

Gridley City Council – Regular City Council Meeting Agenda

Monday, July 17, 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 Williams

INVOCATION – TBD

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 through 4 are part 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 June 19, 2017
3. Resolution No. 2017-R-016: A Resolution of the City Council of the City of Gridley Authorizing the Finance Director to Sell or Surplus the Feather Flyer Bus
4. Letter Requesting Delay of Licensing of the Oroville Dam

PUBLIC HEARING

5. Public Hearing to receive public comment on the City’s intent to close Grant 13-CDBG-8970
 - a. Receive Staff Report
 - b. Open Public Hearing
 - c. Receive Public Comment
 - d. Close Public Hearing

Approve Resolution No. 2017-R-017: A Resolution of the City Council of the City of Gridley Authorizing the Closeout of Grant13-CDBG-8970 in the amount of \$900,000

6. Public Hearing and Resolution to consider 1.) Expenditure of Program Income Funding and Request to CDBG for Program Income Waivers and 2.) City Council changes to Impact Fees

- a. Receive Staff Report
- b. Open Public Hearing
- c. Receive Public Comment
- d. Close Public Hearing

Approve Resolution No. 2017-R-018: A Resolution of the City Council of the City of Gridley Authorizing the use of Community Development Block Grant Program Income Funds for an Acquisition and Public Infrastructure in Support of Housing Project Contingent on the Approval by State Department of Housing and Community Development Program Income Waiver and Authorization to Defer 25% of the Projected City Impact Fees

OTHER ITEMS FOR COUNCIL CONSIDERATION

7. Information Report related to the status of the proposed new zoning code section for the Highway Commercial Corridor Combining District (HCC). Two items below

Introduction and First Reading of Ordinance No. 827-2017: An ordinance rezoning approximately 41 acres consisting of 14 parcels located on the west side of Highway 99 from Limited Industrial (M-1) and Heavy Industrial (M-2) to General Commercial Mixed Use (C-2/MUCZ). (021-110-031, 021-110-046, 021-110-047, 021-240-002, 021-240-003, 021-240-014, 021-240-025, 021-270-014, 021-270-016, 021-270-017, 021-270-019, 021-270-043, 021-270-044)

Adoption of Resolution 2017-R-008: A Resolution for a General Plan amendment to change the General Plan land use designation of approximately 41 acres consisting of 14 parcels located on the west side of Highway 99 from Industrial (I) to Commercial (C). (021-110-031, 021-110-046, 021-110-047, 021-240-002, 021-240-003, 021-240-014, 021-240-025, 021-270-014, 021-270-016, 021-270-017, 021-270-019, 021-270-043, 021-270-044) and adopt a Negative Declaration pursuant to CEQA finding there is no environmental impact from the land use re-designations for the General Plan and Zoning on approximately 41 acres consisting of 14 parcels located on the west side of Highway 99

8. Approval of Resolution No. 2017-R-019: A Resolution of the City Council of the City of Gridley Establishing Liability Claim Approval Authority for the City Administrator

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):

| | |
|--------------------------------------|------------|
| Biggs Police Contract | 8/7/2017 |
| Resolutions for Assessment Districts | 8/7/2017 |
| Weed Abatement Resolutions | 8/7/2017 |
| General Fund fee study work session | 8/7/2017 |
| Electric Rate Discussions | 9/18/2017 |
| Sewer Pond Improvements and Policies | 9/18/2017 |
| Biggs Electric Services Agreement | 10/16/2017 |

CLOSED SESSION

9. Government Code 54956.9: Conference with Legal Counsel and Gridley City staff to discuss various claims presented against the City of Gridley. Claimants: Jaswinder Kaur; Tim Shields; Kyle Robert Heronemus; Peggy Turnbull
10. Government Code 54957.6: Conference with Labor Negotiators, City of Gridley and International Brotherhood of Electrical Workers

ADJOURNMENT – adjourning to the next regularly scheduled meeting on August 7th, 2017

NOTE 1: POSTING OF AGENDA- This agenda was posted on the public bulletin board at City Hall at or before 4:00 p.m., July 14th, 2017, in accordance with Government Code Section 54954.2. This agenda along with all attachments is available for public viewing online at www.gridley.ca.us 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: July 17, 2017
To: Mayor and City Council
From: Paul Eckert, City Administrator
Subject: City Services Update

| | |
|----------|-----------|
| X | Regular |
| | Special |
| | Closed |
| | Emergency |

Recommendation

Staff respectfully requests the 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 will soon be shared online at <http://www.gridley.ca.us/>. 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: July 5, 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."

City Administrator/City Council/Information Technology

- Compliance with California's Renewables Portfolio Standards (RPS) – For the first time, the Gridley Electric Utility is in full compliance (Year 2016) with the State's RPS requirements. Established in 2002, the RPS Program requires electric service providers to increase procurement from eligible renewable energy resources to 33% of total procurement by 2020. The California Public Utilities Commission (CPUC) implements

and administers RPS compliance. RPS requires the increased production of energy from renewable energy sources, such as wind, solar, biomass, and geothermal. California Senate Bill 350 passed in October 2015 requires retail sellers and publicly owned utilities to procure 50% of their electricity from eligible renewable energy resources by 2030. The table

| California RPS Compliance Periods | Procurement Quantity Requirement = |
|--------------------------------------|--|
| Compliance Period 1 (2011 - 2013) | 2011 retail sales * 20.0% + 2012 retail sales * 20.0% + 2013 retail sales * 20.0% |
| Compliance Period 2 (2014 - 2016) | 2014 retail sales * 21.7% + 2015 retail sales * 23.3% + 2016 retail sales * 25.0% |
| Compliance Period 3 (2017 - 2020) | 2017 retail sales * 27.0% + 2018 retail sales * 29.0% + 2019 retail sales * 31.0% + 2020 retail sales * 33.0% |
| Year 2021, and each year thereafter | Annual retail sales * 33.0% |

below outlines the City of Gridley RPS forecast based upon our existing Renewable Contracts (in MWh). The City will need to take very deliberate action to comply with the increasing RPS requirements.

| | 2016 | 2017 | 2018 | 2019 | 2020 |
|------------------------------|--------|---------|---------|----------|----------|
| Estimated Retail Sales (MWh) | 33,097 | 34,018 | 34,439 | 34,538 | 34,681 |
| RECs Generated | 3547 | 6,493 | 7,403 | 8,288 | 8,972 |
| RECs Required | 2054 | 2,003 | 1,981 | 1,971 | 1,961 |
| Difference | 1493 | 4,490 | 5,422 | 6,317 | 7,011 |
| Accumulated Differences | 708 | (3,782) | (9,204) | (15,521) | (22,531) |

- Police Service Agreement for services provided to the City of Biggs – The City of Biggs is currently reviewing our proposed contract. The nearly 8 month long Police Services Agreement negotiations are expected to conclude in the next month. The current agreement expired two years ago.
- Electric Maintenance Services Agreement – The City of Gridley provides the City of Biggs Electric Maintenance Services by contract. Gridley and Biggs last met on April 4, 2017. Gridley is currently waiting for a follow-up response from Biggs regarding potential contract changes and more urgently, Gridley is waiting for Biggs to provide Gridley the delinquent payment of \$168,898. At the current time, Gridley residents are subsidizing Biggs residents.
- Lodi Energy Center – The Solicitation for Offers to purchase Gridley's excess electric energy has yielded three responses as of June 30th. Responses will be reviewed over the next 30 days.

Economic Development

- The City Administrator recently met again with Butte County area Economic Development staff and continues to meet weekly with local retailers and business leaders. We will meet with legislators in mid-July.
- City Industrial Park - The City is working on Realtor options to market and sell Parcel 2 located in the Industrial Park. We will keep the City Council informed of our progress.
- Business Retention, Expansion, and Attraction (BREA) Program – Staff is developing the BREA Program for Council consideration. In the meantime, City staff continues to meet with businesses weekly.

Finance

- The Finance Department is very busy with: development of the final Council Approved Budget and Capital Improvement Plan documents; a wide array of grant responsibilities; employee payroll and benefits issues; financial year end closing; initial stages of preparation for the annual audit and onsite work; and organization of all work areas and file systems.
- Customer Service - The Finance Department continues to strive to effectively meet the needs of our customers and provide excellent customer service at all times.
- The new City Transit vehicle has been received and is being outfitted for operations to start in late July. The Ridership Report is provided below:

| Month | Passengers | Days of Service | Riders Per Day | Bus Mileage Start | Bus Mileage End | Pool Car Mileage | Total Miles | Average of Daily Miles |
|----------|------------|-----------------|----------------|-------------------|-----------------|------------------|-------------|------------------------|
| January | 721 | 21 | 34 | 114639 | 115740 | 27225-27274 | 1152 | 55 |
| February | 519 | 20 | 26 | 115741 | 116524 | 27444-27555 | 906 | 45 |
| March | 764 | 23 | 33 | 116525 | 117186 | 27632-27674 | 703 | 31 |
| April | 595 | 20 | 30 | 117187 | 118659 | - | 1472 | 73 |
| May | 590 | 20 | 30 | 118670 | 119908 | 28718-28802 (84) | 1322 | 66 |
| June | 790 | 22 | 36 | 119909 | 121275 | 28803-28846 (43) | 1409 | 64 |
| July | | | | | | | | |

Electric

- Biggs Substation yearly maintenance was completed this week. The Crews and our City Electrical Engineer performed the following during the inspection: Testing Relays; Checking setting on the Relay; Cleaning Cabinets and breakers; High pot breakers; Checking resistance on all breakers; TTR test on transformer; Adding new oil in the LTC; Cleaning all glass insulators; Cleaning SW#13 and checking the resistance of the switch: Battery clean and test; and Infrared of the system.
- Gridley Electric Maintenance Crews switched over Biggs normal 60KV to PG@E back up power. The switch over was on Sunday, June 25th. The outage lasted 17 minutes.
- Gridley Electric Maintenance Crews switched Biggs 12 KV back-up from PG@E back to normal 60 KV. The switch over was on Tuesday, June 27th. The outage lasted 15 minutes.

- Sample Listing of Service Calls - Our On-Call Crews were dispatched to a partial power at 965 Laurel Street. The customer's main breaker was defective. The breaker was replaced and power was restored; Customer at 826 Vermont called into City Hall about a partial power issue. The Crews found a bad fuse box on the customer's side of the meter; Service was re-connected at 3105 Ninth Street in Biggs; service was disconnected at 1143 Cedar Street; and the Director responded to a breaker tripping at Daddow Park. The users were using too much

| Electrical Department Activity | Gridley | Biggs |
|------------------------------------|---------|-------|
| Street Light Repairs | 4 | 5 |
| Nonpayment Shut-off/turn on | 0 | 1 |
| Underground Service Alerts (USA'S) | 2 | 3 |
| Sets & Outs | 8 | 0 |
| Service calls | 2 | 0 |
| Trim/Remove tree | 0 | 15 |
| Discrepancy Report Items | 0 | 0 |
| After Hours Call out's | 1 | 0 |
| Solar Read | 0 | 0 |

- load for the breaker to handle. Staff set up a construction box to handle the customer load.
- The Electric Crews continued tree trimming including the area around the Biggs 60 KV line and removed a tree at 490 Spruce Street. The efforts are part of our yearly Maintenance Program.
- Electric Utility Inventory was completed.
- Collaboration with Butte County Fairgrounds – The City is partnering with the Fairgrounds to replace aged and unsafe electric systems. City Electric Crews have begun the Fairground Electric Main Replacement Project. The current Phase will include the installation of 3 Runs of 150ft. 4" Conduit; Installation of a Transformer Pad; and installation of the new 300 KVA 208/120 Transformer and a 167KVA 240/120 Transformer. The County Fairgrounds are primarily funding the project with grant funds. Phase 2 of the Project moved forward this week with the help of Public Works. Five utility lines were exposed using the Vac-Truck helping to avoid damages to utility lines.
- City Hall Work – Electric Crews installed new lights in the City Hall elevator avoiding in excess of \$1,000 in charges from the Elevator contractor.

Fire

- Gridley Fire conducted our initial drill to calculate available uninterrupted water supply using water tender shuttle evolutions. The purpose of the drill was to determine water flow availability in areas without a fixed water source, such as hydrants
- Gridley Fire continued updating our emergency preplans for businesses within Gridley. The purpose of these preplans is for our Fire Fighters to gain specific knowledge of the layout of each building. Fire Fighters also document the hazards, if any, in the buildings that would come into play in case of an emergency or fire.
- Gridley Engine 376 came back from the annual inspections and maintenance updates and is ready to be utilized for the fire season ahead.

| Weekly Emergency Responses | City | County |
|--|------|--------|
| Medical Aids | 12 | 6 |
| Traffic Collisions | 0 | 3 |
| Structure Fires | 0 | 2 |
| Vegetation Fires | 0 | 3 |
| Vehicle Fires | 0 | 0 |
| Public Assist | 0 | 0 |
| Cover Assignments | 0 | 11 |
| Other (smoke checks, hazardous conditions, control burns, etc) | 0 | 0 |
| Technical Rescues | 0 | 1 |

Police

- Animal Control (AC) personnel are currently active with the renewal of dog licenses in Gridley. AC 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.
- The Gridley-Biggs Police Department's "Kudos for Kids" campaign continues with six vouchers given to "kids" in our service communities of Gridley and Biggs. Please see the Police Department's Facebook page for recipient's photos! The campaign involves Police Officers giving out vouchers to Kids for their positive actions, such as wearing a bicycle helmet, obeying traffic laws, acts of kindness and good conduct when observed. The recipients of the vouchers can redeem them at the Gridley-Biggs Police Department lobby for a FREE Otter Pop!
- Police Department personnel participated in the Butte County Anti-Gang Enforcement mutual aid deployment in Oroville. Various Butte County law enforcement agencies partnered on June 30th to proactively check parolee and probationer compliance with gang conditions and terms.
- Police Administration attended Federal Equitable Sharing training. This training assists the Department in responsibly and effectively accounting for and filing asset seizure and recovery reports with the United States Department of Justice.
- The Department continues in its goal to provide quality service in all aspects of public safety to the citizens we serve. The May 2017 statistics are provided below:

| City of Gridley - Police Activity | May 2017 | Year Total |
|-----------------------------------|--------------|--------------|
| Adult Arrests | 66 | 303 |
| Juvenile Arrests | 1 | 8 |
| Misdemeanor Arrests | 61 | 268 |
| Felony Arrests | 4 | 37 |
| Felony Crimes Reported | 13 | 65 |
| Misdemeanor Crimes | 74 | 305 |
| Total Police Incidents* | 1,034 | 5,235 |
| Battery | 12 | 45 |
| Burglary | 5 | 33 |
| Deceased Person | 2 | 7 |

| | | |
|--|--------|----------|
| Vandalism | 6 | 32 |
| Stolen Vehicle | 3 | 8 |
| Robbery | 1 | 2 |
| Public Intoxication | 7 | 24 |
| Patrol Request | 10 | 44 |
| Medical Aid | 36 | 167 |
| Area Checks | 97 | 560 |
| Pedestrian Checks | 49 | 248 |
| Disturbing the Peace | 30 | 115 |
| Total 911 Calls | 283 | 1,310 |
| Total Accidents | 12 | 34 |
| Name Exchanges | 1 | 8 |
| Total Traffic Citations | 65 | 274 |
| DUI Arrests | 1 | 7 |
| Traffic Stops | 156 | 859 |
| Extra Help Hours | 390.50 | 1,634.25 |
| RSVP Hours | 24 | 84 |
| <i>"Police Incidents" are those Police responses originating from telephone calls to the Dispatch Center, walk-ins at the Police lobby, Police Officer self-initiated activity and email or social media communications.</i> | | |

Public Works

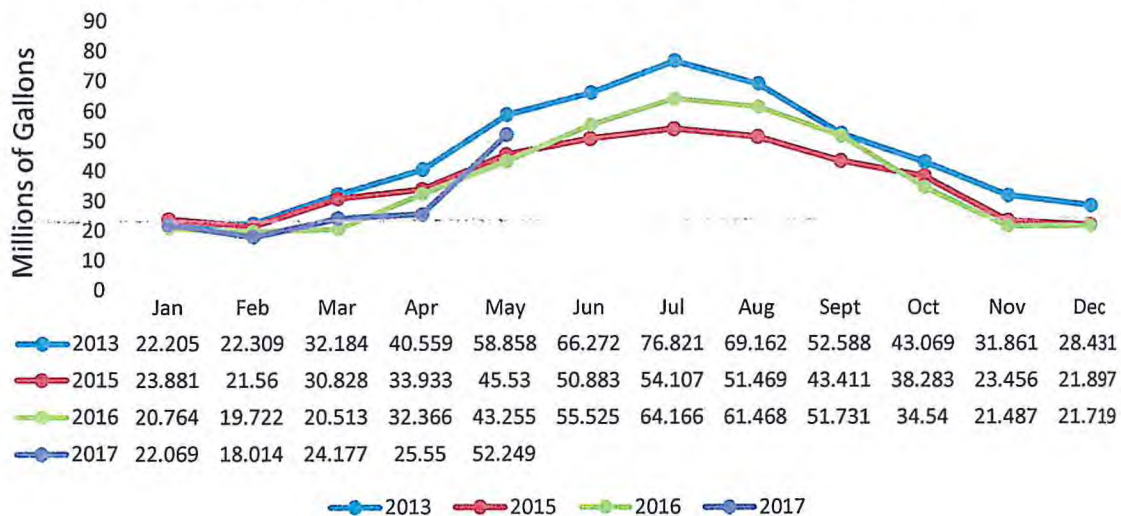
The Public Works Department Leadership and Crewmembers are responsible for a broad array of important duties including: Water Distribution; Water Production; Sanitary Sewer Collection; the Wastewater Treatment Plant; Street and Sidewalk Maintenance; our Maintenance Districts; Parks Maintenance; City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

- Public Works Crews continue to repair potholes and crack seal throughout Gridley.
- Crews have located and are disassembling one of the two boat docks that washed away during the flooding. Once completed, the docks will be rebuilt and reinstalled.
- Crews continue spraying weeds in the maintenance ditches throughout the City.
- Crews have completed end of the year physical inventory.
- Public Works Crews removed and cleared numerous tree branches that fell throughout the City.
- Crews responded to a request by Recreations to repair Vierra Park restrooms. Crews repaired a water leaks in Downtown planters.
- Public Works Crews repaired a Water Main leak adjacent to 1190 Ohio Street.

| Department of Public Works Activity | | |
|---|--|---|
| Water Leaks Repaired | | 3 |
| Water Encoder Receiver Transmitter installed/Replaced (ERT's) | | 0 |
| Sewer Plugs | | 0 |
| Tree Removal/Trimmed | | 0 |
| Water Related Service Calls | | 2 |
| Sewer Related Service Calls | | 0 |
| Under Ground Service Alerts (USA's) | | 8 |
| Park Related Service Calls | | 0 |
| Other Service Calls | | 1 |

| Production Well | Volume Pumped | Calc. Fl | Calc. Chlor |
|---------------------------------------|---------------|----------|-------------|
| Eagle Meadows | 00.000 M.G. | .00 mg/l | .0000 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. | 15.464 M.G. | .57 mg/l | .2101 mg/l |
| Liberty | 18.653 M.G. | .72 mg/l | .2204 mg/l |
| Parkside | 18.132 M.G. | .75 mg/l | .2130 mg/l |
| Monthly Water Production | | | |
| Total water pumped to system: | | | 52.249 M.G. |
| Ave. chlorine residual in the system: | | | .18 mg/l |
| Ave. tested fluoride in the system: | | | .72 mg/l |
| Lab tested fluoride in the system: | | | .7 mg/l |

Comparative Water Usages for 2013,2015,2016



Past Month's Flows at the Waste Water Treatment Plant

Total flow to the Plant was 43,849,000 gals.

Flow from Butte County Housing Authority was 964,300 gals.

Recreation

- Swimming Lessons are available at the Fairgrounds Pool. Information is available on our City website and Facebook site.
- The Flyer has been emailed/printed out regarding the Safety Fair and Posters are currently being made to put up for the event.
- Checkout Recreation's Facebook page at <https://www.facebook.com/groups/120025737091/>
- The Summer Apples to Zebras Kinder Care Program will begin August 28th. All 24 spots have been filled.
- Soccer Registration is underway and will conclude on July 31st with all teams to be assigned and gear available to coaches by August 7th.
- The Division is preparing for Summer Classes, including two Arts and Craft Classes, one for ages 4-7 and one for ages 8-12, and one Cooking Class for ages 7-12.
- 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, July 17th at 6:00 pm at City Hall.
- The Butte County Board of Supervisors Agenda for the 9:00 am meeting on Tuesday, July 25th in Oroville can be accessed at the following link:
<http://www.buttecounty.net/boardofsupervisors/BoardMeetings.aspx>

Thank you for your ongoing support and guidance.

Respectfully,

Paul

Gridley City Council – DRAFT City Council Meeting Minutes

Monday, June 19, 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 6:04 p.m.

ROLL CALL

Councilmembers

Present: Williams, Borges, Hall, Davidson, Johnson
Absent: None
Arriving post roll call: None

Staff present:

Paul Eckert, City Administrator
Tony Galyean, City Attorney
Matt Michaelis, Finance Director
Daryl Dye, Electric/Public Works Superintendent
Chris Haile, Division Chief
Dean Price, Police Chief
Donna Decker, Planning Consultant

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Mayor Hall

INVOCATION

The invocation was provided by Bishop Terry Hamblin, Church of Jesus Christ, Latter Day Saints

PROCLAMATIONS

None

COMMUNITY PARTICIPATION FORUM

None

CONSENT AGENDA

1. City Services Update
2. City Council minutes dated June 5, 2017

Motion to approve the consent agenda by Councilman Davidson, seconded by Vice Mayor Johnson

Motion passed, all in favor

OTHER ITEMS FOR COUNCIL CONSIDERATION

3. Introduction and First Reading of Ordinance No. 827-2017: An ordinance rezoning approximately 41 acres consisting of 14 parcels located on the west side of Highway 99 from Limited Industrial (M-1) and Heavy Industrial (M-2) to General Commercial Mixed Use (C-2/MUCZ). (021-110-031, 021-110-046, 021-110-047, 021-240-002, 021-240-003, 021-240-014, 021-240-025, 021-270-014, 021-270-016, 021-270-017, 021-270-019, 021-270-043, 021-270-044) Verbal report
4. Adoption of Resolution 2017-R-008: A Resolution for a General Plan amendment to change the General Plan land use designation of approximately 41 acres consisting of 14 parcels located on the west side of Highway 99 from Industrial (I) to Commercial (C). (021-110-031, 021-110-046, 021-110-047, 021-240-002, 021-240-003, 021-240-014, 021-240-025, 021-270-014, 021-270-016, 021-270-017, 021-270-019, 021-270-043, 021-270-044) and adopt a Negative Declaration pursuant to CEQA finding there is no environmental impact from the land use re-designations for the General Plan and Zoning on approximately 41 acres consisting of 14 parcels located on the west side of Highway 99 Verbal report

Items 3 and 4 were addressed by Donna Decker. She gave an update on the progress, including meetings held, response from concerned citizens and the remaining process and timeline. No action was taken.

5. Approve Resolution No. 2017-R-014: A Resolution Establishing the 2017-2018 Appropriations Limit for the City of Gridley and Resolution No. 2017-R-015: A Resolution Adopting a Budget for Fiscal Year 2017-2018

Matt Michaelis briefed Council, reviewing the staff report. There were no questions or concerns from Council.

Motion to approve Resolutions 2017-R-014 and 015 made by Councilmember Davidson, seconded by Councilmember Williams

ROLL CALL VOTE

Ayes: Davidson, Williams, Borges, Hall, Johnson

Motion passed, 5-0

6. Update Regarding Service Agreements with the City of Biggs

Administrator Eckert updated Council on the status of the Electrical Services Agreement as well as the Police contract with the City of Biggs. There was no action taken.

CITY STAFF AND COUNCIL COMMITTEE REPORTS

Vice Mayor Johnson reported on the Butte County Mosquito and Vector Control District meeting he attended.

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

| | |
|--|------------------|
| <i>a. New LED Street Lighting Plan</i> | <i>7/17/2017</i> |
| <i>b. Waste Management CPI Adjustment</i> | <i>7/17/2017</i> |
| <i>c. Sewer Pond Improvements and Policies</i> | <i>7/17/2017</i> |

CLOSED SESSION

7. Anticipated Litigation, Government Code 54956.9(c): Based upon existing facts, the City Council is deliberating and deciding on whether to initiate litigation with a customer of City services.
8. Anticipated Litigation, Government Code 54956.9(c): Based upon existing facts, the City Council is investing and deciding whether to initiate litigation.

ADJOURNMENT

Council came out of closed session with no reportable action and adjourned to the next regularly scheduled meeting of July 17, 2017

Paul Eckert, City Clerk

City Council Agenda Item #3
Staff Report

Date: July 17, 2017
To: Mayor and City Council
From: Matt Michaelis, Finance Director
Subject: Authority to Sell Feather Flyer

| | |
|----------|-----------|
| X | Regular |
| | Special |
| | Closed |
| | Emergency |

Recommendation

City staff respectfully recommends that the Mayor and City Council approve a resolution authorizing the Finance Director to sell or surplus the Feather Flyer bus.

Background

The City's Feather Flyer transportation system is funded via the Butte County Association of Governments with SB 325 and Transportation Development Act funds. The City's existing nine-passenger bus was purchased in 2007 with obligated funds dedicated towards providing transportation opportunities for eligible senior and handicapped citizens in the City of Gridley. This bus is approaching the end of its useful life and maintenance costs are rapidly increasing. In order to continue to efficiently provide this service to citizens, the bus needs to be replaced. In late June 2017, Staff purchased a replacement bus through the State of CA Department of General Services bus purchase contract (managed by the California Association of Coordinated Transportation). The City now has no need for the existing Feather Flyer bus and it needs to be sold or surplused.

Financial Impact

There is no impact to the General Fund. Any proceeds from the sale (estimated to be less than \$5,000) must be deposited in the transit fund.

Compliance with the City Council Strategic Plan or Budget Goals

This presentation is consistent with our ongoing effort to be responsive and transparent regarding all financial matters, as well as be congruent with best financial practices.

Attachments:

Resolution 2017-R-016 authorizing the Finance Director to sell the existing bus.

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GRIDLEY
AUTHORIZING THE FINANCE DIRECTOR TO SELL OR SURPLUS THE FEATHER FLYER BUS**

WHEREAS, the City's Feather Flyer program is funded with SB 325 and TDA funds which are dedicated towards providing transportation opportunities for seniors and handicapped citizens; and

WHEREAS, the City has purchased a new seven-passenger bus to replace the aging nine-passenger bus; and

WHEREAS, staff has no need for the existing Feather Flyer bus; and

WHEREAS, selling or surplus the existing Feather Flyer bus will enable the City to provide this transportation service more efficiently.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED that the City Council of the City of Gridley does hereby adopt the following:

1. The Finance Director is authorized to sell or surplus the existing Feather Flyer bus and deposit the proceeds into the transit fund.
2. The Finance Director is authorized to proceed on behalf of the City with any other aspect of this matter.

I HEREBY CERTIFY that the foregoing resolution was duly introduced and passed at a special meeting of the City Council of the City of Gridley held on the 17th day of July, 2017, by the following vote:

AYES: COUNCIL MEMBERS

NOES: COUNCIL MEMBERS

ABSENT: COUNCIL MEMBERS

ABSTAIN: COUNCIL MEMBERS

ATTEST:

APPROVE:

Paul Eckert, City Clerk

Frank Hall, Mayor

City Council Agenda Item #4
Staff Report

Date: July 17, 2017

To: Mayor and City Council

From: Paul Eckert, City Administrator

Subject: Letter Requesting Delay of Licensing of the Oroville Dam

| | |
|-------------------------------------|-----------|
| <input checked="" type="checkbox"/> | Regular |
| <input type="checkbox"/> | Special |
| <input type="checkbox"/> | Closed |
| <input type="checkbox"/> | Emergency |

Recommendation

It is respectfully requested that the City Council authorize the Mayor to sign a letter to the Federal Energy Commission (FERC) requesting a delay in the relicensing of the Oroville Dam.

Background

The following is a summary of the letter prepared by Assemblyman Gallagher to the Federal Energy Commission (FERC) requesting a delay in the relicensing of the Oroville Dam.

"The undersigned entities, many of whom are parties to the licensing proceeding, and some of whom were settling parties in the Alternative Licensing Process, request that the Commission delay relicensing until the parties and the licensee can better understand the causes of this incident and how it may change the underlying assumptions of the pending license. A Board of Consultants and Forensic Team have been tasked by FERC with determining the cause of the spillway collapse and informing the reconstruction effort. The work of the Board of Consultants and Forensic Team has not yet been completed. Until this work is completed and reviewed by the licensee and undersigned entities, it is impossible to understand the full breadth of what is being relicensed."

Attached you will find the full letter detailing the background regarding the relicensing of the Oroville Dam concluding with a request to delay the relicense. The Oroville Chamber of Commerce is signing this letter and has asked area public agencies and employers to partner in the effort to allow more consideration time. City staff agrees with the effort and considers it important that regional agencies demonstrate to FERC that the delay should be granted to ensure a thorough assessment of the prior assumptions and fully understand the relicense.

Compliance with City Council Strategic Plan or Budget Goals

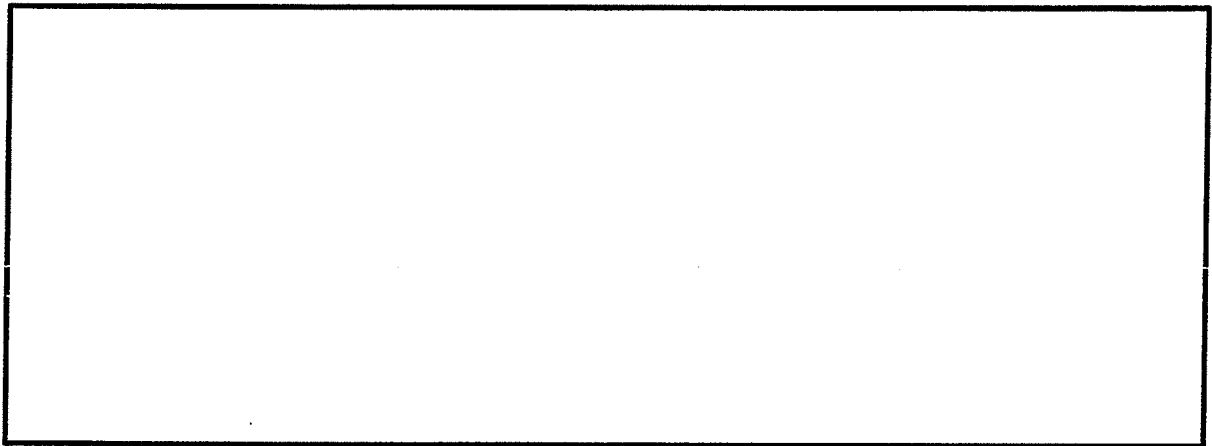
The City Council is committed to ensuring the public's well-being and collaboration with other public agencies.

Financial Impact - None

Attachments - Letter to FERC and Signature Page

Oroville Dam Coalition

Letter Asking FERC for a delay in the relicensing of Oroville Dam



Please sign inside of the box above using blue ink

Name

Title

Organization

UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION

| | | |
|---|---|------------------|
| In the Matter of |) | July X, 2017 |
| |) | |
| State of California |) | |
| Department of Water Resources |) | Project No. 2100 |
| |) | |
| New Major License |) | |
| Oroville Division, State Water Facilities |) | |
| "Oroville Facilities" |) | |

**COMMENTS ON PENDING LICENSE ISSUANCE
BY [ENTITIES],**

Ms. Kimberley Bose, Secretary
Federal Energy Regulatory Commission
Via e-mail

Dear Ms. Bose:

The undersigned Alternative Licensing Process settling parties, entities and Intervenor in the above referenced matter, respectfully submit the following comments concerning the reconstruction of Oroville Dam and the pending issuance of the new project license for the Oroville Facilities, FERC No. 2100.

SUMMARY OF THE COMMENTS

On February 9, 2017 the flood control outlet (FCO) spillway at Oroville Dam collapsed and failed while releasing water at a fraction of its capacity. This ultimately led to the use of the emergency spillway which also nearly failed due to cutback erosion moving quickly toward the ogee weir, and ultimately necessitating the evacuation of approximately 188,000 people in Oroville and downstream communities such as Intervenor Sutter County and the City of Yuba City. Reconstruction at the Oroville Facilities is underway. This incident and reconstruction effort comes late in the relicensing of Project No. 2100. As a result of the incident, licensing issues that were expected or could have been made by the Commission's Office of Energy Projects in relicensing are being made by the Commission's Division of Dam Safety and Inspections in a largely CEII reconstruction effort.

The undersigned entities, many of whom are parties to the licensing proceeding, and some of whom were settling parties in the Alternative Licensing Process, request that the Commission

delay relicensing until the parties and the licensee can better understand the causes of this incident and how it may change the underlying assumptions of the pending license. A Board of Consultants and Forensic Team have been tasked by FERC with determining the cause of the spillway collapse and informing the reconstruction effort. The work of the Board of Consultants and Forensic Team has not yet been completed. Until this work is completed and reviewed by the licensee and undersigned entities, it is impossible to understand the full breadth of what is being relicensed.

Before issuing the new project license for Project No. 2100, the Commission must resolve key matters highlighted by the spillway incident and raised by some of the undersigned entities during the relicensing process. The Commission, local entities and other relicensing participants should understand the project being relicensed, how the facility will be put back into a proper and safe function, how damages will be compensated and impacts addressed, and whether the Commission's analysis and preferred alternative need to be reassessed in light of the changed conditions at the Oroville Dam complex and the downstream levees and conveyance facilities.

BACKGROUND

Butte County is the host community for the Department of Water Resources' (DWR) Oroville Facilities Project on the Feather River (Project no. 2100), with 762 megawatts of hydroelectric generation capacity. Project no. 2100 covers 41,000 acres and is wholly located within the unincorporated area of Butte County. Butte County is a primary service provider to Project no. 2100 providing a broad range of "first responder" and other government services. These services include roads, traffic control, law enforcement, fire protection and rescue, and the communication systems relied on by Project no. 2100, its employees, and the many recreational visitors to Project no. 2100.

Butte County participated in the multi-year Alternative Licensing Process. Butte County is a party to the proceeding. In its Motion to Intervene on April 21, 2005, Butte County stated: "Butte County will be directly affected by many of the environmental, economic, power allocation, socioeconomic and recreation facility issues associated with this Project."¹ On April 22, 2005, Butte County filed a "Motion of Butte County, California for Order Requiring Conduct of Socio-Economic Impact Studies," which argued that DWR's socio-economic analysis in its Preliminary Draft Environmental Assessment was "only 12 pages long" and "wholly inadequate to support a license application or order."²

The spillways that failed on or about February 9, 2017 had the very real potential to cause the deaths of thousands of Butte County's 230,000 residents. The crisis also damaged roads and caused flooding along the Feather River. The first responder and related services provided by

¹ Motion of County of Butte, California, for Leave to Intervene, Project No. 2100, (filed April 21, 2005). eLibrary no. 20050421-5003 (Butte County Intervention)

² Motion of Butte County, California for Order Requiring Conduct of Socio-Economic Impact Studies, project No. 2100, (filed April 22, 2005), eLibrary no. 20050422-0022, p. 2.

Butte County were stretched to their limits and beyond. As Butte County pointed out in a petition it filed with the Commission on February 15, 2017, Butte County is presently in an untenable position with respect to the requirements of Project no. 2100 for future demands for Butte County's services and the safety of its residents.³

Friends of the River (FOR), Sierra Club, and the South Yuba River Citizens League (SYRCL) are parties to the Oroville Dam relicensing proceeding.⁴ The primary issue raised by these parties was for the Commission to address the physical deficiencies at the Oroville Dam complex needed to accomplish the operational requirements to conduct (when necessary) floodwater-management surcharge operations over the dam's emergency/auxiliary spillway. The California Sportfishing Protection Alliance (CSPA) is also an intervenor supporting FOR's arguments in relation to flood-related facilities modifications.⁵ American Whitewater (AW) intervened as well, citing the FOR *et al.* intervention and recommended that the licensee respond and that the Commission analyze concerns relating to the ungated spillway at Oroville Dam.⁶

In their intervention in the relicensing proceeding, Sutter County, the City of Yuba City, and Levee District 1 (Sutter County *et al.*) asked the Commission for the following:

A relicensing order should be issued, consistent with the Commission's duty under section 10(a) of the Federal Power Act, which directs the licensee to investigate the adequacy and structural integrity of Oroville Dam's ungated auxiliary spillway that may currently pose a risk to the Project facilities and downstream levees in Sutter County in the event extreme flood releases are required, as recently experienced in flood release events of 1986 and 1997, and to take all necessary actions to correct any identified deficiencies, in this regard.⁷

FERC's Office of Energy Projects (OEP) issued a Final EIS for the relicensing of the Oroville Facilities on May 27, 2007.⁸ The State Water Quality Control Board, issued water quality certification for the project on December 15, 2010.⁹ The Board did not take up the request of

³ Emergency Petition of Butte County, California to Require Licensee to Correct Safety Deficiencies and Establish a Public Safety Program, Project No. 2100-000 (filed February 15, 2017), eLibrary no. 20170215-5102.

⁴ Motion to Intervene of Friends of the River, Sierra Club, South Yuba River Citizen's League, Project No. 2100-052 (filed Oct. 17, 2005), eLibrary no. 20051017-5033 (FOR *et al.* Intervention).

⁵ Comments and Motion to Intervene, Draft Environmental Impact for the Oroville Facilities (filed December 19, 2006), eLibrary no. 20061219-5001, p. 3. (CSPA Intervention)

⁶ Motion to Intervene of American Rivers, American Whitewater and Chico Paddleheads (filed March 31, 2017), eLibrary no. 20060331-5090, p. 5 (AW Intervention).

⁷ Amended Motion to Intervene of the County of Sutter, the City of Yuba City, and Levee District No. 1 of Sutter County, p. 8, March 4, 2006. (Sutter County *et al.* intervention)

⁸ Federal Energy Regulatory Commission *Final Environmental Impact Statement for the Oroville Facilities Project* Docket No. P-2100-052, May 18, 2007, eLibrary no. 20070518-4001. (FERC Oroville FEIS)

⁹ State of California State Water Resources Control Board Order WQ 2010-0016, Dec. 15, 2010.

FOR *et al.* that it address water qualities problems associated with the use of a hillside rather than a spillway to conduct surcharge operations, although in light of recent events, that decision now seems ill-advised.¹⁰ A Biological Opinion was issued for the project on December 5, 2016.

In February 2017, both Oroville Dam complex spillways experienced significant damage causing a major dam safety incident. The very real possibility of the ogee weir failure and potential for catastrophic flooding resulted in the evacuation of 188,000 residents in the Feather River Basin, including in Oroville, Sutter County, Yuba County and the City of Yuba City. Major hillside erosion occurred when the emergency spillway was activated. Subsequent drastic changes in Feather River flows due to managing the crisis led to unprecedented sloughing of riverbanks. All of this combined to cause large-scale water quality and sedimentation issues downstream. The incident gained worldwide attention. On February 13, the Washington D.C. office of Division of Dam Safety and Inspections required DWR to appoint an outside review panel to help guide the Department and the Commission in the reconstruction effort. The letter also ordered the creation of an independent Forensic Team to determine the causes of the spillway failure.¹¹

On April 19, 2017, FOR *et al.*, CSPA, and AW asked the Commission to clarify what decisions of concern to relicensing participants were being made in the apparent Dam Safety reconstruction process, what decisions were being made in the licensing process, and for the Commission to devise a transparent and expeditious process to make these decisions with the involvement of an informed public.¹² State legislators have also emphasized the importance of transparency at oversight hearings following the spillway failures.

To date, the Commission has not clarified these issues. The reconstruction phase has begun.¹³ There is no evidence that DWR or the Division of Safety of Dams and Inspections supports or intends to build a complete emergency/auxiliary spillway not subject to major hillside erosion if used. The license has not been issued.

COMMENTS

At this writing, the reconstruction plan appears to envision construction through at least 2017 and 2018, in addition to emergency work already completed.¹⁴ This redesign and reconstruction

¹⁰ Joint comments of Friends of the River, Sierra Club, and South Yuba River Citizens League on Oroville Facilities Relicensing, FERC Project 2100, draft EIR, August 20, 2007.

¹¹ See <https://www.ferc.gov/industries/hydropower/safety/projects/oroville/2-13-17.pdf>; February 13, 2017 Letter from FERC Acting Director of Division of Dam Safety and Inspections David Capka to Acting Director of DWR William Croyle.

¹² FOR, Sierra Club, SYRCL, CSPA, and American Whitewater Request for Clarification and Public Process, Project 2100, April 19, 2017, eLibrary no. 20170419-5231 (FOR *et al.* April 2017 request).

¹³ "Reconstruction begins at Oroville Dam. Will it be different this time?" Sacramento Bee, May 24, 2017. <http://www.sacbee.com/news/state/california/water-and-drought/article152381522.html>

¹⁴ <http://www.cpradio.org/articles/2017/05/24/oroville-spillway-repair-project-moves-into-heavy-construction-phase/>

will result in a physically different project than the project proposed in the license application and analyzed as the Commission's preferred alternative in the FEIS for the relicensing of Project no. 2100. The reconstruction effort may also affect other licensing issues, including but not limited to recreation and power generation. However, information regarding the actions that DWR is taking under direction from FERC's Division of Dam Safety and Inspections is classified as Critical Energy Infrastructure Information (CEII) and thus has limited public availability. In addition, events in 2017 have conclusively demonstrated that some of the assumptions that the Commission and licensing participants made during relicensing were unfounded, most notably that the project's "emergency spillway" was a viable flood release infrastructure.¹⁵

If, for example, hillside discharges from the emergency/auxiliary spillway remain part of the project, the recently demonstrated water quality and operational problems associated with such a decision should expand the zone of project influence and the nature of the proposed new license. In 2017, there were downstream impacts from bank erosion and associated water quality impacts of the initial spillway failure and subsequent discharge operations. Potential impacts that diverse entities raised in comments during relicensing became real. These changes may warrant

¹⁵ The susceptibility of the hillside to erosion, as noted in *FOR et al.* April 2017 request filing group and Sutter County *et al.* filings with the Commission and the State Water Resources Control Board (SWRCB), can cause downstream water-quality problems, disrupt project operations, and damage project works and lands. Although the reality of *FOR et al./Sutter County et al.* concerns are apparent now, in 2005, FERC staff was dismissive. According the FERC San Francisco regional office (SFRO) of its Division of Safety of Dams, "Emergency spillway flows would flow down a channel consisting of soil, bushes, and trees covering bedrock. Erosion of one to four feet of soil cover, and debris flow including bushes, and trees would occur during a large release in the emergency spillway." Erosion of an order of magnitude or two greater was experienced at the main spillway break in 2017. Judging from the vegetation cover, there is little reason to expect that a significant emergency/auxiliary spillway discharge would not cause similar hillside erosion. But there were more problems. The SFRO limited its analysis to the PMF/spillway design flood (characterizing it as a 350,000 cfs discharge). The SFRO failed to note that use of the auxiliary spillway in a standard project flood (SPF), the flood-control design flood for Oroville Dam, is required in the Army Corps of Engineers (ACE) Oroville Dam Reservoir Regulation Manual, a discharge that would result in a reservoir surcharge of 9.7 feet (charts 16 and 32). The SFRO failed to appreciate that "interim" (in place since Oroville Dam operations began a half a century ago) operations requirements by the Corps would require DWR to limit downstream releases to protect downstream levees by surcharging the reservoir if required. The SFRO failed to consider the operational consequences of operator reluctance to damage the hillside and cause problems with project works and project lands even for events smaller than the SPF. The SFRO failed to consider that the auxiliary spillway might be needed because of operational problems with the main service spillway as just happened in the 2017 Oroville Dam incident. The SFRO accepted DWR's Project Geology Section analysis that the limited erosion that might be expected from the use of the auxiliary spillway would not "compromise the integrity of the emergency [auxiliary] spillway." There was no evidence the SFRO conducted an independent investigation. See memo from John Onderdonk, Senior Civil Engineer, San Francisco Regional Office, Division of Dam Safety and Inspections Emergency Spillway Safety Questions related to Intervention Motion, Proj. No. 2100, Letter to John Mudre, FERC Division of Hydropower Licensing, July 27, 2006. (Onderdonk Memo), eLibrary no. 20060801-0158.

recirculation of the EIS and potentially the adoption of different decisions. At minimum, the Commission should exercise caution in basing a relicensing order on previous assumptions.

There may even be changes in the Corps of Engineers' Reservoir Regulation Manual for Oroville Dam as have been requested by the Governor of California.¹⁶ While the nature and schedule of such changes are speculative, the manual does describe duties that the Commission-licensed physical structures need to accomplish and thus may have some bearing on the shape of the relicensed project.¹⁷

The Forensic Team tasked with determining the cause of the spillway collapse is still conducting its work. It is our understanding that this work will also inform the reconstruction efforts to ensure that any deficiencies are properly addressed.¹⁸ Until this work is completed, the parties have no way of understanding the full scope of what is being relicensed and whether reconstruction efforts have addressed the problems that may have led to the incident in the first place.

Finally, the parties also wish to have adequate time to discuss the implications of the February incident with the licensee and determine what efforts and actions will be taken to address and mitigate damage to Oroville and the downstream communities.

It also may be quite likely that the short turn-arounds in decision-making during reconstruction may make it difficult for the Commission to predict what decisions it wishes to undertake in the current dam-safety "proceeding" and what it wishes to undertake or reconsider in the licensing proceeding.

In the 11 years since the licensee reached an agreement intended to quantify and compensate for such impacts, Oroville and the downstream communities have experienced disappointing and inadequate performance by DWR with regard to the kinds of commitments that agreement

¹⁶ See https://www.gov.ca.gov/docs/2.24.17_Letters.pdf; February 24, 2017 Letter from California Natural Resources Secretary John Laird to the Army Corps of Engineers, Bureau of Reclamation, and FEMA.

¹⁷ As an important side note, there was some confusion and controversy in the relicensing proceeding about whether the Corps of Engineers manual required using the emergency/auxiliary spillway to make regulated flood-control (as opposed to dam-safety) releases. However, the FERC Oroville Facilities FEIS accepted our description of the surcharge storage capacity of the reservoir (p. C-19). Moreover, DWR operations staff (Joel Ledesma and John Leahigh) at the May 3 and 15, 2017, DWR Oroville Spillway Incident public meetings conceded that the Corps of Engineers manual requires such operations as described by FOR *et al.*, and at the May 15 meeting John Leahigh encouraged FOR *et al.* to continue to raise the issue of the operational binds that DWR finds itself in as long as use of the emergency/auxiliary spillway involves erosive overland flows.

¹⁸ <https://www.ferc.gov/industries/hydropower/safety/projects/oroville/02-21-17.pdf> February 21, 2017 Letter from FERC Acting Director of Division of Dam Safety and Inspections to DWR Acting Director William Croyle.

memorialized. The issues and questions described above clearly demonstrate that DWR's commitments will need to be revisited and substantially revised in light of the spillway failures.

CONCLUSION

It is unusual and undesirable for the Commission to relicense major hydroelectric dams with so many unresolved questions and issues. Considerable uncertainties face relicensing participants, the licensee, and the Commission's dam-safety and relicensing staff. It would be prudent for the Commission to issue a new license only when there is clarity on both the configuration of the project and its potential effects and how the damage from the February incident will be addressed by the licensee.

Relicensing participants expended considerable time and energy during the relicensing of the Oroville Facilities. The events of 2017 have strained relationships between DWR, local communities, and other relicensing participants. DWR has not systematically evaluated the impacts to local communities of the incidents of 2017, and needs to do so. While there have been initial discussions relating to the impacts of spillway failures and appropriate mitigations, more time is needed to fully address these issues and to fully identify and evaluate all impacts of any changes to the relicensed Oroville Facilities. For these reasons, along with deficiencies in the FEIS, we request that FERC delay the issuance of the new license for Project no. 2100.

[Signature blocks of representatives of entities]

cc:

Acting Director Cindy Messer
Department of Water Resources
1416 Ninth Street
Sacramento CA 95814
c/o: Janiene.Friend@water.ca.gov

Ted Craddock, Project Manager
Oroville Emergency Recovery - Spillways
Executive Division Department of Water Resources
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c/o ted.craddock@water.ca.gov

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Division of Safety of Dams
Department of Water Resources
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Sacramento, California 95818

Mr. David E. Capka, P.E.
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888 First Street, N.E., Routing Code: PJ-123
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Mr. Frank L Blackett
Regional Engineer
Federal Energy Regulatory Commission
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Tom Howard
Executive Director
State Water Resources Control Board
P.O. Box 100
Sacramento, CA 95812-0100

CERTIFICATE OF SERVICE

I hereby certify that I have e-filed this document in the Commission's e-library for Project 2100-000, and have this day served this document on each person designated on the official service list compiled by the Secretary in this proceeding, via e-mail or surface mail as directed on the service list.

Dated this xxth day of July 2017.

/s/

Name

Address

City Council Agenda Item #5
Staff Report

Date: July 17, 2017

To: Mayor and City Council

From: Matt Michaelis, Finance Director

| | |
|----------|-----------|
| X | Regular |
| | Special |
| | Closed |
| | Emergency |

Subject: A Public Hearing and Resolution to Closeout Grant 13-CDBG-8970

Recommendation

City staff respectfully recommends that the Mayor and City Council receive this staff report, open the public hearing, receive public comment, close the public hearing, and consider adoption of resolution 2017-R-017, a Resolution of the City Council of the City of Gridley Authorizing the Closeout of Grant 13-CDBG-8970 in the amount of \$900,000.

Background

In 2013, the City received a CDBG project award in the amount of \$900,000. The purpose of this grant was to fund first time homebuyer and housing rehabilitation projects for low and moderate income households. The City assisted six (6) low-income homebuyers with the City's first time homebuyer program and provided housing rehabilitation assistance to three (3) households.

The City is required to hold a public hearing to discuss the grant accomplishments and submit a closeout certification to the State. Upon direction from the Council, staff will submit the final closeout package to CDBG.

Financial Impact

There is no fiscal impact to the City General Fund by closing out this grant.

Compliance with the City Council Strategic Plan or Budget Goals

This presentation is consistent with our ongoing effort to be responsive and transparent regarding all financial matters, as well as be congruent with best financial practices.

Attachments:

Resolution 2017-R-017, a Resolution of the City Council of the City of Gridley Authorizing the Closeout of Grant 13-CDBG-8970 in the amount of \$900,000.

RESOLUTION NO.
2017-R-017

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GRIDLEY
AUTHORIZING THE CLOSEOUT OF GRANT 13-CDBG-8970 IN THE AMOUNT OF
\$900,000**

WHEREAS, in 2013, the City received a CDBG project award in the amount of \$900,000;
and

WHEREAS, the purpose of this grant was to fund first time homebuyer and housing rehabilitation projects for low and moderate income households; and

WHEREAS, the City is required to hold a public hearing to discuss the grant accomplishments and submit a closeout certification to the State; and

WHEREAS, upon direction from the Council, staff will submit the final closeout package to CDBG; and

WHEREAS, on July 17, 2017 the City Council conducted a duly noticed public hearing to advertise the closure of grant 13-CDBG-8970.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Gridley, approves the closeout of grant 13-CDBG-8970 and authorizes the City Administrator and Finance Director to proceed with closeout activities with the state.

I HEREBY CERTIFY that the foregoing resolution was duly introduced and passed at a special meeting of the City Council of the City of Gridley held on the 17th day of July, 2017, by the following vote:

AYES: COUNCIL MEMBERS

NOES: COUNCIL MEMBERS

ABSENT: COUNCIL MEMBERS

ABSTAIN: COUNCIL MEMBERS

ATTEST:

APPROVE:

Paul Eckert, City Clerk

Frank Hall, Mayor

City Council Agenda Item #6
Staff Report

Date: July 17, 2017

To: Mayor and City Council

From: Matt Michaelis, Finance Director

Subject: A Public Hearing and Resolution to consider 1.) Expenditure of Program Income Funding and Request to CDBG for Program Income Waivers and 2.) City Council changes to Impact Fees

| | |
|----------|-----------|
| X | Regular |
| | Special |
| | Closed |
| | Emergency |

Recommendation

City staff respectfully recommends that the Mayor and City Council receive this staff report, open the public hearing, receive public comment, close the public hearing, and consider adoption of resolution 2017-R-018, a Resolution of the City Council of the City of Gridley Authorizing the Reuse of Community Development Block Grant Program Income Contingent on the Granting of a State Department of Housing and Community Development Program Income Waivers. It is also recommended that the City Council authorize a 25% impact fee reduction for the proposed 32-unit senior housing project.

Background

The City of Gridley has received multiple CDBG awards over the last several years and these grants have provided repayment of loans which has developed a CDBG Program Income account. Per the contract with the Department of Housing and Community Development, these funds must be used on CDBG eligible activities and all expenditures from this account require approval of the City Council after a public hearing has been conducted.

The City has reviewed a project that is being proposed to develop 32 one-bedroom and 5 two-bedroom units for households ages 62 or older that are at or below 50% of the area median income for Butte County. This project is requesting the use of the City's CDBG Program Income for the purposes of Land Acquisition and Public Infrastructure Improvements in support of the housing development. Both activities are eligible activities under the CDBG Program. All funds must be expended prior to accessing any future grant funds awarded by CDBG. Significant expenditure of Program Income funds must occur on an annual basis or the City could risk losing the funds.

The 32-unit senior housing development will require state and federal grants that are competitively awarded. Among other criteria, a primary consideration in the competitive review by the State is local agency (City) participation through local funding of the project. Consequently, staff recommends that the City further "participate" in the project by deferring 25% of the total City of Gridley impacts assessed to the project. The total estimated amount of the projected impacts fees is \$781,920. If approved, the 25% reduction will reduce the impact fee revenue to the City to \$586,440. Again, in order for the project to proceed and the City to receive any impact fees at all, the project application for State funding needs to be competitive and the project's grant funding to be approved.

Financial Impact

Adoption of the recommended action will result in a reduction in the City of Gridley's available CDBG Program Income in the amount of \$530,000. The current Program Income balance as of 6/30/2017 is \$415,709.

The projects will be funded as follows:

| | |
|------------------------------------|-----------------|
| Land Acquisition | \$300,000 |
| Activity Delivery | <u>\$30,000</u> |
| Total Project | \$330,000 |
| Public Infrastructure Improvements | \$177,739 |
| Activity Delivery | <u>\$26,261</u> |
| Total Project | \$200,000 |
| Program Income Expenditure Total | \$530,000 |

Further, if the project moves forward, the City will receive an estimated \$586,440 in impacts fees.

Compliance with the City Council Strategic Plan or Budget Goals

This presentation is consistent with our ongoing effort to be responsive and transparent regarding all financial matters, as well as be congruent with best financial practices.

Attachments:

Resolution 2017-R-018, a Resolution of the City Council of the City of Gridley Authorizing the Reuse of Community Development Block Grant Program Income Contingent on the Granting of a State Department of Housing and Community Development Program Income Waivers.
authorizing liability claim authority for the City Administrator.

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GRIDLEY
AUTHORIZING THE USE OF COMMUNITY DEVELOPMENT BLOCK
GRANT PROGRAM INCOME FUNDS FOR AN ACQUISITION AND PUBLIC
INFRASTRUCTURE IN SUPPORT OF HOUSING PROJECT CONTINGENT ON THE
APPROVAL BY STATE DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
PROGRAM INCOME WAIVER AND AUTHORIZATION TO DEFER 25% OF THE PROJECTED
CITY IMPACT FEES**

WHEREAS, the City of Gridley has received Community Development Block Grant (CDBG) repayments, known as Program Income, from past activities; and

WHEREAS, on April 28, 2010 the State Department of Housing and Community Development adopted a policy whereby a waiver could be requested to allow the use of CDBG Program Income for any activity otherwise eligible for CDBG funding; and

WHEREAS, the City has funding available in the Program Income Account; and

WHEREAS, the identified activities support and serve low-income individuals in the community and meet the required national objectives as outlined by Federal law; and

WHEREAS, on July 17, 2017 the City Council conducted a duly noticed public hearing to discuss the use of CDBG Program Income funds to fulfill the expenditure of the remaining funds available;

WHEREAS, the City Council wishes to demonstrate our Community's support of the project by deferring 25% of the project City of Gridley Impact Fee revenues;

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Gridley, approves the expenditure of CDBG Program Income, contingent on the approval of the waiver or waivers from the State Department of Housing and Community Development for the following activities including activity delivery in the following amounts:

1. \$330,000 Land Acquisition
2. \$200,000 Public Infrastructure in Support of Housing; and

BE IT FURTHER RESOLVED that the City Council authorizes deferment of the projected City of Gridley Impact Fee revenues by 25%; and

BE IT FURTHER RESOLVED AND ORDERED that the City Administrator may execute, sign, and submit all required contracts, financial forms or other required documents for the project on behalf of the City for the above projects.

I HEREBY CERTIFY that the foregoing resolution was duly introduced and passed at a special meeting of the City Council of the City of Gridley held on the 17th day of July, 2017, by the following vote:

AYES: COUNCIL MEMBERS

NOES: COUNCIL MEMBERS

ABSENT: COUNCIL MEMBERS

ABSTAIN: COUNCIL MEMBERS

ATTEST:

APPROVE:

Paul Eckert, City Clerk

Frank Hall, Mayor

**CDBG PROGRAM INCOME FUNDED WAIVER REQUEST
– PROJECT –**



GRANTEE: CITY OF GRIDLEY

CONTACT PERSON: MATT
MICHAELIS

PHONE: 530-846-8300
EMAIL: MMICHAELIS@GRIDLEY.CA
.US

DATE SUBMITTED BY JURISDICTION: 7/18/2017

CDBG REPRESENTATIVE: MAX EMAMI

1. INDICATE CDBG ACTIVITY and MATRIX CODE TO BE FUNDED AS A SUPPLEMENTAL ACTIVITY::

Activity: ACQUISITION OF REAL PROPERTY

☒ **CD PROJECT**

☐ **ED PROJECT**

Matrix Code: 01

Contract(s) this activity is to be added to: NONE

2. INDICATE PROJECT FUNDING SOURCES:

A. TOTAL PROJECT COST: \$7,779,361

B. TOTAL CDBG FUNDS NEEDED: \$330,000 (\$300,000 Activity Cost/\$30,000 Activity Delivery Costs)

C. TOTAL NON-CDBG FUNDING COMMITTED: \$6,185,298.00

Sources of Other Committed Funding: (Indicate each funding source.)

(i) Impact Fee Loan (\$700,000)

(ii) Construction Loan (\$4,042,913)

(iii) Housing Authority (\$300,000)

(iv) Deferred Development Fees/Costs (\$1,142,385.00)

D. TOTAL OTHER FUNDING NEEDED (is there a gap?): \$ 1,116,324.00

Comments: Tax Credit Funding – expect funding in March 2018 funding cycle (\$1,116,324.00) and CDBG Funding for Off-site improvements (\$177,739) submitted under separate PI Waiver form.

3. ACTIVITY DESCRIPTION: (Be sure to fully answer A. and B. below.)

A. INDICATE ADDRESS OR LOCATION (IF INFRASTRUCTURE) OF PROJECT: The project is located in the City of Gridley, CA along State Highway 99 on the West side of the highway north of Archer Avenue. The official APN: 024-260-079 – the current site has not been identified by a numerical address as the property is vacant.

B. PROPOSED PROJECT: (Aggregated Scope of Work for entire project.)

The proposed project will construct a senior housing complex with 32 one-bedroom units and 5 two-bedroom units and provide a LIHTC restricted project to households 62 or older with the exception of one unit that will be occupied by the manager of the project. Additionally, the Housing Authority of Butte County has committed project based vouchers for this project.

The proposed use of CDBG funds the City of Gridley will purchase the property for the project and provide to the developer for the development of the project.

C. SCOPE OF WORK FOR CDBG FUNDING:

CDBG funding will be provided for Acquisition of the property for the project and provide to the developer for the development of the project

D. TIMELINE OF PROPOSED PROJECT:

The project timeline is as follows:

6/2018 – Tax Credits Funding

11/2018 – Close loans

12/2018 – Begin Construction

10/2019 – Occupancy permit issued and begin leasing

2/2020 – Project stabilized

Acquisition timeline:

Estimated timeline to acquire the property will be determined by the approval of the PI Waiver process and Clearance of the General Conditions Clearance Process. The City anticipates the process of acquisitions being completed no later than December 2017.

CDBG PROGRAM INCOME FUNDED WAIVER REQUEST

– PROJECT –

Page | 2

JURISDICTION: CITY OF GRIDLEY

4. ELIGIBILITY:

A. NATIONAL OBJECTIVE:

- 1) ☐ Low/Moderate Area (LMA)
- 2) ☒ Low/Mod Housing (LMH)
- 3) ☐ Low/Mod Clientele (LMC)

B. HUD LOW/MOD BENEFIT:

National Objective must be met by either:

- 1) Beneficiaries meeting income restriction;
- 2) Beneficiaries being members of a Limited Clientele; or,
- 3) Service area being primarily Low/Mod individuals (>51%).

Check the box that describes how this Project will meet the National Objective, and describe the details requested.

☐ Area Benefit:

Low/Mod %: _____

☐ Based on HUD Low/Mod Data

☐ Based on Income Survey

(Prior Department approval is required for submission of this form)

☐ Jurisdiction-Wide ☐ Service Area

☒ Income Restricted (*Public Improvements in Support of Housing Only*)

☐ Limited Clientele: (*Public Facility Only*)

List Type(s) of Limited Clientele:

Explain Benefit in Activity: The project will be limited to Low Income Seniors age 62 or older. All residents of the project will be income qualified and must be at or below 50% of the County of Butte Area Median Income. The Butte County Housing Authority will also be providing project vouchers for the program and residents will be required to meet the HUD income requirements under the Section 8 Voucher Program.

C. DESCRIPTION OF SERVICE AREA:

Submit Map(s) and Identify:

- (1) Census Tract/ Block Group; and,
- (2) Zoning in description

Note: Service area information is needed regardless of which Low/Mod benefit is being used.

☒ Entire Jurisdiction

☐ Service Area(s): _____

Describe Service Area of Project: _____

Map must be included

CITIZEN PARTICIPATION:

No CDBG Project can be approved without the required Citizen Participation being completed.

Indicate the status of each of the following:

Public Notice: ☒ Completed ☐ Not Completed Comments: _____

Resolution of the Governing Body (Authorizing submittal of Supplemental Request, designating the Authorized Representative)

☒ Completed ☐ Not Completed Comments: _____

Please submit evidence of the above with this request.

CDBG PROGRAM INCOME FUNDED WAIVER REQUEST

- PROJECT -

Page | 3

On behalf of the City/County of: CITY OF GRIDLEY I submit this CDBG Program Income Waiver Request and understand that, upon approval, the need to clear all applicable General and Special Conditions, which includes meeting all applicable federal overlay requirements. I understand the City/County of: Gridley cannot incur costs until prior written Department approval is given.

Authorized Representative Signature: _____

Date: 7/17/2017

Print Name and Title of Authorized Signer:

Print Name of Preparer: LORIE ANN ADAMS, ADAMS ASHBY GROUP

Date: 7/17/2017

Additional Comments: _____

(FOR USE BY CDBG PROGRAM ONLY)

JURISDICTION: _____

6. ACTIVITY APPROVAL:

☐ **APPROVED**

☐ **APPROVED WITH SPECIAL CONDITIONS:**

Activity Eligibility 105(a): _____

☐ **NOT APPROVED** **Date:** _____

7. REASONS FOR NOT APPROVING:

CDBG Representative: _____ Date: _____

CDBG Program Manager: _____ Date: _____

CDBG Section Chief: _____ Date: _____

**CDBG PROGRAM INCOME FUNDED WAIVER REQUEST
– PROJECT –**



GRANTEE: CITY OF GRIDLEY

CONTACT PERSON: MATT
MICHAELIS

PHONE: 530-846-8300
EMAIL: MMICHAELIS@GRIDLEY.CA
.US

DATE SUBMITTED BY JURISDICTION: 7/18/2017

CDBG REPRESENTATIVE: MAX EMAMI

1. INDICATE CDBG ACTIVITY and MATRIX CODE TO BE FUNDED AS A SUPPLEMENTAL ACTIVITY::

Activity: PUBLIC IMPROVEMENTS
Matrix Code: 03

☒ CD PROJECT

☐ ED PROJECT

Contract(s) this activity is to be added to: NONE

2. INDICATE PROJECT FUNDING SOURCES:

A. TOTAL PROJECT COST: \$7,779,361

B. TOTAL CDBG FUNDS NEEDED: \$200,000 (\$177,739 Activity Cost/\$22,261 Activity Delivery Costs)

C. TOTAL NON-CDBG FUNDING COMMITTED: \$6,185,298.00

Sources of Other Committed Funding: (*Indicate each funding source.*)

(i) Impact Fee Loan (\$700,000)

(ii) Construction Loan (\$4,042,913)

(iii) Housing Authority (\$300,000)

(iv) Deferred Development Fees/Costs (\$1,142,385.00)

D. TOTAL OTHER FUNDING NEEDED (is there a gap?): \$ 1,116,324.00

Comments: Tax Credit Funding – expect funding in March 2018 funding cycle (\$1,116,324.00) and CDBG Funding for Land Acquisition (\$300,000) submitted under separate PI Waiver form.

3. ACTIVITY DESCRIPTION: (*Be sure to fully answer A. and B. below.*)

A. INDICATE ADDRESS OR LOCATION (IF INFRASTRUCTURE) OF PROJECT: The project is located in the City of Gridley, CA along State Highway 99 on the West side of the highway north of Archer Avenue. The official APN: 024-260-079 – the current site has not been identified by a numerical address as the property is vacant.

B. PROPOSED PROJECT: (Aggregated Scope of Work for entire project.)

The proposed project will construct a senior housing complex with 32 one-bedroom units and 5 two-bedroom units and provide a LIHTC restricted project to households 62 or older with the exception of one unit that will be occupied by the manager of the project. Additionally, the Housing Authority of Butte County has committed project based vouchers for this project.

The proposed use of CDBG funds the City of Gridley will complete required off-site improvements for public infrastructure to support the project.

C. SCOPE OF WORK FOR CDBG FUNDING:

CDBG funding will be used to construct public infrastructure required by the City of Gridley for the development of the project.

D. TIMELINE OF PROPOSED PROJECT:

The project timeline is as follows:

6/2018 – Tax Credits Funding

11/2018 – Close loans

12/2018 – Begin Construction

10/2019 – Occupancy permit issued and begin leasing

2/2020 – Project stabilized

Construction timeline:

Estimated timeline for construction will be 12/2018 and complete by 6/2019.

CDBG PROGRAM INCOME FUNDED WAIVER REQUEST

– PROJECT –

Page | 2

JURISDICTION: CITY OF GRIDLEY

4. ELIGIBILITY:

A. NATIONAL OBJECTIVE:

- 1) ☐ Low/Moderate Area (LMA)
2) ☒ Low/Mod Housing (LMH)
3) ☐ Low/Mod Clientele (LMC)

B. HUD LOW/MOD BENEFIT:

National Objective must be met by either:

- 1) Beneficiaries meeting income restriction;
2) Beneficiaries being members of a Limited Clientele; or,
3) Service area being primarily Low/Mod individuals (>51%).

Check the box that describes how this Project will meet the National Objective, and describe the details requested.

