



**AGENDA
JUNE 7, 2016
REGULAR MEETING
CITY COUNCIL
CITY OF YUBA CITY**

**5:00 P.M. – CLOSED SESSION: BUTTE ROOM
6:00 P.M. – REGULAR MEETING: COUNCIL CHAMBERS**

MAYOR	• John Buckland
VICE MAYOR	• Stanley Cleveland, Jr
COUNCILMEMBER	• Preet Didbal
COUNCILMEMBER	• John Dukes
COUNCILMEMBER	• Kash Gill
CITY MANAGER	• Steven Kroeger
CITY ATTORNEY	• Timothy Hayes

**1201 Civic Center Blvd
Yuba City CA 95993**

Wheelchair Accessible



If you need assistance in order to attend the City Council meeting, or if you require other accommodations such as signing services or interpreters to make a presentation to the City Council, the City is happy to assist you. Please contact the City offices at (530) 822-4602 at least 72 hours in advance so such aids or services can be arranged.

*The Council Chambers are equipped with auxiliary hearing devices so that no prior arrangements need to be made to attend the meeting. **City Hall TTY: 530-822-4732***

**AGENDA
REGULAR MEETING OF THE CITY COUNCIL
CITY OF YUBA CITY
COUNCIL CHAMBERS
JUNE 7, 2016
5:00 P.M. – CLOSED SESSION
6:00 P.M. – REGULAR MEETING**

Materials related to an item on this Agenda submitted to the Council after distribution of the agenda packet are available for public inspection in the City Clerk's office at 1201 Civic Center Blvd., Yuba City, during normal business hours. Such documents are also available on the City of Yuba City's website at www.yubacity.net, subject to staff's availability to post the documents before the meeting.

Public Comment:

Any member of the public wishing to address the City Council on any item listed on the closed session agenda will have an opportunity to present testimony to the City Council prior to the City Council convening into closed session. Comments from the public will be limited to three minutes. No member of the public will be allowed to be present once the City Council convenes into closed session. Contact the City Clerk in advance of the closed session either in person at City Hall, by phone, 822-4817, or email, tlocke@yubacity.net, to allow for time for testimony.

Closed Session—Butte Room

- A. Confer with real property negotiators Steve Kroeger and Diana Langley pursuant to Government Code Section 54956.8 regarding possible sale of APN 52-412-013, 625 Clark Avenue
- B. Confer with real property negotiators Steve Kroeger and Diana Langley pursuant to Government Code Section 54956.8 regarding possible purchase of the following properties or portions thereof: APN 52-077-010, 889 Bridge Street, and APN 52-073-008, 967 Bridge Street.
- C. Confer with real property negotiators Steve Kroeger and Diana Langley pursuant to Government Code Section 54956.8 regarding possible purchase of the following property or portions thereof: APN 059-530-028, 2035 Butte House Road.
- D. Confer with legal counsel regarding existing litigation pursuant to Government Code Section 54956.9(a), Public Employees Union Local 1 v. City of Yuba City, Public Employment Relations Board Case No. SA-CE-919-M.
- E. Confer with real property negotiators Steve Kroeger and Darin Gale pursuant to Government Code Section 54956.8 regarding possible sale of APN 52-030-010, Portion of Sam Brannan Park

Regular Meeting—Council Chambers

Call to Order

Roll Call: ___ Mayor Buckland
 ___ Vice Mayor Cleveland
 ___ Councilmember Didbal
 ___ Councilmember Dukes
 ___ Councilmember Gill

Invocation

Pledge of Allegiance to the Flag

Presentations & Proclamations

1. Proclamation for Mike Fitzgerald's Retirement

Public Communication

You are welcome and encouraged to participate in this meeting. Public comment is taken on items listed on the agenda when they are called. Public comment on items not listed on the agenda will be heard at this time. Comments on controversial items may be limited and large groups are encouraged to select representatives to express the opinions of the group.

2. Written Requests

Members of the public submitting written requests, at least 24 hours prior to the meeting, will be normally allotted five minutes to speak

3. Appearance of Interested Citizens

Members of the public may address the City Council on items of interest that are within the City's jurisdiction. Individuals addressing general comments are encouraged to limit their statements to three minutes

Bid Opening

4. Chemical Bid (FB16-08)

Recommendation: Award formal bid contracts for the period July 1, 2016 through June 30, 2017 with the option to extend the contract on a year-to-year basis, not to exceed three (3) years, based on the lowest responsive bid in all categories, as it is in the best interest of the City. Authorize the City Manager to approve the extensions

5. Custodial Services Contract (FB16-10)

Recommendation: Award a contract to Tony Fraga Building Service of Rocklin, CA, in the amount of \$56,675.76 for one (1) year of custodial services with the option of three (3) one (1) year extensions and authorize the City Manager to approve contract extensions

Consent Calendar

All matters listed under Consent Calendar are considered to be routine and can be enacted in one motion. There will be no separate discussion of these items prior to the time that Council votes on the motion unless members of the City Council, staff or public request specific items to be discussed or removed from the Consent Calendar for individual action

6. Minutes of May 17, 2016 & May 23, 2016

Recommendation: Approve the City Council Meeting Minutes of May 17, 2016 and May 23, 2016

7. Certified Farmers' Market License Agreement

Recommendation: Authorize the Mayor to enter into an agreement with Robertson Family Farm to establish an additional certified farmers' market in Yuba City

General Items

8. Emergency Water Restrictions and Water Conservation Update

Recommendation: Adopt a Resolution implementing the State Water Resource Control Board's "locally-developed conservation standard" of 15% for Yuba City

9. Consideration of Three Additional Property Assessed Clean Energy Programs (PACE) