Gridley City Council – Regular City Council Meeting Agenda

Monday, November 20, 2017; 6:00 pm Gridley City Hall, 685 Kentucky Street, Gridley, CA 95948

"Our purpose is to continuously enhance our community's vitality and overall quality of life. We are committed to providing high quality, cost-effective municipal services and forming productive partnerships with our residents and regional organizations. We collectively develop, share, and are guided by a clear vision, values, and meaningful objectives."

CALL TO ORDER - Mayor Hall

ROLL CALL - Recording Secretary

PLEDGE OF ALLEGIANCE - Councilmember Borges

INVOCATION - Reverend Dan Boeger, St. Timothy's Episcopal Church

PROCLAMATIONS - None

COMMUNITY PARTICIPATION FORUM - Members of the public may address the City Council on matters not listed on the agenda. The City Council may not discuss nor take action on any community participation item brought forward by a member of the community. Comments are requested to be limited to three (3) minutes.

CONSENT AGENDA – Items 1 and 2 of the Consent Agenda and are considered routine and acted upon by one motion. Any Council member may request that an item be removed for separate consideration. The City Council may only make minor comments; otherwise the item should be removed from the Consent Agenda and placed as the first item(s) under "Items for Council Consideration".

- 1. City Services Update
- 2. City Council minutes dated November 6, 2017

PUBLIC HEARING

- Second Reading and Adoption of Ordinance 831-2017: An Ordinance of the City of Gridley to amend Chapter 14, Development Impact Fees, to the Gridley Municipal Code establishing reduced development impact fees for second residential units.
 - a. Receive Staff Report
 - b. Open Public Hearing
 - c. Receive Public Comment
 - d. Close Public Hearing
 - e. Council discussion

Adopt Ordinance 831-2017 by reading of title only, and determine the project is Categorically Exempt per the California Environmental Quality Act, Section 15061(b) (3), and Review for Exemption, General Rule.

- 4. 2017 Community Development Block Grant (CDBG) Application Submittal Public Hearing
 - a. Receive Staff Report
 - b. Open Public Hearing
 - c. Receive Public Comment
 - d. Close Public Hearing

Approve Resolution No. 2017-R-030: A Resolution of the City Council of the City of Gridley Approving an Application for Funding and the Execution of a Grant Agreement and any Amendments Thereto From the 2017 Funding Year of the State CDBG Program

OTHER ITEMS FOR COUNCIL CONSIDERATION

- 5. Waste Water Treatment Plant Truck Replacement
- 6. Overview of Gridley Electric Fund and Potential Rate Changes

CITY STAFF AND COUNCIL COMMITTEE REPORTS - Brief updates from City staff and brief reports on conferences, seminars, and meetings attended by the Mayor and City Council members, if any.

POTENTIAL FUTURE CITY COUNCIL ITEMS - (Appearing on the Agenda within 30-90 days):

Sewer Pond Improvements and Policies	12/4/2017
Potential Electric Rate Changes	12/18/2017
General Fund fee study work session	1/15/2018

CLOSED SESSION

- 7. Government Code 54956.9, Conference with Legal Counsel Concerning Anticipated Litigation
- 8. Government Code 54957(b), Public Employment, Finance Director

ADJOURNMENT – adjourning to the next regularly scheduled meeting on December 4, 2017

NOTE 1: **POSTING OF AGENDA-** This agenda was posted on the public bulletin board at City Hall at or before 6:00 p.m., November 17, 2017, in accordance with Government Code Section 54954.2. This agenda along with all attachments is available for public viewing online at <u>www.gridley.ca.us</u> and at the Administration counter in City Hall, 685 Kentucky Street, Gridley, CA.

NOTE 2: REGARDING UNSCHEDULED MATTERS – In accordance with state law, it shall be the policy of this Council that no action shall be taken on any item presented during the public forum or on unscheduled matters unless the Council, by majority vote, determines that an emergency situation exists, or, unless the Council by a two-thirds vote finds that the need to take action arose subsequent to the posting of this agenda.

City Council Agenda Item #1 Staff Report

Date:	November 20, 2017	X	Regular
			Special
То:	Mayor and City Council		Closed
France	Devil Felsent, City Administrator		Emergency
From:	Paul Eckert, City Administrator		
Subject:	City Services Update		

Recommendation

Staff respectfully requests the Mayor and City Council review and accept the attached City Services Update.

Background and Compliance with City Council Strategic Plan or Budget Goals

The attached Update is provided to the Mayor and City Council in keeping with the Council's commitment to ensure that all members of our community are fully informed of all City activities and initiatives. The Update is shared online at <u>http://www.gridley.ca.us/</u>. The Update is also shared timely with all City of Gridley coworkers.

Financial Impact

There are no financial impacts associated with this Agenda item. Council review and acceptance of the City Services Update is consistent with our ongoing efforts to transparently share all City financial and budgetary information.

Attachments:

City Services Update

City of Gridley

To: Mayor Hall and City Councilmembers From: Paul Eckert, City Administrator Subject: City Services Weekly Update Date: October 24, 2017

Thank you for your leadership and dedication to the Gridley community!

This Weekly Update is intended to provide useful and timely updates to the Gridley Community, Visitors, our Elected Officials, and our City Coworkers. We regret if we have inadvertently omitted useful items from this report. As always, your input and guidance are appreciated. Please send any response to me directly and do not "copy all."

Finance

- The City Administrator, Finance Department, Information Technology, and Electric and Public Works Leadership are currently working to improve our Utility Billing Processes.
- The Finance Department is very active with financial year end closing; preparation for the annual audit and onsite work; development of a wide array of grant responsibilities; payroll and benefits issues; worker's compensation cases; and organization of all work areas and file systems.
- The Fiscal Year 2017/18 Operating Budget and Capital Improvements Plans can be found online at http://gridley.ca.us/public/uploads/pdfs/17-18_ADOPTED_BUDGET_DOCUMENT.pdf
- The City's transit vehicle use is described below. This service is in addition to the Butte County Transit System that serves Gridley and the region.

Month	Passengers	Days of Service	Riders Per Day	Total Miles	Average of Daily Miles
January	721	21	34	1152	55
February	519	20	26	906	45
March	764	23	33	703	31
April	595	20	30	1472	73
May	590	20	30	1322	66
June	790	22	36	1409	64
July	606	20	30	1154	58
August	584	23	25	1221	53
September	892	21	42	1149	46

Electric Utility

- Safety Training Crews took part in safety training provided by Evergreen Job and Safety. Topics covered included accidents and near misses here in Gridley and in the industry; safety concerns on the job; and project reviews. Our Crews also completed the annual "Heart Man Rescue" drill which included pole top Rescue and Bucket Truck Rescue (see adjacent photo. The training is required annually.
- Tree Trimming Electrical Crews completed tree trimming around the 12,000-volt distribution lines in the City of Biggs. This completes the annual tree trimming for the Cities of Gridley and Biggs
- Substation Weekly checks of the Substation and Line Re-Closers were completed for Gridley and Biggs.
- Service Calls Customer requested to have their service disconnected to allow a tree removal on Spruce Street. The service was reconnected at the completion of the project. 1010 Sage Street requested to have their service



trimming in Biggs.
Recreation Facilities - Electrical/Public Works staff assisted the Recreation Department with the reorganization of the storage area located at Vierra Park. Efforts included the removal of old storage racks; cleaning the area; painting the floor; and installing new storage racks. This is an on-going project which will include the installation of more storage racks and re-organization of the Kitchen and Pre-School areas.

Electrical Department Activity	Gridley	Biggs
Street Light Repairs	3	0
Nonpayment Shut-off/turn on	0	0
Underground Service Alerts	7	2
Sets & Outs	10	0
Service calls	0	0
Trim/Remove tree	0	0
Discrepancy Report Items	0	0
After Hours Call out's	1	0
Solar Read	0	0

<u>Fire</u>

- Gridley Fire emergency responses for the past week are provided in the adjacent table.
- Gridley Fire taught fire prevention to sixty 2nd and 3rd graders at Manzanita School.
- Gridley Fire responded to a double-wide mobile home fire on Watt. There were no injuries.
- E74 extinguished a one-acre vegetation fire off of Independence.
- Gridley Fire responded to a non-injury vehicle accident involving a school bus.
- Employees continue safety and physical training and new employees are currently training to become Truck Operators.
- Weekly Emergency Responses City County Medical Aids 19 5 1 Traffic Collisions 2 Structure Fires 0 4 Vegetation Fires 1 1 Vehicle Fires 0 0 **Public Assist** 0 1 0 1 **Cover Assignments** Other (smoke checks, hazardous 2 conditions, control burns, etc) 0 **Technical Rescues** 0 0
- Fire Volunteers Wanted If you know of anyone who may want to get involved and make a difference by helping neighbors and friends, please encourage them to become a Gridley Volunteer Firefighter! The City of Gridley is a combination Fire Department with full-time CAL FIRE Firefighters and Gridley area resident Volunteer Firefighters. Our Volunteers meet regularly for training. Training is conducted cooperatively with Butte County Fire and includes all basic firefighting skills: first aid, ladders, breathing apparatus use, hose streams, vehicle extrication,



etc. This ongoing training is in addition to the initial basic operations training course. For more information about becoming a Gridley Volunteer Firefighter, go to <u>www.joinbcfd.org</u> and submit a Volunteer Firefighter Interest Form.

Police

- Animal Control personnel are encouraging our community canine owners to license their dogs. This provides a great record for any pet owner if they should lose their dog and enables Animal Control staff to find and return their pet.
- Animal Control continues to provide proactive patrol and compassion for lost/stray animals.
- Police patrol was active in both communities of Gridley and Biggs. The Department served several local arrest warrants during the week.
- Police patrol personnel continue to provide foot patrol in Daddow Park and Vierra Park. The Police Department continues to encourage safe and responsible experiences while visiting our community parks.
- The Department has been focused on long-term inoperable and abandoned vehicles in both the City of Gridley and the City of Biggs. Some vehicles have been lawfully removed to ensure clean, safe streets for our communities.
- Police personnel attended Driving Under the Influence of Marijuana training in Sacramento. Officers are instructed in assessing marijuana impaired drivers and the legal issues pertaining to these arrests.
- Police personnel attended the monthly North Valley Gang Information Network meeting in Oroville. The attendees discuss gang trends and enforcement efforts in Butte County.
- Police Administration attended the monthly Butte Narcotics Interagency Task Force meeting and the Law Enforcement Administrators meeting in Oroville.
- The Police Department held panel interviews for the vacant position of Police Officer. Four candidates were interviewed with all four receiving passing scores. The Department will begin the background process on the top candidate in the weeks to come.
- The Department continues in its goal to provide quality service in all aspects of public safety to the citizens we serve. The September 2017 statistics are provided below:

City of Gridley - Police Activity	September 2017	Year Total
Adult Arrests	56	536
Juvenile Arrests	4	17
Misdemeanor Arrests	52	471
Felony Arrests	7	74
Felony Crimes Reported	23	120
Misdemeanor Crimes	42	507
Total Police Incidents*	1,360	10,535
Battery	6	85
Burglary	6	57
Deceased Person	2	12
Vandalism	3	56
Stolen Vehicle	4	17
Robbery	0	2
Public Intoxication	3	43
Patrol Request	100	336
Medical Aid	4	264
Area Checks	182	1,221
Pedestrian Checks	57	498
Disturbing the Peace	31	251

Total 911 Calls	265	2,539
Total Accidents	7	65
Name Exchanges	2	10
Total Traffic Citations	62	497
DUI Arrests	0	16
Traffic Stops	210	1,536
Extra Help Hours	371.50	2,787.25
RSVP Hours	16	160
"Police Incidents" are those Police responses origin walk-ins at the Police lobby, Police Officer se communications.		•

Public Works

The Public Works Department Leadership and Crewmembers are responsible for a broad array of important duties including: Water Distribution; Water Production; Sanitary Sewer Collection; the Wastewater Treatment Plant; Street and Sidewalk Maintenance; our Maintenance Districts; Parks Maintenance; City Building maintenance. Maintenance; City Building and Facility Maintenance.