☐ Area Benefit:

Low/Mod %: _____

☐ Based on HUD Low/Mod Data

☐ Based on Income Survey

(Prior Department approval is required for submission of this form)

☐ Jurisdiction-Wide ☐ Service Area

☒ Income Restricted (Public Improvements in Support of Housing Only)

☐ Limited Clientele: (Public Facility Only)

List Type(s) of Limited Clientele:

| | |
|---|--|
| | <p>Explain Benefit in Activity: <u>The project will be limited to Low Income Seniors age 62 or older. All residents of the project will be income qualified and must be at or below 50% of the County of Butte Area Median Income. The Butte County Housing Authority will also be providing project vouchers for the program and residents will be required to meet the HUD income requirements under the Section 8 Voucher Program.</u></p> |
| <p>C. DESCRIPTION OF SERVICE AREA:</p> <p>Submit Map(s) and Identify:</p> <p>(1) Census Tract/ Block Group; and,</p> <p>(2) Zoning in description</p> <p>Note: <i>Service area information is needed regardless of which Low/Mod benefit is being used.</i></p> | <p><input checked="" type="checkbox"/> Entire Jurisdiction</p> <p><input type="checkbox"/> Service Area(s):</p> <p>Describe Service Area of Project: _____</p> <p>Map must be included</p> |

| | |
|--------------------------------------|---|
| <p>CITIZEN PARTICIPATION:</p> | <p>No CDBG Project can be approved without the required Citizen Participation being completed.</p> <p>Indicate the status of each of the following:</p> <p>Public Notice: <input checked="" type="checkbox"/> Completed <input type="checkbox"/> Not Completed Comments: _____</p> <p>Resolution of the Governing Body (Authorizing submittal of Supplemental Request, designating the Authorized Representative)</p> <p><input checked="" type="checkbox"/> Completed <input type="checkbox"/> Not Completed Comments: _____</p> <p>Please submit evidence of the above with this request.</p> |
|--------------------------------------|---|

CDBG PROGRAM INCOME FUNDED WAIVER REQUEST

- PROJECT -

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On behalf of the City/County of: CITY OF GRIDLEY **I submit this CDBG Program Income Waiver Request and understand that, upon approval, the need to clear all applicable General and Special Conditions, which includes meeting all applicable federal overlay requirements. I understand the City/County of:** Gridley **cannot incur costs until prior written Department approval is given.**

Authorized Representative Signature: _____

Date: 7/17/2017

Print Name and Title of Authorized Signer:

Print Name of Preparer: LORIE ANN ADAMS, ADAMS ASHBY GROUP

Date: 7/17/2017

Additional Comments: _____

(FOR USE BY CDBG PROGRAM ONLY)

JURISDICTION: _____

6. ACTIVITY APPROVAL:

☐ **APPROVED**

☐ **APPROVED WITH SPECIAL CONDITIONS:**

Activity Eligibility 105(a): _____

☐ **NOT APPROVED** **Date:** _____

7. REASONS FOR NOT APPROVING:

CDBG Representative: _____

Date: _____

CDBG Program Manager: _____

Date: _____

CDBG Section Chief: _____

Date: _____

City Council Agenda Item #7
Staff Report

Date: July 17, 2017

To: Mayor and City Council

From: Donna Decker, Planning Department

Subject: Project summary for Ordinance 827-2017 (Rezone), Resolution 2017-R-008 (General Plan Amendment), and Ordinance 829-2017 (New code for HCC zoning district)

| | |
|----------|-----------|
| X | Regular |
| | Special |
| | Closed |
| | Emergency |

Recommendation

There is no action to take.

Discussion

City staff brought forward a General Plan Amendment and Rezone of 41 acres along the west side of Highway 99 to the Planning Commission and City Council. The property is located north of West Liberty and south of Stuke Nursery. The effort was spurred by realtor Ed Becker and Devin Waterbury to enhance the commercial opportunities along the highway corridor. This was good timing in that, the City Council had recently amended Title 17, Zoning, of the Gridley Municipal Code (November and December of 2016) to be consistent with the General Plan. This resulted in some uses no longer being allowed in the Light and Heavy Industrial zoned properties via a conditional use permit. Below is a timeline reflecting the process to date:

- **April 18, 2017** The General Plan Amendment 2017-R-008 and rezone 827-2017 was considered by the Planning Commission; the Planning Commission forwarded to the City Council a recommendation to adopt the resolution and ordinance.
- **May 1, 2017** The items were presented to the City Council for adoption. Mr. Ed Becker provided testimony indicating concern for the action without having an ordinance describing the allowed uses in the proposed HCC zoning district. He requested the City Council delay a decision until such time the Council would have the benefit of seeing the code that would be developed.

Action- The City Council moved to continue the two items until an ordinance was also presented to them for action. Staff noted that the ordinance would need to be heard by the Planning Commission for a recommendation prior to

consideration by the Council. These items have stayed on the agenda so the cost of noticing would not be incurred at a later date.

- **May 18, 2017** Received letter of opposition from the Carli family. City staff recommended additional outreach for the proposed project.
- **June 13, 2017** A community meeting was noticed and sent to the property owners and interested parties. In attendance were:
 - Ed Becker
 - Joe Fontes
 - Jagtar Madare

A draft ordinance was developed for discussion with the community. The parties generally agreed to uses that should not be allowed; however, the following indicated dissention:

- Ed Becker was interested in having the new HCC designation allow truck and trailer parking on the rear area of the site. This is part of what one potential buyer of the 22 acres would want. They would park truck trailers for short term parking. He assured that it would be unlikely for any semi-trucks to park there and probably no overnight sleep rests would take place. Planning did not support this request.
- Joe Fontes did not wish to have automotive repair. He said that sales would be ok, but that repair and service could cause noise issues for properties that have residential uses.
- Jagtar Madare expressed an interest in the greatest latitude of uses to be allowed to provide the greatest flexibility.

Revisions were requested to be made to the proposed code and a second meeting was requested by the parties. Prior to the meeting Mr. Devin Waterbury had expressed concern that the change in land use could impact his state licenses for auto dismantling.

- **June 28, 2017** Public notice was developed for publication in the Gridley Herald June 30, 2017 for the Planning Commission dated July 10, 2017 for the proposed code amendment to add the HCC zoning requiring a 10 day public notice.
- **June 30, 2017** Received email that the public notices did not publish on June 30, 2017.

- **July 5, 2017** Received email that the notices were published July 5, 2017. This was in error and did not allow the 10 day time period.
- **July 5, 2017** Held community meeting to discuss proposed HCC code. In attendance were:
 - Ed Becker
 - Joe Fontes
 - Barbara Kowell

Ed Becker requested minor clarification to the map page of the proposed ordinance. Joe Fontes and Barbara Kowell had questions related to residential in the HCC zone.

The map of the area has been revised to remove the Waterbury properties from the action because it is unknown what impact a rezone from M-2 to HCC would have on his dismantling operations. The commercial zoning uses that are allowed in the HCC zone would not allow auto dismantling. Additionally, the HCC zone would not allow shipping containers. At the City Council meeting dated November 21, 2016, the City Council wished to ensure the business in the M-2 zone would be able to continue the unlimited provision of shipping containers on site; to wit, the Waterbury properties. Should his property be rezoned, containers would not be allowed in the HCC zone unless the City Council believed that it would be appropriate to have more containers along the Highway Commercial Corridor. Planning would not advise the increase of containers along Highway 99 commercial corridor.

The purpose of the rezone and land use designation change is to allow more commercial opportunities along Highway 99 with supporting residential and light industrial uses. More commercial land use will result in an increase of tax revenue for the City.

- **Planning Commission hearing date cancelled. Rescheduled to July 24, 2017 to allow for 10 day noticing which should be published on July 14, 2017.**
- **July 24, 2017** Scheduled Planning Commission hearing for the HCC zoning ordinance.
- **August 7, 2017** Planned City Council meeting for consideration of 2017-R-008, Ordinance 827-2017 and Ordinance 829-2017 to add the HCC code. Noticing will need to be in the Gridley Herald on July 28, 2017 for the City Council meeting.

Excerpt for draft ordinance:

The line of demarcation identifies that commercial shall be located contiguous to Highway 99. The depth of the commercial use is arbitrary and determined by a project application to the City of Gridley for review and approval.

1. Commercial (C-1 and C-2) and Commercial/Residential uses are allowed contiguous to Highway 99 per Section 17.XX.
2. Commercial (C-1 and C-2), Residential (inclusive of all residential land use designations), and Light Industrial (M-1) uses are allowed.
3. Limitations of the restricted uses in accordance with Section 17.XX, "Uses not allowed".

Figure 1: Map depicting HCC Highway Commercial Corridor Mixed Use Combining Zone

City Council Agenda Item #8
Staff Report

Date: July 17, 2017
To: Mayor and City Council
From: Matt Michaelis, Finance Director

| | |
|----------|-----------|
| X | Regular |
| | Special |
| | Closed |
| | Emergency |

Subject: A Resolution Establishing Liability Claim Authority for the City Administrator

Recommendation

Council approve a resolution authorizing liability claim authority for the City Administrator.

Background

The City currently does not have an approval hierarchy in place for liability claims. When the City receives a claim, staff has to wait until the next Council meeting to ask for authority to accept or reject the claim; regardless of how large or small the claim is. This existing process is time consuming and inefficient. By establishing an approval limit for the City Administrator, staff will be able to promptly service citizens with legitimate claims for which the City is responsible. The attached resolution establishes the authority for the City Administrator to manage liability claims under \$5,000; which will enable staff to be more efficient. Claims over \$5,000 will continue to be processed as they already are; in consultation with the City Council.

Financial Impact

Apart of the financial impact of the claims themselves (which is minimal due to the NCCSIF coverage hierarchy), there is no financial impact of this recommendation.

Compliance with the City Council Strategic Plan or Budget Goals

This presentation is consistent with our ongoing effort to be responsive and transparent regarding all financial matters, as well as be congruent with best financial practices.

Attachments:

Resolution 2017-R-019 authorizing liability claim authority for the City Administrator.

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GRIDLEY
ESTABLISHING LIABILITY CLAIM APPROVAL AUTHORITY FOR THE CITY ADMINISTRATOR**

WHEREAS, the City currently does not have an approval hierarchy in place for liability claims; and

WHEREAS, the existing process for processing what should be routine claims is time consuming and inefficient; and

WHEREAS, by establishing an approval limit for the City Administrator, staff will be able to promptly service citizens with legitimate claims for which the City is responsible; and

WHEREAS, this resolution establishes the authority for the City Administrator to manage liability claims under \$5,000; which will enable staff to be more efficient in its claims management process.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED that the City Council of the City of Gridley does hereby adopt that the City Administrator is authorized to approve or deny liability claims under \$5,000 on behalf of the City Council.

I HEREBY CERTIFY that the foregoing resolution was duly introduced and passed at a special meeting of the City Council of the City of Gridley held on the 17th day of July, 2017, by the following vote:

AYES: COUNCIL MEMBERS

NOES: COUNCIL MEMBERS

ABSENT: COUNCIL MEMBERS

ABSTAIN: COUNCIL MEMBERS

ATTEST:

APPROVE:

Paul Eckert, City Clerk

Frank Hall, Mayor