057	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11058	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11059	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11060	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11061	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11062	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11063	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11064	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11065	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11066	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11067	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11068	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11069	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11070	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11071	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11072	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11073	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11074	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11075	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11076	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11077	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11078	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11079	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11080	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11081	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11082	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11083	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11084	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11085	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11086	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11087	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11088	Woodside Sousa Property

**Exhibit "C"**

Tax Roll Assessment  
Assessment District No. 07-11  
Woodside Sousa Property  
Fiscal Year 2007-08

<u>APN #</u>	<u>Assessment</u>	<u>Owner</u>	<u>Lot #</u>	<u>District</u>
To Be Assigned	\$292.56	To Be Assigned	07-11089	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11090	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11091	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11092	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11093	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11094	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11095	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11096	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11097	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11098	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11099	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11100	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11101	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11102	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11103	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11104	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11105	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11106	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11107	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11108	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11109	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11110	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11111	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11112	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11113	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11114	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11115	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11116	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11117	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11118	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11119	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11120	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11121	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11122	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11123	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11124	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11125	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11126	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11127	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11128	Woodside Sousa Property
To Be Assigned	\$292.56	To Be Assigned	07-11129	Woodside Sousa Property

## Exhibit "D"

Engineer's Report  
Landscape & Lighting Assessment District 07-11  
Woodside Sousa Property  
Fiscal Year 2007-08

### General Description

This Assessment District (District) is located at the southeast corner of McAuliff Street and Walnut Avenue. Exhibit "A" is a map of Assessment District 07-11. This District includes the maintenance of turf areas, shrub areas, irrigation systems, trees, block walls, pavement on local public streets and any other applicable equipment or improvements. The maintenance of irrigation systems and block includes, but is not limited to, maintaining the structural and operational integrity of these features and repairing any acts of vandalism (graffiti, theft or damage) that may occur. The maintenance of pavement on local public streets includes preventative maintenance by means including, but not limited to overlays, chip seals/crack seals and reclamite (oiling). The total number of lots within the district is 256 with 129 lots comprising Unit No. 1.

### Determination of Benefit

The purpose of landscaping is to provide an aesthetic impression for the area. The lighting is to provide safety and visual impressions for the area. The block wall provides security, aesthetics, and sound suppression. The maintenance of the landscape areas, street lights and block walls is vital for the protection of both economic and humanistic values of the development. In order to preserve the values incorporated within developments and to concurrently have an adequate funding source for the maintenance of all internal local streets within the subdivision, the City Council has determined that landscape areas, street lights, block walls and all internal local streets should be included in a maintenance district to ensure satisfactory levels of maintenance.

### Method of Apportionment

In order to provide an equitable assessment to all owners within the District, the following method of apportionment has been used. All lots in the District benefit equally, including lots not adjacent to landscape areas, block walls, street lights and pocket parks. The lots not adjacent to landscape areas, block walls, street lights and pocket parks benefit by the uniform maintenance and overall appearance of the District. All lots in the District have frontage on an internal local street and therefore derive a direct benefit from the maintenance of the local streets. All lots in the District derive a benefit from the nearby access to the various pocket parks.

### Estimated Costs

The estimated costs to maintain the District includes the costs to maintain turf areas, shrub areas, irrigation systems, trees, block walls, pavement on local streets and any other applicable equipment or improvements. The regular preventive maintenance of pavement on local public streets is based on the following schedule: Chip Seal on a 15 year cycle; Overlays on a 10 year cycle; Crack Seal on an 8 year cycle and Reclamite on a 6 year cycle.

The quantities and estimated costs are as follows:

**Exhibit "D"**

Engineer's Report  
Landscape & Lighting Assessment District 07-11  
Woodside Sousa Property  
Fiscal Year 2007-08

<b>Description</b>	<b>Unit</b>	<b>Amount</b>	<b>Cost per unit</b>	<b>Total Cost</b>
<b>LANDSCAPE LOTS</b>				
Turf Area	Sq. Ft.	26147	\$0.199	\$5,203.25
Shrub Area	Sq. Ft.	14940	\$0.199	\$2,973.06
Trees	Each	140	\$25.00	\$3,500.00
<b>POCKET PARKS</b>				
Turf Area	Sq. Ft.	15695	\$0.199	\$3,123.31
Shrub Area	Sq. Ft.	13000	\$0.199	\$2,587.00
Trees	Each	30	\$25.00	\$750.00
<b>POCKET PARK PLAYGROUND EQUIPMENT</b>				
Annual fibar material replacement (10%)	Cubic Yd.	15	\$100.00	\$1,500.00
Equipment Inspections	Hourly	8	\$42.60	\$340.80
Repair/Replace Equipment	Hourly	6	\$42.60	\$255.60
Custodial Maintenance	Monthly	12	\$172.00	\$2,064.00
Water	Sq. Ft.	69782	\$0.050	\$3,489.10
Electricity	Sq. Ft.	69782	\$0.008	\$558.26
Trees In Local Street Parkways	Each	297	\$25.00	\$7,425.00
Street Lights	Each	48	\$105.00	\$5,040.00
Chip Seal (15 year cycle)	Sq. Ft.	290703	\$0.190	\$3,682.24
Crack Seal ( 8 year cycle)	Sq. Ft.	290703	\$0.02933	\$1,065.90
Reclamite (6 year cycle)	Sq. Ft.	290703	\$0.0211110	\$1,022.84
Overlays (10 year cycle)	Sq. Ft.	290703	\$0.65	\$18,895.70
Project Management Costs	Lots	256	\$18.00	\$4,608.00
<b>TOTAL</b>				<b>\$68,084.04</b>
10% Reserve Fund				\$6,808.40
<b>GRAND TOTAL</b>				<b>\$74,892.45</b>
<b>COST PER LOT</b>				<b>\$292.55</b>

## Exhibit "D"

Engineer's Report  
Landscape & Lighting Assessment District 07-11  
Woodside Sousa Property  
Fiscal Year 2007-08

### Annual Cost Increase

This assessment district shall be subject to a maximum annual assessment ( $A_{\max}$ ) for any given year "n" based on the following formula:

$$A_{\max} \text{ for any given year "n"} = (\$74,892.45) (1.05)^{(n-1)}$$

where "n" equals the age of the assessment district with year one (1) being the year that the assessment district was formed;

The actual annual assessment for any given year will be based on the estimated cost of maintaining the improvements in the district plus any prior years' deficit and less any carryover. In no case shall the annual assessment be greater than maximum annual assessment as calculated by the formula above. The maximum annual increase for any given year shall be limited to 10% as long as the annual assessment does not exceed the maximum annual assessment as calculated by the formula above.

The reserve fund shall be maintained at a level of 10% of the estimated annual cost of maintaining the improvements in the district. If the reserve fund falls below 10%, then an amount will be calculated to restore the reserve fund to a level of 10%. This amount will be recognized as a deficit and applied to next year's annual assessment.

Example 1. The estimated year four cost of maintaining the improvements in the district is \$81,632.28 [a 9% increase over the base year estimated cost of \$74,892.00]. The maximum annual assessment for year four is \$86,696.85 [ $A_{\max} = (\$74,892.00) (1.05)^{(4-1)}$ ]. The assessment will be set at \$81,632.28 because it is less than the maximum annual assessment and less than the 10% maximum annual increase.

Example 2. The estimated year four cost of maintaining the improvements in the district is \$84,627.96 [a 7% increase over the previous year assessment and a 13.0% increase over the base year estimated cost of \$74,892.00]. The reserve fund is determined to be at a level of 8% of the estimated year four cost of maintaining the improvements in the district. An amount of \$1,692.56 will restore the reserve fund to a level of 10%. This amount is recognized as a deficit. The maximum annual assessment for year four is \$86,696.85 [ $A_{\max} = (\$74,892) (1.05)^{(4-1)}$ ]. The year four assessment will be set at \$84,627.96 plus the deficit amount of \$1,692.56 which equals \$86,320.52 [a 9% increase over the previous year assessment] because it is less than the maximum annual assessment and less than the 10% maximum annual increase.

Example 3. The estimated year four cost of maintaining the improvements in the district is \$81,632.28 [a 9% increase over the base year assessment of 74,892] and

**Exhibit "D"**

Engineer's Report  
Landscape & Lighting Assessment District 07-11  
Woodside Sousa Property  
Fiscal Year 2007-08

damage occurred to the masonry wall raising the year five expenses to \$91,368.24 [a 22% increase over the previous year assessment]. The year five assessment will be capped at \$89,795.51 (a 10% increase over the previous year) and below the maximum annual assessment of \$91,031.69 [ $A_{\max} = (74,892) (1.05)^{(5-1)}$ ]. The difference of \$1,572.73 is recognized as a deficit and will be carried over into future years' assessments until the masonry wall repair expenses are fully paid.

City Engineer Certification

I hereby certify that this report was prepared under my supervision and this report is based on information obtained from the improvement plans of the subject development.

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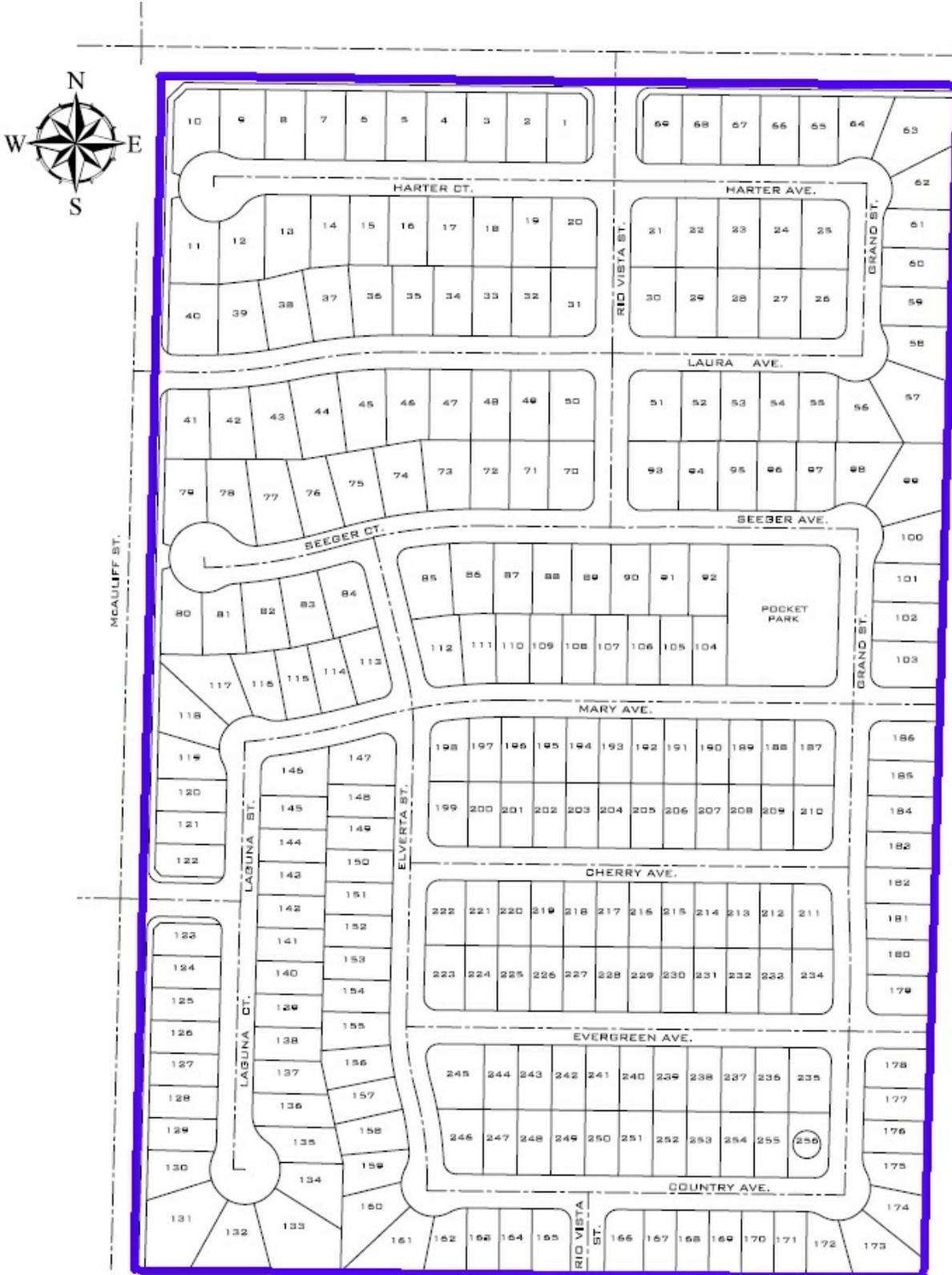
Andrew Benelli  
Assistant Director Engineering

RCE 50022

Date

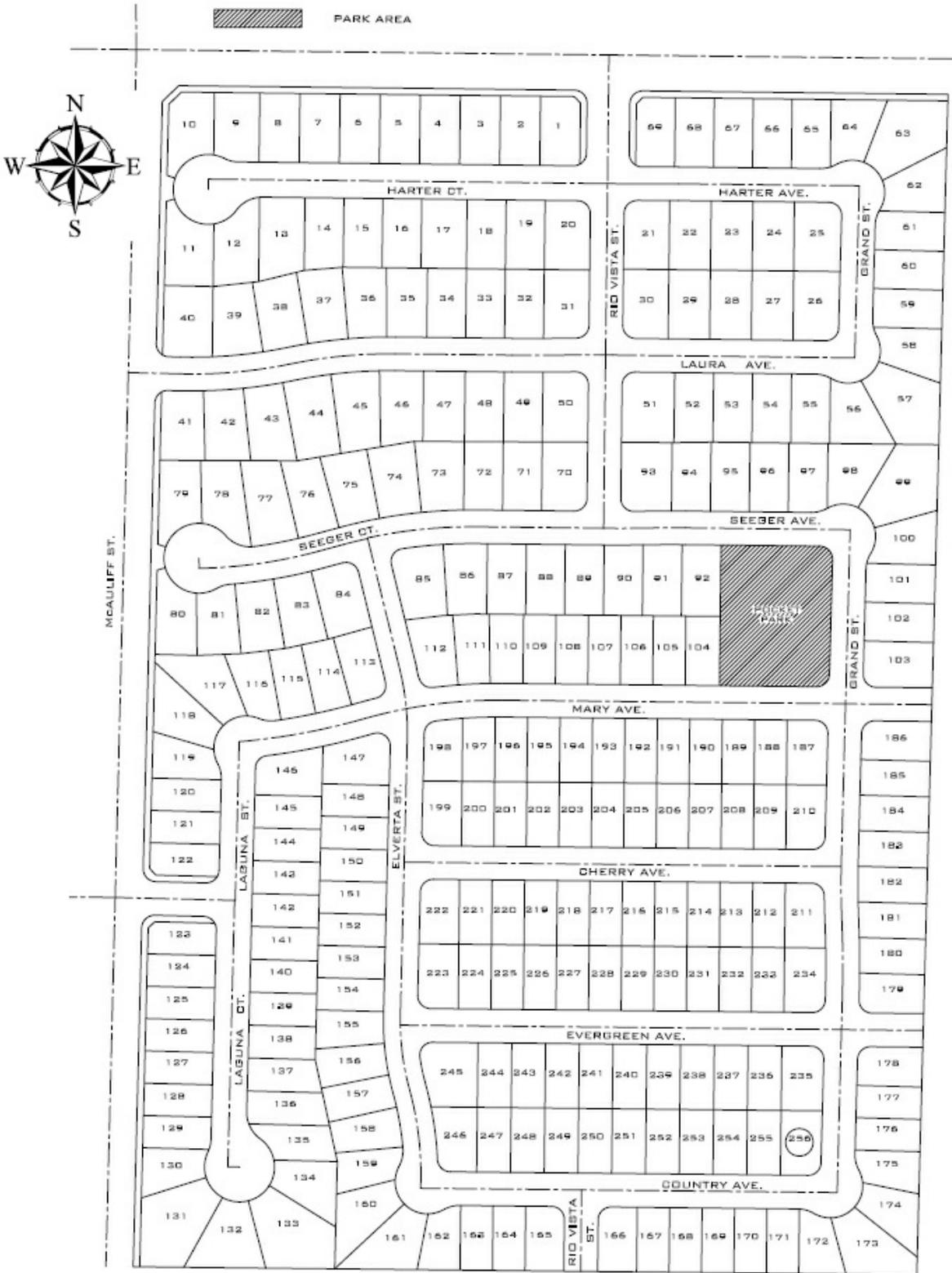
# Exhibit "A"

## Assessment Diagram Assessment District No. 07-11-PARK City of Visalia, Tulare County, California



# Exhibit "B"

## Park Location Diagram Assessment District No. 07-11-PARK Woodside Sousa Property



**Exhibit "C"**

Tax Roll Assessment  
Assessment District No. 07-11-PARK  
Woodside Sousa Property  
Fiscal Year 2007-08

<u>APN #</u>	<u>Assessment</u>	<u>Owner</u>	<u>Lot #</u>	<u>District</u>
To Be Assigned	\$0.00	To Be Assigned	07-11-P-001	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-002	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-003	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-004	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-005	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-006	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-007	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-008	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-009	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-010	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-011	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-012	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-013	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-014	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-015	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-016	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-017	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-018	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-019	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-020	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-021	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-022	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-023	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-024	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-025	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-026	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-027	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-028	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-029	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-030	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-031	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-032	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-033	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-034	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-035	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-036	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-037	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-038	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-039	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-040	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-041	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-042	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-043	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-044	Woodside Sousa Property

**Exhibit "C"**

Tax Roll Assessment  
Assessment District No. 07-11-PARK  
Woodside Sousa Property  
Fiscal Year 2007-08

<u>APN #</u>	<u>Assessment</u>	<u>Owner</u>	<u>Lot #</u>	<u>District</u>
To Be Assigned	\$0.00	To Be Assigned	07-11-P-045	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-046	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-047	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-048	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-049	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-050	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-051	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-052	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-053	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-054	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-055	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-056	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-057	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-058	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-059	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-060	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-061	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-062	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-063	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-064	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-065	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-066	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-067	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-068	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-069	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-070	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-071	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-072	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-073	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-074	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-075	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-076	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-077	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-078	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-079	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-080	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-081	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-082	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-083	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-084	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-085	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-086	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-087	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-088	Woodside Sousa Property

**Exhibit "C"**

Tax Roll Assessment  
Assessment District No. 07-11-PARK  
Woodside Sousa Property  
Fiscal Year 2007-08

<u>APN #</u>	<u>Assessment</u>	<u>Owner</u>	<u>Lot #</u>	<u>District</u>
To Be Assigned	\$0.00	To Be Assigned	07-11-P-089	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-090	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-091	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-092	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-093	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-094	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-095	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-096	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-097	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-098	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-099	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-100	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-101	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-102	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-103	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-104	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-105	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-106	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-107	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-108	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-109	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-110	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-111	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-112	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-113	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-114	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-115	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-116	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-117	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-118	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-119	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-120	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-121	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-122	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-123	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-124	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-125	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-126	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-127	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-128	Woodside Sousa Property
To Be Assigned	\$0.00	To Be Assigned	07-11-P-129	Woodside Sousa Property

## Exhibit "D"

Engineer's Report  
Landscape & Lighting Assessment District 07-11-PARK  
Woodside Sousa Property  
Fiscal Year 2007-08

### General Description

This Assessment District (District) is located at the southeast corner of McAuliff Street and Walnut Avenue. Exhibit "A" is a map of Assessment District 07-11-PARK. The assessment collected reimburses the developer for the construction of the Pocket Park located within the subdivision. Pocket Park improvements, include, but not limited to, grading, leveling, cutting and filling, sod, landscaping, irrigation systems, sidewalks, drainage, lights, playground equipment, arbors, benches, tables, fountains and trash receptacles. Design, construction management, inspection and other overhead costs associated with these improvements are included. The total number lots within the district are 256.

### Determination of Benefit

The purpose of pocket parks is to offer small open space/recreational venues of a more passive or intimate nature that serves residents within or adjacent to a planned residential development. In order to preserve the values incorporated within developments and to concurrently have an adequate funding source for the construction of the pocket parks within the subdivision, the City Council has determined that the construction of the pocket parks should be included in a district.

### Method of Apportionment

In order to provide an equitable assessment to all owners within the District, the following method of apportionment has been used. All lots in the District benefit equally, including lots not adjacent to the pocket park. All lots in the District derive a benefit from the nearby access to the pocket park. The pocket park will be constructed with Unit No. 2 of the Woodside Sousa Property. The initial assessment for Unit No. 1 of the Woodside Sousa Property will temporarily be set to \$0.00 until the pocket park is constructed. The calculated assessment for the pocket park will be added to the lots in Unit No. 1 and Unit No. 2 concurrently in the tax year following construction.

### Estimated Costs

The estimated costs to construct the pocket park improvements includes the costs of grading, leveling, cutting and filling, sod, landscaping, irrigation systems, sidewalks, drainage, lights, playground equipment, arbors, benches, tables, fountains and trash receptacles. Design, construction management, inspection and other overhead costs associated with these improvements are included. The construction cost will be repaid over a 20-year period with an interest rate determined by the prime rate at the time of establishing the loan.

The quantities and estimated costs are as follows:

**Exhibit "D"**

Engineer's Report  
Landscape & Lighting Assessment District 07-11-PARK  
Woodside Sousa Property  
Fiscal Year 2007-08

<b>Description</b>	<b>Unit</b>	<b>Quantity</b>	<b>Cost per unit</b>	<b>Total Cost</b>
<b><u>SITE WORK</u></b>				
CONCRETE PAVING	SF	6,632	\$ 3.00	\$19,896.00
DEEPENED CONCRETE CURB	LF	271	\$ 13.50	\$3,658.50
MOW CURB	LF	11	\$ 7.00	\$77.00
<b><u>IRRIGATION</u></b>				
AUTOMATIC IRRIGATION SYSTEM	SF	30,525	\$ 2.25	\$68,681.25
<b><u>LANDSCAPE</u></b>				
HYDROSEEDED TURF AND SOIL PF	SF	15,700	\$ 0.40	\$6,280.00
15 GAL. TREES	EA	29	\$ 120.00	\$3,480.00
24" BOX TREES	EA	1	\$ 250.00	\$250.00
5 GALLON SHRUB	EA	145	\$ 20.00	\$3,680.00
1 GALLON SHRUB	EA	341	\$ 10.00	\$5,110.00
FINE GRADE	SF	30,525	\$ 0.25	\$7,631.25
SHREDDED BARK MULCH	SF	1,645	\$ 0.50	\$822.50
<b><u>SITE FURNISHINGS</u></b>				
6' BENCH	EA	4	\$ 675.00	\$2,700.00
PLAY AREA (Incl. PLAY STRUCTURE, SWING SET, SPRING RIDERS, WALLCANO BENCH, ADA Ramp, Fibar fill)	EA	1	\$ 42,505.00	\$42,505.00
PICNIC TABLES	EA	2	\$ 800.00	\$1,600.00
DRINKING FOUNTAIN	EA	1	\$ 3,000.00	\$3,000.00
TRASH RECEPTACLE	EA	2	\$ 600.00	\$1,200.00
SHADE STRUCTURE	EA	1	\$ 25,000.00	\$25,000.00
<b>CONSTRUCTION ITEMS</b>				<b>\$195,571.50</b>
<b>15% CONTINGENCY FOR FUTURE MATERIAL COST INCREASES</b>				<b>\$29,335.73</b>
<b>SUBTOTAL</b>				<b>\$224,907.23</b>
Design cost	%	1	5%	\$11,245.36
Construction Management	%	1	1%	\$2,249.07
Inspection fee 3% of estimate	%	1	3%	\$6,747.22
Overhead (including % of bonding amout per subdivision agreement)	%	1	1%	\$2,249.07
Project Management fee	per lot	256	\$8.000	\$2,048.000
<b>TOTAL COST</b>				<b>\$249,445.95</b>
Yearly payment from Amortization Table				\$25,881.11
<b>COST PER LOT</b>				<b>\$101.10</b>

**Exhibit "D"**

Engineer's Report  
Landscape & Lighting Assessment District 07-11-PARK  
Woodside Sousa Property  
Fiscal Year 2007-08

<b>Pocket Park Construction Cost</b>							
<b>20 Year Amortization Table</b>							
Enter Values				Loan Summary			
Loan Amount		\$ 249,445.95	Scheduled Payment		\$ 25,881.11		
Annual Interest Rate		8.25 %	Scheduled Number of Payments		20		
Loan Period in Years		20	Actual Number of Payments		20		
Number of Payments Per Year		1	Total Early Payments		\$ -		
Start Date of Loan		01/01/2008	Total Interest		\$ 268,176.22		
Optional Extra Payments							
Lender Name:		City of Visalia		(Interest Rate is determined by the prime rate at time District is creat			
Pmt No.	Estimated Due Date	Beginning Balance	Scheduled Payment	Total Payment	Principal	Interest	Ending Balance
1	01/01/2009	\$ 249,445.95	\$ 25,881.11	\$ 25,881.11	\$ 5,301.82	\$ 20,579.29	\$ 244,144.13
2	01/01/2010	244,144.13	25,881.11	25,881.11	5,739.22	20,141.89	238,404.92
3	01/01/2011	238,404.92	25,881.11	25,881.11	6,212.70	19,668.41	232,192.21
4	01/01/2012	232,192.21	25,881.11	25,881.11	6,725.25	19,155.86	225,466.96
5	01/01/2013	225,466.96	25,881.11	25,881.11	7,280.08	18,601.02	218,186.88
6	01/01/2014	218,186.88	25,881.11	25,881.11	7,880.69	18,000.42	210,306.19
7	01/01/2015	210,306.19	25,881.11	25,881.11	8,530.85	17,350.26	201,775.34
8	01/01/2016	201,775.34	25,881.11	25,881.11	9,234.64	16,646.47	192,540.70
9	01/01/2017	192,540.70	25,881.11	25,881.11	9,996.50	15,884.61	182,544.19
10	01/01/2018	182,544.19	25,881.11	25,881.11	10,821.21	15,059.90	171,722.98
11	01/01/2019	171,722.98	25,881.11	25,881.11	11,713.96	14,167.15	160,009.02
12	01/01/2020	160,009.02	25,881.11	25,881.11	12,680.36	13,200.74	147,328.66
13	01/01/2021	147,328.66	25,881.11	25,881.11	13,726.49	12,154.61	133,602.16
14	01/01/2022	133,602.16	25,881.11	25,881.11	14,858.93	11,022.18	118,743.23
15	01/01/2023	118,743.23	25,881.11	25,881.11	16,084.79	9,796.32	102,658.44
16	01/01/2024	102,658.44	25,881.11	25,881.11	17,411.79	8,469.32	85,246.65
17	01/01/2025	85,246.65	25,881.11	25,881.11	18,848.26	7,032.85	66,398.39
18	01/01/2026	66,398.39	25,881.11	25,881.11	20,403.24	5,477.87	45,995.15
19	01/01/2027	45,995.15	25,881.11	25,881.11	22,086.51	3,794.60	23,908.65
20	01/01/2028	23,908.65	25,881.11	23,908.65	21,936.18	1,972.46	0.00

**Exhibit "D"**

Engineer's Report  
Landscape & Lighting Assessment District 07-11-PARK  
Woodside Sousa Property  
Fiscal Year 2007-08

City Engineer Certification

I hereby certify that this report was prepared under my supervision and this report is based on information obtained from the improvement plans of the subject development.

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Andrew Benelli Assistant Director Engineering	RCE 50022	Date
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**City of Visalia  
Agenda Item Transmittal**

**Meeting Date:** June 25, 2007

**Agenda Item Number (Assigned by City Clerk):** 8m

**Agenda Item Wording:** Request authorization to file a Notice of Completion for The Ashley Grove No. 9, containing 53 multi-family lots (208 units), located at the Southeast corner of Riggan Avenue and County Center Street.

**Deadline for Action:** June 25, 2007

**Submitting Department:** Engineering Department

**Contact Name and Phone Number:** Andrew Benelli 713-4340,  
Norm Goldstrom 713-4638

**Department Recommendation:**

Staff recommends that City Council give authorization to file a Notice of Completion as all the necessary improvements for this subdivision have been completed and are ready for acceptance by the City of Visalia. The subdivision was developed by Great Valley Land Company, a Limited Liability Corp. Great Valley Land Company submitted a maintenance bond in the amount of \$57,596.18 as required by the Subdivision Map Act to guarantee the improvements against defects for one year.

**Prior Council/Board Actions:** The Final Map was approved for recording at the Council meeting of August 1, 2005.

**Committee/Commission Review and Actions:** The tentative subdivision map for Ashley Grove Unit No. 9 was approved by Planning Commission on September 22, 2003.

**Alternatives:** N/A

**Attachments:** Location sketch and vicinity map.

**Recommended Motion (and Alternative Motions if expected):**

I hereby authorize filing a Notice of Completion for Ashley Grove, Unit No. 9.

**For action by:**

City Council  
 Redev. Agency Bd.  
 Cap. Impr. Corp.  
 VPFA

**For placement on which agenda:**

Work Session  
 Closed Session

**Regular Session:**

Consent Calendar  
 Regular Item  
 Public Hearing

Est. Time (Min.): 1 Min.

**Review:**

**Dept. Head** \_\_\_\_\_  
(Initials & date required)

**Finance** \_\_\_\_\_  
**City Atty** \_\_\_\_\_  
(Initials & date required  
or N/A)

**City Mgr** \_\_\_\_\_  
(Initials Required)

If report is being re-routed after revisions leave date of initials if no significant change has affected Finance or City Attorney Review.

**Environmental Assessment Status**

**CEQA Review:** Environmental finding completed for tentative subdivision map.

**NEPA Review:**

**Tracking Information:** *(Staff must list/include appropriate review, assessment, appointment and contract dates and other information that needs to be followed up on at a future date)*

Copies of this report have been provided to:

## MEMORANDUM

To: City Council of the City of Visalia

From: City Attorney

Date: June 19, 2007

Re: Introduction of an Ordinance Pursuant to New California Health and Safety Code Section 33342.7 Adopting Description of the Agency's Property Acquisition Program through Eminent Domain

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Meeting Date: July 25, 2007

Agenda Item Wording: Introduction of an Ordinance Pursuant to New California Health and Safety Code Section 33342.7 Adopting Description of the Agency's Property Acquisition Program through Eminent Domain for the Central Visalia, East Visalia, and Mooney Boulevard Redevelopment Areas (SB 53)

Deadline for Action: July 1, 2007

Submitting Department: Redevelopment Agency and City Attorney

Contact Names: Mike Olmos, Assistant City Manager and Kenneth Richardson, Deputy City Attorney

Recommendation: That the City Council adopt the proposed Ordinance Describing the Eminent Domain Program of the Redevelopment Agency of the City of Visalia for the Central Visalia, East Visalia, and Mooney Boulevard Redevelopment Areas. The Agency does not presently have the authority to acquire real property by eminent domain in any of its Redevelopment Plan areas.

Fiscal Implications: None for this action.

Background: As part of redevelopment reform legislation enacted during 2006, a new requirement was added to the California Community Redevelopment Law (Health and Safety Code Section 33000 et seq.; "CRL") pertaining to eminent domain. Pursuant to Section 33342.7, added by Senate Bill 53 (Stats. 2006, Chap. 591), for each redevelopment

plan adopted prior to January 1, 2007, the legislative body must adopt an ordinance by July 1, 2007, describing an agency's eminent domain program under its redevelopment plan(s).

The Redevelopment Plan for the Central Visalia Redevelopment Project Area (the "Central Visalia Plan") was approved and adopted on July 10, 1989, and is being carried out by the Redevelopment Agency of the City of Visalia (the "Agency"). As adopted, Section 321 of the Central Visalia Plan authorized the use of eminent domain only in very specific circumstances, and only within a twelve year period commencing five years after the date of the adoption of the Central Visalia Plan. Therefore, the time limit for the Agency to acquire property by eminent domain expired on July 10, 2006. That fact is provided in Section 1 of the proposed Ordinance as the description of the Agency's eminent domain program.

The Redevelopment Enabling Plan for the Central Visalia Redevelopment Project (the "East Visalia Plan") was approved and adopted on June 26, 1986, and is being carried out by the Agency. As adopted, Section 321 of the Central Visalia Plan authorized the use of eminent domain only in very specific circumstances and only within a twelve year period from the date of adoption of the East Visalia Plan. Therefore, the time limit for the Agency to acquire property by eminent domain in the East Visalia Plan project area expired on June 25, 1998. That fact is provided in Section 2 of the proposed Ordinance as the description of the Agency's eminent domain program.

The Redevelopment Enabling Plan for the Mooney Boulevard Redevelopment Project (the "Mooney Plan") was approved and adopted on June 15, 1987, and is being carried out by the Redevelopment Agency of the City of Visalia (the "Agency"). As adopted and amended, Section 321 of the Mooney Plan authorized the use of eminent domain only in very specific circumstances and only within a twelve year period from the date of adoption of the Mooney Plan. Therefore, the time limit for the Agency to acquire property by eminent domain expired on June 15, 1999. That fact is provided in Section 3 of the proposed Ordinance as the description of the Agency's eminent domain program.

Hence, the Agency does not presently have the authority to acquire real property by eminent domain in any of its Redevelopment Plan areas.

Alternatives: None Recommended

Attachments: Draft Ordinance

**ORDINANCE NO. 2007-12**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF VISALIA  
DESCRIBING ITS REDEVELOPMENT AGENCY'S EMINENT DOMAIN  
PROGRAM FOR THE EAST, CENTRAL AND MOONEY BOULEVARD  
REDEVELOPMENT PROJECT AREAS**

**BE IT ORDAINED BY THE COUNCIL OF THE CITY OF VISALIA**

**Section 1:** The Redevelopment Plan for the Central Visalia Redevelopment Project Area (the "Central Visalia Plan") was approved and adopted on July 10, 1989, and is being carried out by the Redevelopment Agency of the City of Visalia (the "Agency"). As adopted, Section 321 of the Central Visalia Plan authorized the use of eminent domain only in very specific circumstances and only within a twelve year period commencing five years from the date of the adoption of the Central Visalia Plan. Therefore, the time limit for the Agency to acquire property by eminent domain expired on July 10, 2006, and the Agency does not presently have the authority to acquire real property by eminent domain in the Central Visalia Project plan area.

**Section 2:** The Redevelopment Enabling Plan for the Central Visalia Redevelopment Project (the "East Visalia Plan") was approved and adopted on June 26, 1986, and is being carried out by the Agency. As adopted, Section 321 of the Central Visalia Plan authorized the use of eminent domain only in very specific circumstances and only within a twelve year period from the date of adoption of the East Visalia Plan. Therefore, the time limit for the Agency to acquire property by eminent domain in the East Visalia Plan project area expired on June 25, 1998, and the Agency does not presently have the authority to acquire real property by eminent domain in the East Visalia Project plan area.

**Section 3:** The Redevelopment Enabling Plan for the Mooney Boulevard Redevelopment Project (the "Mooney Plan") was approved and adopted on June 15, 1987, and is being carried out by the Redevelopment Agency of the City of Visalia (the "Agency"). As adopted and amended, Section 321 of the Mooney Plan authorized the use of eminent domain only in very specific circumstances and only within a twelve year period from the date of adoption of the Mooney Plan. Therefore, the time limit for the Agency to acquire property by eminent domain expired on June 15, 1999, and the Agency does not presently have the authority to acquire real property by eminent domain in the East Visalia Project plan area.

**Section 4:** CEQA. This ordinance is not subject to the California Environmental Quality Act (Public Resources Code Section 21000 et seq.).

**Section 5:** Severability. If any section, subsection, subdivision, paragraph, sentence, clause or phrase of this Ordinance, or its application to any person or circumstance, is for any reason held to be invalid or unenforceable, such invalidity or unenforceability shall not affect the validity or enforceability of the remaining sections, subsections, subdivisions, paragraphs, sentences, clauses or phrases of this Ordinance, or its application to any other person or circumstance. The City Council of the City of Visalia hereby declares that it would have adopted each section, subsection, subdivision, paragraph, sentence, clause or phrase hereof, irrespective of the fact that any one or more other sections, subsections, subdivisions, paragraphs, sentences, clauses or phrases hereof be declared invalid or unenforceable.

**Section 6:** Effective Date. This ordinance shall be in full force and effect thirty (30) days after its passage.

**Section 7:** Publication. The City Clerk is hereby ordered and directed to cause this ordinance to be published in the manner and time required by law.

PASSED AND ADOPTED:

\_\_\_\_\_  
Jesus Gamboa, Mayor

ATTEST:

\_\_\_\_\_  
Steven M. Salomon, City Clerk

APPROVED AS TO FORM  
BY CITY ATTORNEY:

\_\_\_\_\_  
Alex M. Peltzer, City Attorney

**City of Visalia  
Agenda Item Transmittal**

**Meeting Date:** June 25, 2007

**Agenda Item Number (Assigned by City Clerk):**

**Agenda Item Wording:** An Appeal by Adolfo Ramirez (owner-applicant of B.C. Recycling) of the Planning Commission's approvals to revoke Conditional Use Permit No. 99-03, for a small collection and light processing recycling facility located at 1538 North Dinuba Boulevard (APN: 091-161-052), and to revoke Conditional Use Permit No. 2003-09, for a small collection and light processing recycling facility located at 1043 East Houston Avenue (APN: 094-140-036). **Resolution 2007-62 and Resolution 2007-63 required.**

**Deadline for Action:** July 14, 2007, in order to comply with Zoning Ordinance Section 17.02.145, pertaining to time limits for the City to act on an Appeal.

**Submitting Department:** Community Development - Planning

**Contact Name and Phone Number:**

Teresa Nickell, Project Planner, 713-4328  
Fred Brusuelas, AICP, Assistant Community Development Director/City Planner 713-4364

**Department Recommendation:** Staff recommends that the City Council adopt two resolutions upholding the actions of the Planning Commission on June 11, 2007 to revoke both conditional use permits, and deny the Appeal. This recommendation is based on conclusions that the Appellant failed to comply with conditions of approval of both permits, and created negative impacts on surrounding neighborhoods.

**Background and Summary of Issues:** This is an appeal request by the owner-applicant of B.C. Recycling of the revocations of Conditional Use Permit (CUP) No. 99-03 and Conditional Use Permit (CUP) No. 2003-09.

CUP 99-03 pertains to a small recycling facility, located at 1538 North Dinuba Boulevard in the Shopping/Office Commercial (CSO) Zone, which was permitted by condition of approval to exist as a small (500 sq. ft. maximum) recycling trailer for CRV recyclable drop-offs and conditioned to be established in conjunction with an existing commercial

**For action by:**

City Council  
 Redev. Agency Bd.  
 Cap. Impr. Corp.  
 VPFA

**For placement on which agenda:**

Work Session  
 Closed Session

**Regular Session:**

Consent Calendar  
 Regular Item  
 Public Hearing

Est. Time (Min.): 30

**Review:**

**Dept. Head** \_\_\_\_\_  
(Initials & date required)

**Finance** \_\_\_\_\_  
**City Atty** \_\_\_\_\_  
(Initials & date required or N/A)

**City Mgr** \_\_\_\_\_  
(Initials Required)

If report is being re-routed after revisions leave date of initials if no significant change has affected Finance or City Attorney Review.

use or community service. The facility was also limited to five on-site parking spaces, and was to be operated by only the owner.

CUP 2003-07 pertains to a small recycling facility, located at 1043 East Houston Avenue in the Service Commercial & Shopping/Office Commercial (CS-CSO) Zone. It was permitted by the conditions to process CRV recyclable materials. To expand or create a change in the types of recyclable materials, or a change in operation, the owner-applicant was required to obtain the approval of the City Planner, and was subject to certain storage limitations on the property. CRV recyclables include aluminum, glass, plastics and cardboard.

A summary of the violations of CUP terms and conditions which formed the basis of the Planning Commission's findings, as confirmed by the City Code Enforcement's inspections on May 5, 2007 of the two recycling facilities, is provided below:

**CUP 99-03 – 1538 North Dinuba Boulevard**

Operational Statement – Recycling operation would be performed by owner himself (Adolfo Ramirez) and only CRV recyclables would be purchased.

Violation: Several employees operated the daily recycling activities. Materials otherwise stated were being purchased, such as copper wire.

Condition of Approval No. 1 – Recycling facility shall be established in conjunction with an existing commercial use or community service.

Violation: No other business establishment on the site.

Condition of Approval No. 2 – Facility shall be no larger than 500 square feet and occupy no more than 5 parking spaces.

Violation: The main building far exceeds 500 sq. ft. and onsite parking far exceeds 5 spaces.

Condition of Approval No. 4 – Facility shall only accept glass, metals, plastic containers, papers and reusable items.

Violation: The facility accepted and processed copper wire.

**CUP 2003-09 – 1043 East Houston Avenue**

Operational Statement – Only plastics, aluminum, glass and cardboard, (CRV recyclables) would be recycled.

Violation: The facility accepted and processed copper wire, car batteries.

Condition of Approval No. 1 – Any expansion to the site, any change in the types of materials to be recycled, any significant change in operation, shall be reviewed by the Planning Division and subject to approval by the City Planner.

Violation: Change in type of materials recycled as evidenced by the presence of copper wire. Expansion to store vehicles at back of property and to store materials along west wall area while prohibited by conditions of approval, to install block wall without building permit, all not approved by City Planner.

Condition of Approval No. 5 – A fence to separate recycling area from south vacant area to be installed with locked gate. No storage of any type, including vehicles, on the vacant area.

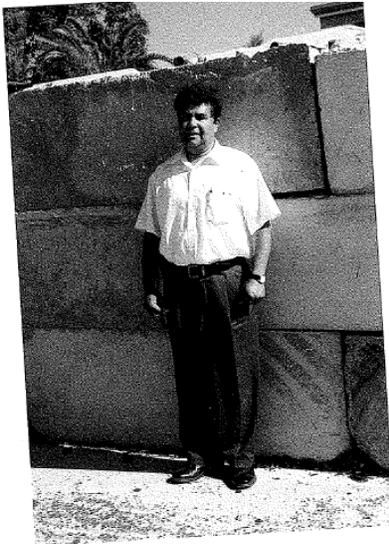
Violation: Divider fence not installed; vehicles stored on vacant area, including recycling materials.



*Exhibit A – Photo by City Code Enforcement on May 5, 2007, depicting vehicles, semi-trucks, materials stored at south vacant area of site with no divider fence.*

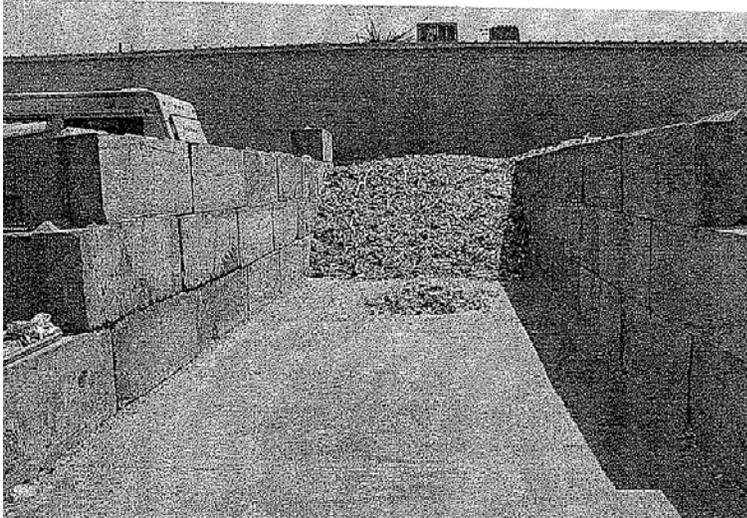
Condition of Approval No. 7: Recyclable materials stored on premise may not be stacked higher than 7 feet.

Violation: Materials stored between concrete block divider walls exceeded 7 feet.



6' HI. MAX  
GLASS BARR

*Exhibit B – Photo submitted by Appellant @ revocation hearing of Planning Commission, June 11, 2007, depicting 6-foot high recycling barrier*



*Exhibit C – Photo by City Code Enforcement on May 5, 2007, depicting same wall with in excess of 7-foot height restriction at east end of recycling barrier, including more than 6-foot height of stored material.*

**Condition of Approval No. 8:** No materials or vehicles may be stored within 40 feet of western frontage of site.

**Violation:** Stored materials were noted during the May 5, 2007 Code Enforcement visit.



*Exhibit D – Photo by City Code Enforcement on May 5, 2007, depicting materials stored along West side of site.*



*Exhibit E – Photo by City Code Enforcement on June 18, 2007 re-inspection of Houston site, depicting removal of stored materials along West wall.*

In addition to CUP violations noted by Code Enforcement inspections of both sites on May 5, 2007, other violations related to building codes included construction of a block wall without building permit approval, illegal wire connections to existing electric poles, substandard restroom conditions, and illegal hook-up of on-site recreation vehicle.

**Illegal Copper Wire Processing and Purchasing:** Both recycling facility sites were also subject to criminal activity due to wire theft, as evidenced by the Tulare County Sheriff's Office's ongoing investigations and public testimony given at the June 11, 2007 Planning Commission hearing.



*Exhibit F – Photo by City Code Enforcement on May 5, 2007, depicting recycling facility employees stripping wire at Houston location.*



*Exhibit G – Photo by City Code Enforcement on May 5, 2007, depicting copper wiring stored without receipts or identification at Houston location.*

**Other Recycling Facilities Owned By Appellant:** The appellant owns a total of four recycling facilities within City of Visalia. A fifth location (Key West Shopping Center @ Goshen/Akers) is currently being reviewed by the Site Plan Review Committee (SPR

2007-093). The other two facilities, located at 3535 West Walnut Avenue (CUP 2000-11) and 400 East Tulare Avenue (CUP 2000-08), have been inspected by City Code Enforcement and found to be in compliance with their CUPs.

In staff's determination, the reasons the other two sites are in compliance with the Code and their respective CUPs is because they operate as a subordinate element of larger commercial business establishments. The recycling facilities comprise a smaller fraction of their host sites, and are more visible to both the property manager and the general public. This facilitates more diligent adherence to Code requirements and also provides passive surveillance to discourage the types of illegal activities and Code violations noted at the other two locations. In contrast, the two recycling facilities which have been closed down with the revocations were particularly problematic for a long period of time, as evidenced by the public testimony received at the public hearing before the Planning Commission.

**Appellant's Contentions:** The basis of the appellant's appeal is that the Planning Commission was largely influenced by irrelevant and inaccurate information with regard to the Tulare County Sheriff's accusations of criminal behavior. In addition, the appellant contends no consideration was given toward the immediate rectification of the violations noted by the City's Code Enforcement staff.

The appellant's attorney, Ronald Sawl, stated that the copper wire crime is a State-wide problem and not particularly B.C. Recycling's fault for this area. The appellant stated, as translated by Jesus Gutierrez (Skylab consultant), that he has cleaned up both facilities and addressed all issues. The appellant also stated he has had difficulty in issuing receipts largely based on the homeless and transient clientele that recycles wire, aside from the fact that he doesn't speak the English language. The appellant has also submitted a business tax application to the City (pending) to establish a clothing store at the Dinuba site to fulfill the condition for a primary commercial use on the site.

**Public Hearing Testimony:** During the revocation hearing before the Planning Commission on June 11, 2007, the public's testimony, from neighbors, farmers and officers of the Tulare County Sheriff Department, substantially indicated that the appellant's illegal activities and impacts were apparent at both facilities, as summarized below:

- *Tom Sigley, a Sergeant of the Tulare County Ag Crime Unit:* the appellant did not have a weight masters certificate issued for either location to allow recycling of non-ferrous materials; \$200,000 of stolen wire recovered at the Houston recycling facility with no supportive receipts available from the appellant; injunction order filed with the Tulare County Superior Court in January, 2007 for 151 cases of wire theft by B.C. Recycling (still in process);
- *Daniel Quesada, a neighbor of the Dinuba recycling location:* the facility promoted drugs and prostitution over the past ten years, in an area housed by elderly families; expansion was made to crush bottles while

adjacent single family homes suffered elevated noises, impacting elderly neighbors;

- *Doug Phillips, a rancher in Tulare County:* a victim of copper wiring theft in excess of \$5,000; the cost to redeem stolen wiring was petty to the price he had to pay to replace it;
- *Bill Collin, Detective of Tulare County Sheriff's Department:* confiscated over 1,000 receipts for stolen metals at B.C. Recycling facilities, of which over 900 of them were non-compliant; 2,700 pounds of telecom wiring recycled by B.C. Recycling at Houston was not supported by receipts from the appellant; two large communications businesses (AT&T) had at least 17 cases of wire theft linked to B.C. Recycling;
- *Susan Borba, a neighbor from the Good News Center just south of the Dinuba Boulevard site:* endured constant vandalism and theft from her property, which she said ceased to exist once the Dinuba recycling facility was closed by City Code Enforcement.

**Planning Commission Revocation Actions:** The Planning Commission revoked both permits on the basis that the conditions of approval of each permit were not being complied with, and that the surrounding neighborhoods were being adversely affected by the criminal activity and Code violations occurring at both facilities. The Planning Commission also found that the appellant was given multiple opportunities to comply with the conditions of approval applicable to both sites, but failed to adhere to those conditions, thus clearly violating the intent of those conditions and subsequently creating adverse, negative impacts on the surrounding neighbors.

The Planning Commission also made specific determinations to justify shutting down both facilities because the facilities had caused degradation of the neighborhood and community, and that they contributed to criminal behavior in the neighborhood due to the acceptance of scrap metal (copper wire) in addition to the limitation on CRV recyclables and cardboard. Additionally, elevated noise levels from illegal glass crushing operations at the Dinuba site were also found to be particularly unacceptable.

Regardless of the appellant's attempts to clean up both facilities and bring them into compliance, the Planning Commission concluded that the revocations of both permits were not only justified, but necessary to protect the welfare of the public, especially in light of substantial criminal activity occurring at these facilities.

**City Code Enforcement Division Re-inspection Findings:** On June 18, 2007, the City Code Enforcement staff re-inspected both recycling facilities. The inspection of 1538 North Dinuba Boulevard (CUP 99-03) revealed corrections by the appellant made to some of the violations of his CUP. The size of the existing facility is considerably larger than permitted. There is no other business currently being operated at the location as required (tentative business tax application for clothing store on hold). The

business has remained closed since the suspension became effective. As a result, re-inspection of the facility's restroom remains unconfirmed.

Code Enforcement staff noted that at the 1043 East Houston Avenue (CUP 2003-09) location, the violations of terms and conditions of CUP 2003-09 appeared to have been corrected. However, since the business has remained closed as directed by the City, re-inspection of the interior of the building to verify Code compliance has not been done.

The appellant has paid all code-related cost recovery fees associated with the City Code Enforcement investigation. Historically, there have been a total of seven calls for Police service at the Dinuba location, occurring between 2005 and 2006. At the Houston location, there were a total of six calls during the same period. There have been no previous Code Enforcement calls to either location, nor were the CUPs conditioned for compliance inspections

**Recommendation:** Deny the Appeal request and uphold the revocation decision of the Planning Commission. In this case, both sites will be precluded from being re-opened as recycling facilities or substantially the same use for a period of one year from the date of the revocations of the permits, per Section Code 17.38.050.

Following revocation, both sites will be evaluated for compliance with City codes pertaining to general upkeep and maintenance standards, as well as confirmation that recycling and related activities have not resumed. At the end of the one year period, the applicant or another party could apply for new Conditional Use Permits for either or both of these sites.

**Alternative Actions:** Besides the recommended action to deny the Appeal and revoke both CUPs, the City Council may adopt either of the following alternatives:

Alternative 1 – Approve the Appeal request and overturn the revocation decision of the Planning Commission on one or more sites. In this case, staff recommends adding the following conditions of approval for each project site:

1. That the use be permitted as a small recycling facility allowed to recycle only CRV materials (aluminum, glass, plastics and cardboard).
2. That the facility is limited to hours of operation between 6:00 a.m. to 5:00 p.m.
3. That no glass crushing operations shall be allowed at any time.
4. That semi-annual inspections be conducted to verify compliance with the conditions of approval.
5. That unannounced and unscheduled facility inspections for compliance be allowed and complied with by the facility owner-operator.
6. That the facility complies with all Federal, State and local laws pertaining to recycling operations.

7. That a zero-tolerance violation agreement is entered where the owner-operator agrees to waive all due process rights.

Alternative 2 – Return either or both Conditional Use Permits to the Planning Commission for further consideration.

**Prior Council/Board Actions:** None

**Commission Actions:** On June 11, 2007, the Planning Commission voted 4-0 (with Commissioner Perez abstaining) on the revocations of both use permits.

**Attachments:** 1- Resolution No. 2007-62  
2- Resolution No. 2007-63  
3- Appeal of Planning Commission Action Request  
4- Planning Commission Staff Report, June 11, 2007  
5-Tulare County Sheriff's Office Information Packet to Scrap Dealers, August 2006  
6- Ownership Disclosure Form  
7- Letter dated 6/21/07 from Gerard Homes & Associates on behalf of the Construction Review committee

**Recommended Motion (and Alternative Motions if expected):**

I move to adopt the resolution denying the Appeal, and approving the revocations of Conditional Use Permit No. 99-03 and Conditional Use Permit No. 2003-09.

Or

I move to uphold the Appeal and deny the revocations of Conditional Use Permit No. 99-03 and Conditional Use Permit No. 2003-09, with modifications as requested by staff.

Or

I move to uphold the Appeal and deny the revocations of Conditional Use Permit No. 99-03 and Conditional Use Permit No. 2003-09, without prejudice.

***Financial Impact***

**Funding Source:**

Account Number: \_\_\_\_\_ (Call Finance for assistance)

**Budget Recap:**

Total Estimated cost: \$	New Revenue: \$
Amount Budgeted: \$	Lost Revenue: \$
New funding required \$	New Personnel \$
Council Policy Change: Yes _____ No _____	

***Environmental Assessment Status***

**CEQA Review:** None required

**NEPA Review:** None required

**Tracking Information:** None

CC: Adolfo Ramirez, Appellant  
Jesus Gutierrez (Skylab)

RESOLUTION NO. 2007-62

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF VISALIA UPHOLDING THE PLANNING COMMISSION'S APPROVAL TO REVOKE CONDITIONAL USE PERMIT NO. 99-03 FOR A SMALL COLLECTION AND LIGHT PROCESSING RECYCLING FACILITY LOCATED AT 1538 NORTH DINUBA BOULEVARD (APN: 091-161-052)

**WHEREAS**, on June 11, 2007, the Planning Commission of the City of Visalia approved the revocation of Conditional Use Permit No. 99-03 for a small collection and light processing recycling facility owned by B.C. Recycling, located at 1538 North Dinuba Boulevard (APN: 091-161-052); and

**WHEREAS**, on June 14, 2007, Adolfo Ramirez (Appellant), owner-applicant of B.C. Recycling, appealed the approval of the revocation of Conditional Use Permit No. 99-03; and

**WHEREAS**, on June 25, 2007, the City Council of the City of Visalia finds the approval of the revocation of Conditional Use Permit No. 99-03 to be in accordance with Chapter 17.38 (Conditional Use Permits) of the Zoning Ordinance of the City of Visalia based on the evidence contained in the staff report; and

**WHEREAS**, the City Council of the City of Visalia finds that the requested appeal of the approval of the revocation of Conditional Use Permit No. 99-03 conflicts with the findings of the Planning Commission and the evidence provided by public testimony.

**NOW, THEREFORE, BE IT RESOLVED** that the City Council of the City of Visalia denies the appeal and upholds the approval of the revocation of Conditional Use Permit No. 99-03, based on findings and evidence as follows:

1. That the conditions of approval for Conditional Use Permit No. 99-03 have not been complied with.
2. That the surrounding neighborhoods were negatively impacted by the illegal recycling operations occurring at both facilities.
3. That the Appellant was given multiple opportunities to comply with the conditions of approval applicable to both sites, but failed to adhere to those conditions prior to the Cease and Desist Order issued.

RESOLUTION NO. 2007-63

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF VISALIA UPHOLDING  
THE PLANNING COMMISSION'S APPROVAL TO REVOKE CONDITIONAL USE  
PERMIT NO. 2003-09 FOR A SMALL COLLECTION AND LIGHT PROCESSING  
RECYCLING FACILITY LOCATED AT 1043 EAST HOUSTON AVENUE  
(APN: 094-140-036)

**WHEREAS**, on June 11, 2007, the Planning Commission of the City of Visalia approved the revocation of Conditional Use Permit No. 2003-09 for a small collection and light processing recycling facility owned by B.C. Recycling, located at 1043 East Houston Avenue (APN: 094-140-036); and

**WHEREAS**, on June 14, 2007, Adolfo Ramirez (Appellant), owner-applicant of B.C. Recycling, appealed the approval of the revocation of Conditional Use Permit No. 2003-09; and

**WHEREAS**, on June 25, 2007, the City Council of the City of Visalia finds the approval of the revocation of Conditional Use Permit No. 2003-09 to be in accordance with Chapter 17.38 (Conditional Use Permits) of the Zoning Ordinance of the City of Visalia based on the evidence contained in the staff report; and

**WHEREAS**, the City Council of the City of Visalia finds that the requested appeal of the approval of the revocation of Conditional Use Permit No. 2003-09 conflicts with the findings of the Planning Commission and the evidence provided by public testimony.

**NOW, THEREFORE, BE IT RESOLVED** that the City Council of the City of Visalia denies the appeal and upholds the approval of the revocation of Conditional Use Permit No. 2003-09, based on findings and evidence as follows:

1. That the conditions of approval for Conditional Use Permit No. 2003-09 have not been complied with.
2. That the surrounding neighborhoods were negatively impacted by the illegal recycling operations occurring at both facilities.
3. That the Appellant was given multiple opportunities to comply with the conditions of approval applicable to both sites, but failed to adhere to those conditions prior to the Cease and Desist Orders issued.

# City of Visalia Agenda Item Transmittal

**Meeting Date:** June 25, 2007

**Agenda Item Number (Assigned by City Clerk):** 10

**Agenda Item Wording:** First reading of **Ordinance 2007-13** approving the Citizens Advisory Committee (CAC) recommendation to adjust the monthly compensation to City Council members to \$800, eliminating the stipend, and implementing an automatic inflation factor that compounds annually for future compensation increases. (Ordinance required)

**Deadline for Action:** November 1, 2007

**Submitting Department:** Administration - Finance

**Contact Name and Phone Number:**

Cass Cook 713-4425, CAC Staff Liaison  
Leslie B. Caviglia 713-4317

**Recommendation**

Introduction of **Ordinance 2007-** approving the Citizens Advisory Committee (CAC) recommendation to increase Council member monthly compensation from \$500 to \$800, eliminating the monthly stipend when the increase is realized, and implementing an automatic inflation factor that compounds annually.

**Discussion**

The CAC conducted a survey (methodology follows) as part of the process of considering Council compensation. Based on this survey and several discussions within the sub-committee and committee, the CAC recommended increasing the Council's compensation at the June 4 City Council meeting. The CAC recommended an increase from \$500 to \$800, to include the current \$60 stipend which will be eliminated upon adoption and full implementation of this ordinance.

After considerable discussion, Council directed staff to prepare the appropriate ordinance to adjust the compensation as recommended by the CAC, and to include an automatic inflation factor that would compound annually. The City Council has not received a compensation increase in more than 16 years. During that time, the Council compensation has obviously not kept pace with inflation, or with other like cities of similar population. To avoid a similar situation in the future, an inflation factor is being included.

Staff is recommending that the California Consumer Price Index (CPI) be used as the inflation factor for recalculating the Council compensation on an annual basis. While there was some discussion during the Council meeting of using employee salary increases as the factor, staff believes there are too many variables to make employee salary increases a good factor. The

**For action by:**

City Council  
 Redev. Agency Bd.  
 Cap. Impr. Corp.  
 VPFA

**For placement on which agenda:**

Work Session  
 Closed Session

**Regular Session:**

Consent Calendar  
 Regular Item  
 Public Hearing

Est. Time (Min.):\_10\_\_

**Review:**

**Dept. Head LBC 61907  
(Initials & date required)**

**Finance \_\_\_\_\_  
City Atty \_\_\_\_\_  
(Initials & date required  
or N/A)**

**City Mgr \_\_\_\_\_  
(Initials Required)**

If report is being re-routed after revisions leave date of initials if no significant change has affected Finance or City Attorney Review.

number and varying size of employee groups, different implementation dates, and the possibility of the perceived perception that Council could be giving employee increases as a way to increase Council salaries were some of the complexities. Instead, CPI is a independent standard that is based on inflation within the state.

The following example is being provided to clarify how the inflation factor would work. The numbers cited are for discussion purposes only and in no way reflect the California CPI. Assuming the CPI increase as of July 1, 2008 was 3% and as of July 1, 2009 was 2%, the monthly compensation with the inflation factor for the Council Members elected in 2009 would be as follows:

$$\$800 + \$24 \text{ (3\% of \$800)} + \$16.48 \text{ (2\% of \$824)} = \$840.48 \text{ in 2009}$$

Assuming that the CPI increase in July 1, 2010 and 2011 were 3%, the monthly compensation for the Council Members elected in 2011 would be as follows:

$$\$840.48 + \$25.21 \text{ (3\% of \$840.48)} + \$25.97 \text{ (3\% of \$866.45)} = \$891.66 \text{ in 2011}$$

Council Members cannot, per the charter, increase their own salaries. Therefore, if approved by Council, the two Council members elected in November of 2007 would receive the new amount (\$800) after they are sworn in later this year. The increase with the inflation factor would not be applicable for the remaining three seats until after the election in 2009; therefore, these Council Members would continue to receive \$500 plus the stipend until after the 2009 election. Should a vacancy occur, the new Council Member would receive the applicable new compensation, since they would not have approved the increase.

### **Background**

A survey of Council compensation was administered to 16 California charter cities. Of the total, 8 were located in the Central Valley, 4 were from northern California and 4 from southern California. The population for the cities from northern and southern California was roughly equivalent to Visalia's population. Each city was asked questions regarding their population, budget, number of council members, and the compensation provided to their council members. The CAC sub-committee analyzed the data to determine a recommendation for Visalia's City Council.

After significant review and discussion, the CAC recommended discontinuing the \$60 per month stipend and increasing the monthly salary by \$500 to \$800. Health and retirement benefits would remain unchanged. Increasing the Council Members salary to \$800 per month will provide a modest increase and raise their salary equal with those serving in Modesto.

### *Stipend*

The CAC recommended eliminating the \$60 monthly stipend. The purpose of the stipend is to pay for expenses related to City Council members attending various events or meetings which are beneficial to the City to have Council representation in attendance. Recent changes in California state law limit the types of events for which the stipend could be used. To avoid confusion in determining which events are eligible to be paid for from the stipend, the CAC recommends eliminating the stipend as the increased salaries are implemented.

### *Total Compensation*

The last adjustment to the Council's compensation was in 1991, when the monthly salary was increased from \$400 to \$500. Recommendations have been brought to Council by the CAC three times since the 1991 increase, but the Council has declined to raise the compensation level. See Table 1 Council Compensation History.

**Table 1 Council Compensation History**

PROPOSED	CHANGE	EFFECTIVE
November 1999	CAC recommended increase, Council did not adopt	-
June 1996	CAC recommended increase, Council did not adopt	-
June 1994	CAC recommended increase, Council did not adopt	-
July 1990	Increased to \$500	November 1991
September 1988	Increased to \$400	December 1989
March 1984	Increased to \$300*	December 1985

\*1984 is the last year for which information was readily available.

The recommendation to raise the monthly salary is based on several factors:

- 1) According to the survey, the average Council salary was \$937 for cities with populations from 86,000 to 121,000. The \$300 pay raise would be \$137 below the average. See Table 2 Salary Survey.
- 2) The adjustment is equivalent to an annual 3% growth rate since 1991.
- 3) The council has not had a raise since 1990.

**Table 2 Salary Survey**

	MONTHLY SALARY	MONTHLY STIPEND	POPULATION
Berkeley	2,272	803	104,603
Richmond	1,222	-	103,012
Clovis	1,102	-	86,015
Burbank	1,024	-	106,739
Vallejo	900	-	121,221
Modesto	800	-	207,634
<b>Visalia (proposed)</b>	800	-	117,744
Downey	665	-	113,607
San Mateo	600	-	94,212
Ventura	600	-	106,096
<b>Visalia (current)</b>	500	60	117,744
Lodi	500	-	62,467
Turlock	500	-	67,009
Hanford	400	-	48,070
Bakersfield	100	-	295,893
Merced	-	70	73,610
Inglewood	52	-	118,164
Tulare	\$5/meeting	-	49,477

**Alternatives:** Increase the Council compensation by \$60 a month and eliminate the stipend.  
Not increase the compensation

**Recommended Motion (and Alternative Motions if expected):**

Move to introduce **Ordinance 2007-13** approving an increase in Council compensation, eliminating the stipend and implementing an automatic inflation factor based on the annual California CPI compounded annually.

***Environmental Assessment Status***

**CEQA Review:**

**NEPA Review:**

**Tracking Information:** *(Staff must list/include appropriate review, assessment, appointment and contract dates and other information that needs to be followed up on at a future date)  
CV-9's for the appropriate Council members should be completed following the election in every odd year, or whenever a new Council member is seated.*

Copies of this report have been provided to:

**ORDINANCE 2007 – 13**  
**AMENDING SECTION 2.02.080 OF THE ORDINANCE CODE RELATED TO COUNCIL MEMBER COMPENSATION AND PRESCRIBING THE EFFECTIVE DATES THEREOF**

WHEREAS the Visalia City Council monthly compensation has been unchanged since 1991; and

WHEREAS the Citizens Advisory Committee conducted a salary survey and based on that information, recommended that the proposed increase be adopted; and

WHEREAS an inflationary factor has been proposed to keep Council compensation in line with inflation; and

WHEREAS, the Council intends that any increase in monthly compensation be applied only at the commencement of a Council member's term, in conformance with provisions of the Visalia Charter;

NOW THEREFORE BE IT ORDAINED BY THE COUNCIL OF THE CITY OF VISALIA:

**Section 1:** Section 2.04.080 (Council Compensation) of Chapter 2.04 of Title 2 of the Visalia Municipal Code is hereby amended to read:

SECTION 2.04.080 (COUNCIL COMPENSATION)

- A. The compensation for Council Members shall be \$800 per month, effective upon the commencement of the terms of the newly elected Council Members following the November, 2007, election, to be applied only to those Council Members elected or reelected at that time.
- B. The Council Member monthly compensation will be increased annually by the California Consumer Price Index.
- C. The compensation amount in effect at the commencement of a Council member's term shall be the compensation amount received by that Council member for the duration of that term, and no increase in monthly compensation shall be applied during a Council member's term.

**Section 2: Severability.** If any section, subsection, subdivision, paragraph, sentence, clause or phrase of this Ordinance, or its application to any person or circumstances, is for any reason held to be invalid or unenforceable, such invalidity or unenforceability shall not effect the validity or enforceability of the remaining sections, subsections, subdivisions, paragraphs, sentences, clauses or phrases of this Ordinance, or its application to any other person or circumstance. The City Council of the City of Visalia hereby declares that it would have adopted each section, subsection, subdivision, paragraph, sentence, clause or phrase hereof, irrespective of the fact that any one or more other sections, subsections, subdivisions, paragraphs, sentences, clauses or phrases hereof be declared invalid or unenforceable.

**Section 3: Effective Date.** This Ordinance shall take effect thirty days after its adoption.

**Section 4: Certification.** The City Clerk shall certify to the passage and adoption of this Ordinance and shall cause the same to be published or posted according to law.

PASSED AND ADOPTED:

\_\_\_\_\_  
Jesus Gamboa, Mayor

ATTEST:

\_\_\_\_\_  
Steve Salomon, City Clerk

APPROVED AS TO FORM  
BY CITY ATTORNEY:

\_\_\_\_\_  
Alex M. Peltzer, City Attorney