- Public Works Crews have completed monthly water meter re-reads.
- Crews continue work on building an access road at Ponds 1 and 2.
- Crews continue paving damaged areas throughout the City.
- Public Works Crews continue work on building a safety/maintenance platform around the Auger at the Sewer Plant Headworks.
- Crews have started pruning trees around the walking path at Eagle Meadows. Public Works Crews have completed pruning at the Sewer plant. Crews have completed pruning at the Sewer Plant, Heron Landing Parkway, and around all the Well-houses in Town. Crews continue pruning trees



around sidewalks and street signs in various locations throughout the city.

- Crews repaired damaged split rail fence at Heron Landing Parkway.
- Street sweeping was performed this week.

Production Well	Volume Pumped	Calc. Fl	Calc. Chlor
Eagle Meadows	25.041 M.G.	.72 mg/l	.2036 mg/l
Spruce	00.000 M.G.	.00 mg/l	.0000 mg/l
Wilson	00.000 M.G.	.00 mg/l	.0000 mg/l
Little Ave.	11.557 M.G	.65 mg/l	.2169 mg/l
Liberty	18.277 M.G	.68 mg/l	.2436 mg/l
Parkside	11.612 M.G.	.64 mg/l	.2635 mg/l
Monthly Water Production	n		
Total water pumped to sys	tem:		66.487 M.G.
Ave. chlorine residual in th	e system:		.18 mg/l
Ave. tested fluoride in the	system:		.75 mg/l
Lab tested fluoride in the s	ystem:		.8 mg/l

Past Month's Flow's at the Waste Water Treatment Plant



Recreation

- Basketball registration will be open through November 3rd. The fee will be \$65. The Division has also begun working with parents in order to form a governing board with hopes that they will be able to take over the league by next season.
- The Division will be providing clean up support to the Chamber of Commerce Holiday Light Parade. The Division has also begun its Breakfast with Santa Programs. Flyers have been completed and emailed to area schools and will be post on our City website as well as on our Gridley Recreation Facebook site and the Gridley Chamber of Commerce web/FB sites.
- Checkout Recreation's Facebook page at <u>https://www.facebook.com/groups/120025737091/</u>
- The Recreation Community Center meeting rooms are available for rent on evenings and weekends. The rental fee is \$100 per room, with an additional refundable \$50 cleaning deposit.

City Council Formal Calendar

- The City Council will hold its next Regular City Council meeting on Monday, November 6th at 6:00 pm at City Hall.
- The Butte County Board of Supervisors Agenda for the 9:00 am meeting on Tuesday, October 24th in Oroville can be accessed at the following link: <u>http://www.buttecounty.net/boardofsupervisors/BoardMeetings.aspx</u>

Thank you for your ongoing support and guidance.

Respectfully,

paul

Gridley City Council – DRAFT City Council Meeting Minutes

Monday, November 6, 2017; 6:00 pm Gridley City Hall, 685 Kentucky Street, Gridley, CA 95948

"Our purpose is to continuously enhance our community's vitality and overall quality of life. We are committed to providing high quality, cost-effective municipal services and forming productive partnerships with our residents and regional organizations. We collectively develop, share, and are guided by a clear vision, values, and meaningful objectives."

CALL TO ORDER

Mayor Hall called the meeting to order at 6:00 p.m.

ROLL CALL

Councilmembers	
Present:	Johnson, Hall, Davidson
Absent:	Borges, Williams
Arriving post roll call:	None
Staff present:	Paul Eckert, City Admini

Paul Eckert, City Administrator Tony Galyean, City Attorney Daryl Dye, Public Works/Electric Superintendent Donna Decker, Planning Consultant

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Councilmember Davidson.

INVOCATION

Pastor Bill Hammond of the Lighthouse Tabernacle gave the invocation.

PROCLAMATIONS - None

COMMUNITY PARTICIPATION FORUM

The Mayor opened the forum and seeing no one present wishing to speak, the forum was closed.

CONSENT AGENDA

- 1. City Services Update
- 2. City Council minutes dated October 16, 2017

Motion to approve consent agenda items by Vice Mayor Johnson, seconded by Councilmember Davidson.

Motion passed, all in favor

PUBLIC HEARING

3. Introduction and First Reading of Ordinance 831-2017: An Ordinance of the City of Gridley to amend Chapter 14, Development Impact Fees, to the Gridley Municipal Code establishing reduced development impact fees for second residential units.

Donna Decker addressed Council and reviewed the staff report. She reviewed the current impact fees, what the proposed reduced fees would be without separation of utilities and what they would be with separation of utilities. She also reiterated that second units are allowed up to 1200 square feet. There was no public comment.

Motion for introduction and first reading of Ordinance 831-2017 by Councilmember Davidson, seconded by Vice Mayor Johnson.

ROLL CALL VOTE Ayes: Davidson, Hall, Johnson Motion passed, 3-0

OTHER ITEMS FOR COUNCIL CONSIDERATION

4. FEMA funded purchase of replacement Boat Dock

Daryl Dye addressed Council and briefly reviewed his staff report. There were no questions and very little discussion among Council. The contract was awarded to Mid-Cal Construction by consensus.

CITY STAFF AND COUNCIL COMMITTEE REPORTS

Vice Mayor Johnson reported on his attendance at the Butte County Air Quality and Butte County Association of Governments meetings. Councilmember Davidson reported on his attendance at the Northern California Power Agency meeting.

POTENTIAL FUTURE CITY COUNCIL ITEMS - (Appearing on the Agenda within 30-90 days):

Electric Rate Discussion	11/20/2017
CDBG First Time Homebuyers Grant Application	11/20/2017
Sewer Pond Improvements and Policies	12/4/2017
General Fund fee study work session	1/15/2018

CLOSED SESSION - None

ADJOURNMENT

With no further items for discussion, Council adjourned at 6:25 p.m. to the next regularly scheduled meeting on November 20.

Paul Eckert, City Clerk

City Council Agenda Item #3 Staff Report

X Regular

Date:	November 20, 2017		Special	
			Closed	
То:	Mayor and City Council		Emergency	
From:	Donna Decker, Planning Department	ecker, Planning Department		
Subject:	Second Reading and Adoption of Ordinance 831-2017: An Ordinance of the City of Gridley to amend Chapter 14, Development Impact Fees, to the Gridley Municipal Code establishing reduced development impact fees for second residential units.			

Recommendation

Staff respectfully requests the City Council:

- 1. Receive staff report
- 2. Open public hearing
- 3. Hear public testimony
- 4. Close public hearing
- 5. Council discussion
- 6. Adopt Ordinance 831-2017 by reading of title only, and determine the project is
- Categorically Exempt per the California Environmental Quality Act, Section 15061(b) (3), and Review for Exemption, General Rule.

Background

On November 6, 2017 the City Council considered the recommendations of the Planning Commission for the proposed amendments to Chapter 14, Development Impact Fees, providing a reduction of impact fees for the conversion of existing structures to second residential units as well as impact fees for new second residential units.

The City Council voted to approve Ordinance 831-2017 by introducing the ordinance by reading of title only; the ordinance returns to the City Council for its second reading becoming effective thirty (30) days thereafter.

The City Council approved the reduction of impact fees as shown in Table 1 below:

Description	Development Impact Fee	Reduced Fee*	Collection/Distribution (No reduction)	Connection (No reduction)
Sewer	\$10,970	\$1,645 (15%)	\$1,750	\$1,850
Water	\$2 <i>,</i> 325	\$348.75(15%)	\$746.01	\$1,955.54
Electric	\$998 (Up to 200A)	\$499.00(50%)	\$900.00	\$900.00
Fire	\$1,601.00	\$1,601.00(100%)		
Police	\$119.00	\$119.00(100%)		
Parks &	\$3,659.00	\$548.85(15%)		
Recreation				
Streets &	\$1,461.00	\$730.50(50%)		
Roads				
Subtotal	\$21,133.00	\$5,492.10 (75%	\$3,396.01	\$4,705.54
		reduction)		
Total (existing)	\$29,234.55			
Total		\$13,593.65(64%		
(proposed)		reduction)		

Table 1: Proposed reduced Development Impact Fee for Second Units

The City Council unanimously agreed that the primary service demand would be Fire, Police, Parks and Streets and recognized that most of the payment of impact fees at the time of building permit issuance would be as shown below in Table 2. If utilities were to be separate from the primary residence the impact fees for sewer, water, and electric would need to be paid in accordance with Table 1 above.

\$2,999.35 (57% reduction)

Separation of utilities				
Description	Development Impact Fee	Reduced Fee		
Fire	\$1,601.00	\$1,601.00(100%)		
Police	\$119.00	\$119.00(100%)		
Parks &	\$3,659.00	\$548.85(15%)		
Recreation				
Streets & Roads	\$1,461.00	\$730.50(50%)		
Total (existing)	\$6,840.00			

Total

(proposed)

 Table 2:
 Development Impact Fee for Second Units without

 Separation of utilities

The reduced fee of \$2,999.35 would be paid as the development impact fee for the conversion of an existing garage or accessory structure to habitable space as a second residential unit at the time of building permit issuance.

Conclusion

The proposed fee reduction reflects the goals and policies in the General Plan Housing Element and the Infill Design Guidelines.

Public Notice

At the November 6, 2017 City Council meeting, the project was noted the second reading would return on November 20, 2017, posted at City Hall, made available at the Administration public counter and placed on the City website for review. At the time this report was prepared, no comments had been received.

Environmental Review

The project is categorically exempt per the California Environmental Quality Act, Section 15061(b)(3), Review for Exemption, General Rule.

Financial Impact

Development impact fees are designed to be a method cities use to collect funds at the time of building permit issuance to offset future maintenance and upgrades to aging facilities. The impact of the conversion of existing accessory structures to second residential units is minor in contrast to new development.

Compliance with City Council Strategic Plan or Budget Goals

This recommendation is consistent with the ongoing effort to be responsive and transparent regarding all financial matters.

Attachments:

1. Ordinance 831-2017

ORDINANCE AMENDING TITLE 14, DEVELOPMENT IMPACT FEES OF THE GRIDLEY MUNICIPAL CODE REDUCING DEVELOPMENT IMPACT FEES FOR SECOND RESIDENTIAL UNITS (Citywide)

WHEREAS, the City of Gridley adopted goals and policies in support of infill housing and second residential units memorialized in the adopted 2030 General Plan, the 2014-2022 Housing Element Update, and the Infill Design Guidelines adopted in December, 2016; and,

WHEREAS, the General Plan Housing Element emphasizes the continued need to support second residential units providing affordable housing inventory that can be used by family members or rented; and,

WHEREAS, on October 9, 2017, at its public hearing duly advertised ten days in advance of the meeting, the Planning Commission considered the reduction of development impact fees for the conversion of existing accessory structures to habitable space as second residential units and new construction of second residential units determining the fee reduction to be appropriate, recommending the City Council amend Chapter 14, Development Impact Fees, to reduce fees for Second Residential Units; and,

WHEREAS, the Planning Commission found the proposed ordinance categorically exempt from CEQA, Section 15061(b)(3), Review for Exemption, General Rule; and,

WHEREAS, the City Council considered the recommendation of the Planning Commission for the reduction of development impact fees and the finding that the proposed ordinance is categorically exempt from CEQA; and,

WHEREAS, the City Council duly introduced Ordinance 831-2017 by reading of title only at a regular meeting of the City Council held on November 6, 2017; and,

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF GRIDLEY DOES HEREBY ORDAIN AS FOLLOWS:

SECTION 1: Add Section 14.04.050, Reduced Impact Fees for Second Residential Units, to Title 14, Development Impact Fees, Chapter 14.04; Impact Fees for Public Facilities and Services, and remove and replace Section 14.04.030, Establishing development impact fees as follows:

Chapter 14.04 Impact Fees for Public Facilities and Services

- 14.04.010 Purpose and Authority.
- 14.04.020 No Mandatory Duty of Care.
- 14.04.030 Establishing Development Impact Fees.
- 14.04.040 Collection of Development Impact Fees.
- 14.04.050 Reduced Impact Fees for Second Residential Units.

14.04.010 Purpose and authority.

The purpose of this chapter is relating to development impact fees for public facilities and services within the City to make them applicable in all parts of the City. The City Council enacts this chapter pursuant to the authority granted cities by Article XI, Section 7 of the California Constitution.

(Ord. 744 (part), 2005)

14.04.020 No mandatory duty of care.

This chapter is not intended to and shall not be construed or given effect in a manner that imposes upon the City or any officer or employee thereof a mandatory duty of care towards persons and property within or without the City, so as to provide a basis of civil liability for damages, except as otherwise imposed by law.

(Ord. 744 (part), 2005)

14.04.030 Establishing development impact fees.

A. That new development in the City shall be required to pay their fair share of capital improvements needed as a result of the projected growth. Further, that the capital improvement cost for new growth is determined in the City Development Impact Fee Study.

B. That the City finds that it is necessary that its development impact fee for capital improvements go into effect immediately in order that all properties in the City pay their fair share of the cost associated with the improvements. Immediate implementation of these fees is necessary due to the current and immediate threat to public safety which will result should there be a shortfall in the amount of money necessary to pay for the various improvements therefore resulting in failure to the existing infrastructure. The City finds that the prospect of a revenue shortfall and failure of infrastructure continues a current, immediate threat to the public health, welfare and safety, which justifies the immediate imposition of these fees.

C. Development impact fees, collection, distribution, and collection fees shall be increased by 0.05 (one-half percent) annually, on or before July 1, utilizing Table 1, below, by resolution of the City Council.

D. That the amount of the Development Impact Fees shall be collected at issuance of the building permit and shall apply to all new construction within the City.

E. The City shall calculate the equivalent fee amount for non-residential uses, based on the single family residential rate prior to issuance of a building permit.

(Ord. 749, 2005; Ord. 747, 2005)

14.04.040 Collection of development impact fees.

A change in use of a parcel of property shall constitute new development for purposes of requiring the payment of development impact fees. Such fees shall be calculated based upon the new use of the property and shall be paid prior to the issuance of a building permit (to include a building permit for any existing structures on the property).

(Ord. 777, 2008)

14.04.050 Reduced Impact Fees for Second Residential Units.

A. Conversion of existing accessory structures to second residential units.

(1) Development impact fees are reduced as shown in the following Table 1:

Table 1:Reduced Development Impact Fee for the Conversion of Existing Accessory Structures to
Habitable Space to Create Second Residential Units

Description	Development Impact Fee (2017)	Reduced Fee Second Units 750 SF or less	Collection/Distribution (No reduction)	Connection (No reduction)
Sewer	\$10,970	\$1,645 (15%)	\$1,750	\$1,850
Water	\$2,325	\$348.75(15%)	\$746.01	\$1,955.54
Electric	\$998 (Up to 200A)	\$499.00(50%)	\$900.00	\$900.00
Fire	\$1,601.00	\$1,601.00(100%)		
Police	\$119.00	\$119.00(100%)		
Parks & Recreation	\$3,659.00	\$548.85(15%)		
Streets & Roads	\$1,461.00	\$730.50 (50%)		

(Adopted November 20, 2017, Effective date December 20, 2017)

The reduced fees will be adjusted each year in accordance with Section 14.04.030(C), Establishing Development Impact Fees, above. Amendment of the fees shall be by resolution of the City Council.

(2) Conversion of existing structures connected to utility services at the primary residence may pay development impact fees for Fire, Police, Parks & Recreation. If services are separated at the time of conversion or at a future date, the impact fees shall be paid for the sewer, water, and electric utilities.

B. Construction of new second residential units.

(1) Development impact fees for the construction of new second residential units up to and including 750 square feet shall be reduced in accordance with Table 1 above.

(2) Development impact fees shall not be allowed to be reduced for the construction of new second residential units over 750 square feet to the allowed maximum of 1,200 square feet.

(3) New construction of second units 750 square feet or less with sewer, water, and electrical services connected at the primary residence may pay development impact fees for Fire, Police, Parks & Recreation. If services are separated at a future date, the impact fees shall be paid for the sewer, water, and electric utilities at the current adopted rate.

(4) New construction of second units 751 square feet or more up to 1,200 square feet shall pay all development impact fees at the currently adopted rate.

I HEREBY CERTIFY that the second reading of Ordinance 831-2017 by reading of title only, was adopted was effected at the regular meeting of the City Council of the City of Gridley, California, held on the 20th day of November, 2017, by the following vote:

AYES: COUNCILMEMBERS

NOES: COUNCILMEMBERS

ABSENT: COUNCILMEMBERS

ABSTAIN: COUNCILMEMBERS

ATTEST:

APPROVE:

Paul Eckert, City Clerk

Frank Hall, Mayor

APPROVED AS TO FORM:

Anthony Galyean, City Attorney

City Council Agenda Item #4 Staff Report

Date:	November 20, 2017	Χ	Regular
			Special
То:	layor and City Council		Closed
From:	Paul Eckert, City Administrator		Emergency
Subject:	2017 Community Development Block Grant (CDBG) Applic Hearing	atio	n Submittal Public

Recommendation

Staff respectfully requests that the Mayor and City Council conduct a public hearing to discuss the submittal of an application in response to the 2017 State CDBG Notice of Funding Availability (NOFA) and to solicit citizen input. Upon conclusion of the public hearing, adopt a resolution approving the submittal of the 2017 CDBG application.

Background

On September 1, 2017, the State Department of Housing and Community Development (HCD) released the Notice of Funding Availability (NOFA) for the State CDBG program. Eligible cities and counties may submit applications for the CDBG funds to carry out housing and community development activities in their respective jurisdictions. All activities must meet one or more of three national objectives which include benefit to low and moderate income persons, prevention or elimination of slums or blight and urgent need.

After careful consideration, the following projects/programs have been identified that would benefit from this possible funding opportunity:

General Program Administration	\$	69,768
Housing Rehabilitation Program	\$	465,116
Homeownership Assistance Program	<u>\$</u>	465,116
TOTAL	\$	1,000,000

The total amount of this year's CDBG application is \$1,000,000. There is no general fund match requirement. Funds will be used to operate a housing rehabilitation loan program to expand the supply of decent, safe, sanitary and affordable housing, to correct health and safety hazards in deteriorated housing and to extend the useful life of existing housing units. Loans will be available to make necessary home repairs for up to eight (8) income-eligible households.

Funds will also be used to assist income-eligible first time homebuyers in purchasing a home within the Gridley city limits. The program will provide approximately 6 second mortgage gap loans to households making 80% or less of area median income, adjusted for family size, as

defined by HCD annually. Additional funding sources to purchase the home will come from first mortgage lenders and the buyers' down payment.

The purpose of this public hearing is to provide residents an opportunity to make their comments known on the activities proposed in the application.

The City's application will be scored and ranked against other applications received by HCD. The City can expect to receive notification of award in March, 2018.

The City Council conducted a public hearing on October 16, 2017, soliciting resident input on the types of eligible activities the City should apply for under the State CDBG program.

Fiscal Impact

There is no General Fund impact as a result of this proposal because there is not a local match requirement.

Compliance with City Council Strategic Plan or Budget Goals

This recommendation is provided to the Mayor and City Council in keeping with the Council's commitment to creating quality of life enhancement for community members and to ensure that members of our community are fully informed of all potential City activities and initiatives.

Attachment:

Resolution No. 2018-R-030

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GRILDEY APPROVING AN APPLICATION FOR FUNDING AND THE EXECUTION OF A GRANT AGREEMENT AND ANY AMENDMENTS THERETO FROM THE 2017 FUNDING YEAR OF THE STATE CDBG PROGRAM

BE IT RESOLVED by the City Council of the City of Gridley as follows:

SECTION 1:

The City Council has reviewed and hereby approves an application for up to \$1,000,000 for the following activities:

General Program Administration	\$	69,768
Housing Rehabilitation Program	\$	465,116
Homeownership Assistance Program	<u>\$</u>	465,116
TOTAL	\$	1,000,000

SECTION 2:

The City has determined that state and federal citizen participation requirements were met during the development of this application.

SECTION 3:

The City does not plan to commit any Local Funding Sources during the grant term to the aforementioned activities.

SECTION 4:

The City does not plan to submit any Supplemental activities to be funded during the expenditure period of the grant:

SECTION 5:

The City is not requesting a Waiver to the CDBG 50% Expenditure Rule.

SECTION 6:

The City hereby authorizes and directs the City Administrator, or designee, to sign this application and act on the City's behalf in all matters pertaining to this application.

SECTION 7:

If the application is approved, the City Administrator, or designee, is authorized to enter into and sign the grant agreement and any subsequent amendments with the State of California for the purposes of this grant.

SECTION 8:

If the application is approved, the City Administrator, or designee, is authorized to sign Funds Requests and other required reporting forms.

I HEREBY CERTIFY that the foregoing resolution was duly introduced and passed at a regular meeting of the City Council of the City of Gridley held on the 20th day of November, 2017, by the following vote:

AYES: COUNCILMEMBERS

NOES: COUNCILMEMBERS

ABSENT: COUNCILMEMBERS

ABSTAIN: COUNCILMEMBERS

ATTEST:

APPROVE:

Paul Eckert, City Clerk

Frank Hall, Mayor

City Council Agenda Item #5 Staff Report

Date:	November 20, 2017
То:	Mayor and City Council
From:	Daryl Dye, Public Works/Electrical Director
Subject:	Waste Water Treatment Plant Truck Replacement

Χ	Regular
	Special
	Closed
	Emergency

Recommendation

Staff respectfully requests the Mayor and City Council authorize the purchase and delivery of one Ford F-350 truck with utility bed from Gridley Country Ford in the amount of \$59,172.99.

Background

The operations of the waste water treatment plant require the use of two service trucks. One truck is utilized by the Treatment Plant Operator for making the required daily checks on the water distribution system, the waste water collection system, and the day to day operations at the treatment plant. The second truck is utilized by the "Operator in Training" personnel for daily State mandated on-the-job-training at the waste water treatment plant facility and various day to day operations. Staff seeks to replace the 1997 Ford F-350 service truck utilized in the operations at the waste water treatment plant that has 126,205 miles and has reached the end of its useful life. It will be reassigned to Public Works, re-tooled and used as a field service vehicle. The new truck will be equipped with a crane used to service equipment and motors located in manholes, and a bumper mounted crane used as a personnel rescue device.

Financial Impact

The purchase of the vehicle was budgeted for in the annual 2017/2018 budget process. Any remaining funds will be used in part to purchase needed tools for the new unit and to re-tool the 1997 unit in its new assignment. Funds will be taken from the sewer utility fund.

Compliance with City Council Strategic Plan or Budget Goals

This recommendation is consistent with our ongoing effort to be responsive and transparent regarding all business transactions and financial matters.

Attachment:

Bid comparison

	Gridley Ford, Gridley	Oroville Ford, Oroville
Vehicle Make	Ford	Ford
Vehicle Model	F-350	F-350
Vehicle Year	2017	2017
Color	White	White
Engine	6.2L EFI V8	6.2L EFI V8
Transmission Mileage	6 Spd (Auto) / 2WD New	6 Spd (Auto) / 2 WD New
Warranty	3 Years / 36,000 Miles	3 Years / 36,000 Miles
Retail Price	\$37,600.00	\$37,355.00
Taxes (sales price + Doc. Fee)	\$3 <i>,</i> 998.74	\$3,945.04
Document Prep. Fee CA Smog Fee + Transfer	\$80.00	\$80.00
Fee	\$0.00	\$29.00
Utility Bed/Cranes	\$17,475.00	\$17,714.32
Total "Out the Door" Price	\$59,153.74	\$59,123.36
Bid Comparison:		
Gridley Country Ford Bid Folsom Ford - State Contract	\$59,153.74	
Bid	\$59,123.36	

*** Price difference. Purchasing local stimulates local Gridley commerce.

Difference

\$30.38 *******

City Council Agenda Item #6 Staff Report

Date:	November 20, 2017	Χ	Regular
			Special
То:	Mayor and City Council		Closed
F # e # e	Devil Felsent City Administrator		Emergency
From:	Paul Eckert, City Administrator		
Subject:	Overview of Gridley Electric Fund and Potential Rate Char	nges	

Recommendation

Staff respectfully requests that the Mayor and City Council allow staff to provide the following report describing the City's Electric Enterprise Fund's current financial crisis and corresponding actions and possible solutions. No formal action is required. Rate recommendations will be provided at a future Council meeting.

Background

The City's Finance Director most recently presented information to the City Council and to the public at public Council meetings on May 1, 2017, June 5, 2017, and June 19, 2017 at which time the City Council adopted the annual Operating Budget. Detailed background was provided regarding the dire condition of the fund, the urgent actions undertaken to avoid a deficit, and the potential actions required, including rate adjustments, to be implemented in FY 2017-18 to avoid a deficit in the next fiscal year.

The Electric Enterprise Fund balance is not in current deficit but it is dangerously close. In short, the current financial crisis is the direct result of massive increases in power purchase commitments. These costs have increased by over a million dollars since FY 10-11. The unaudited Electric Fund Balance at June 30, 2017 was only \$25,000. This growing deficit represents a significant imminent threat to the City as a whole due to the General Funds significant reliance on the Electric Fund transfers.

As discussed at previous public meetings, the primary causes of the rapid loss of Electric Enterprise Fund balance are: 1) Statewide increases in electric power purchase costs primarily due to increased environmental regulation by the State of California; 2) Transmission System costs imposed by the State of California; 3) the City of Gridley's very large over purchase of power of the Lodi Energy Center (LEC) due to flawed growth projections.

Following more than 10 years of planning and construction, the Lodi Energy Center came online in recent years, triggering the need for the City to pay its portion of the debt service of approximately \$600,000 annually. The recent elimination of Electric Enterprise Fund Balance can be directly tied to the LEC starting up and going into full operation. The LEC liability is compounded by the City's contractual commitment that included a significant over purchase of power. Gridley's excessive power purchase commitment during the planning stages of the Lodi Energy Center during the period of roughly November 2006 through May 2010. As confirmed by a variety of sources, it was during that period that a very liberal forecasting method was utilized while calculating the City's future electric power needs.

Immediate Actions Recently Implemented to avoid Electric Fund Crisis – The City Council recently supported the following efforts to prevent the Electric Enterprise Fund from going negative in FY 17-18. The Council approved action items below represent \$1,530,000 of required "one-time" adjustments to the Electric Enterprise Fund. Stated otherwise, the Electric Fund was short by more than \$1,530,000.

- We increased our Electric Enterprise Fund by withdrawing \$400,000 from the NCPA General Operating Reserve they held for emergency reserves on our behalf.
- The City successfully completed extensive negotiations to recover \$168,000 from the City of Biggs for Electric Maintenance Services previously provided to Biggs.
- The annual Electric Operating Fund transfer was reduced to \$1.5 million instead of the routine amount of \$1.6 million in an effort to prevent the FY 17-18 projected year-end balance from going negative.
- The Electric Capital Fund transferred \$622,000 to the Electric Operating Fund to reimburse the capitalization of the T-3 substation construction project for the last three fiscal years.
- The Electric Capital Fund incurred \$180,000 in CIP project costs presented during the budget process.
- The Electric Construction Fund incurred \$60k in CIP project costs.
- We postponed construction of the \$120,000 electric building expansion in an effort to prevent the Electric Operating Fund from going negative.



Rate Discussion and Comparisons – The City Council has directed City staff to vigorously assess all other options prior to introducing any potential rate adjustments. As directed, City staff has or is currently pursuing: a decrease in the City's ownership of the Lodi Energy Center; changes to City solar policies; billing improvements; and methods to further reduce the transfer to the General Fund. Even with these aggressive efforts, there appears to be limited potential for any meaningful financial improvements in the next two years. Consequently, rate adjustments are required and must be implemented at the beginning of 2018.

As stated previously, the annual shortfall is \$1,530,000. The City Council Adopted 2017/18 Budget includes total Utility Billing Fees of \$6,327,361. As a total percentage, the shortfall of \$1,530,000 equals 24% of the projected revenue. The City's shortfall equals 24% of rate revenue.

Given the City Council's clear direction that City staff must identify methods to reduce expenditures prior to rate increases being implemented, staff would recommend that we are tasked to identify \$390,000 of reductions over the next six months. Consequently, an increase of 18% would be implemented and the overall financial condition of the Electric Enterprise Fund be revisited in May during the annual Budget Process. Public Notice is required prior to rate increases. The Council will be presented potential rates on December 18th.

The table below provides a comparison of Gridley average rates with Pacific Gas and Electric (PG&E). The rate comparison was provided by the Northern California Power Agency (NCPA).

Average Rates Cents / kWh								
Rate Rate Rate								
Utility	Sched.	Residential	Sched.	Commercial	Sched.	Industrial		
Gridley	Res	19.20	Cml	19.19	I	12.96		
Gridley - 18%	Res							
Increase	Ne3	22.66	Cml	22.65	I	15.29		
Pacific Gas & Electric	E-1	29.89	A-1	24.27	E20S	16.69		

Additional information will be provided at the November 20th City Council meeting.

Fiscal Impact

At this time there is no fiscal impact associated with this item.

Compliance with City Council Strategic Plan or Budget Goals

This report is consistent with our efforts to ensure that our community members are fully informed of all City activities and all budgetary and financial efforts.

Attachment

Existing Electric Rate

C. <u>ELECTRIC SYSTEM</u> (ORD. 776-2008, Res. 2009-R-016)

Type of premises: (Note 3)	Fee Criteria	Additional Information	Capacity 13.15.010	Distribution 13.15.015	Connection 13.15.020
Single family residence	per unit	Note 1 Up to 200 Amp 400 Amp	\$ 900.00 1,800.00	\$ 900.00 1,800.00	\$ 900.00 1,800.00
Multi-family residences	per unit	Note 1 Up to 200 Amp 400 Amp	\$ 900.00 1,800.00	\$ 900.00 1,800.00	\$ 900.00 1,800.00

Electric Connection Fees

Commercial & Industrial

Note 2

			Single Phas	e		3 Phase	
Voltage	panel size	Capacity	Distribution	Connection	Capacity	Distribution	Connection
120/240	200A or less	\$ 998.00	\$ 900.00	\$ 900.00	\$ 1,727.00	\$ 1,557.00	\$ 1,557.00
120/240	400	1,996.00	1,800.00	1,800.00	3,453.00	3,114.00	3,114.00
120/240	600	2,994.00	2,700.00	2,700.00	5,180.00	4,671.00	4,671.00
120/240	800	3,992.00	3,600.00	3,600.00	6,906.00	6,228.00	6,228.00
120/240	1000	4,990.00	4,500.00	4,500.00	8,633.00	7,785.00	7,785.00
400/000	0004 an lass				005.00	700.00	700.00
120/208	200A or less				865.00	780.00	780.00
120/208	400				1,730.00	1,560.00	1,560.00
120/208	600				2,595.00	2,340.00	2,340.00
120/208	800				3,460.00	3,120.00	3,120.00
120/208	1000				4,325.00	3,900.00	3,900.00
277/480	200A or less				3,453.00	3,114.00	3,114.00
277/480	400				6,906.00	6,228.00	6,228.00
277/480	600				10,359.00	9,342.00	9,342.00
277/480	800				13,812.00	12,456.00	12,456.00
277/480	1000				17,265.00	15,570.00	15,570.00

2014-R-012	13.15.030	Domestic (residential) rate R-1: (applies to ea. unit in any group - apt., duplex)	Effective	1-01-15
		Customer charge Energy charge: (<i>Life line</i>) to 475 KWh 476 to 575 KWh 576 to 1800 KWh 1801 to 2000 KWh 2001 KWH and over Public Benefit Charge	\$ 12.00 \$ 0.137 \$ 0.19 \$ 0.25 \$ 0.27 \$ 0.293 2.85%	min/month per KWh per KWh per KWh per KWh per KWh
		California Energy Commission up to	\$+ 0.0003	of charges per KWh
Requirements:		Life Support Program(residential) rate L-S:Customer chargeEnergy charge(Life line) to 475 KWh476 to 526 KWh527 to 2100 KWh527 to 2100 KWh2101 KWh and overPublic Benefit ChargeCalifornia Energy Commissionup to(must meet eligibility requirements)	Effective \$ 9.00 \$ 0.12 \$ 0.16 \$ 0.22 \$ 0.239 2.85% \$+ 0.0003	1-01-15 min/month per KWh per KWh per KWh of charges per KWh
2014-R-012	13.15.030	General (commercial) rate C-1:	Effective	1-01-15
<i>Requirements:</i>		No demand meter: Customer chargeto 625 KWh 626 to 2500 KWh 2501 to 7500 KWh 7501 to 10000 KWh 10000 KWh and over per KW over 30 KWDemand charge Public Benefit Chargeup to Single phase meter-all usages 4-phase - less than 25,000 KWH annual usage	\$ 23.43 \$ 0.15 \$ 0.184 \$ 0.19 \$ 0.20 \$ 0.24 \$ 7.50 2.85% \$+ 0.0003	min/month per KWh per KWh per KWh per KWH per KWH of charges per KWh
2014-R-012	13.15.030	Demand (commercial) meter rate C-3: Customer charge Energy charge 0- 7,000 KWh 7001-10,000 KWh 10,001 + Demand charge per KW over 30 KW Public Benefit Charge California Energy Commission up to 3-Phase meter/more than 25,000 KWH annual usage	Effective \$ 51.73 \$ 0.20 \$ 0.21 \$.16 7.50 2.85% \$+ 0.0003	1-01-15 min/month per KWh per KWh of charges per KWh
Requirements:		Industrial rates: Customer charge	Effective \$ 150.00	1-01-15 min/month

Energy charge			\$	0.115	per KWh
Demand charge	per KW over 1	100KW	\$	5.25	per KW
Public Benefit Charge	;			2.85%	of charges
California Energy Con	nmission	up to	\$+	0.0003	per KWh
3-Phase meter - more than 25,000 kWh annual					
usage; and Average monthly demand greater than					
500 KW over the past 12 months actual (or					
estimated for new accou	nts).				

Other Electric Services

R48(88)		Dusk-to-dawn light installation Light only, on existing pole Pole and light installation (City ROW only)	\$25 or cost	cost
2002-R-026 2009-R-009	13.15.030	Dusk-to-dawn (outdoor lighting) 150 watt lamps (D-1) 200 watt lamps (D-2) 400 watt lamps (D-3)	\$ 8.92 \$12.76 \$20.42	per month per month per month
R29(99)	13.15.100 (C)(1)	<u>Up and down</u> For service change out or modification Weekdays, 8am-2pm After hours	no cost cost	
R41(95)	13.15.500(C)(1)(b)	For shut-off and reconnect for non- payment &/or violate service regs Weekdays, 8am-2pm After hours	\$25 \$150	
R48(88)	13.15.100 (A)(1)	Temporary service Overhead - 100 Ampere, 240 Volt, 3-wire Single Phase Service to customer-owned pole. Underground - customer provides pole and all materials to the point of connection. City provides	\$75 or cost if greater	
		connectors and makes connection.	Cost	
Other Electric Set	ervice <u>Fees</u>			
R41(95)	13.15.500 (C)(1)(a)	Penalty for tampering City meter plus up and down fee	\$500.00 \$100.00	
O655(96) O785 (09)	13.15.550	Deposits to reestablish service	3X mo. av last 12 mo property	erage bill in . for that
R41(95)	13.15.800	(I) Return check charge Return EFT charge (if applicable) 10.00	\$ 25.00 35.00	
R5(00)	13.15.800 (J)	15-day delinquency notice - Residential 15-day delinquency notice – Commercial	\$ 15.00 15.00	

\$ 50.00

R41(95)	13.15.800	Restore service after non-pay bills	
	(K)	Weekdays, 8am-2pm	\$ 25
		After hours	\$ 95
Ord 785 (09)		If no utility deposit on file, restoration of utility service requires utility deposit for re-establishment of credit	3X mo. average bill in last 12 mo. for that property

Other fees and service charges:

Credit Report	\$7.50
On-site delivery of a disconnection notification	50.00
Field collection fee	50.00
Collection agency fee for delivery	15.00
Service disconnection fee (at pole/transformer)	150.00
Service reconnection fee (at pole/transformer)	150.00
Service transfer fee	25.00
Meter testing fee (waived if meter is found defective)	50.00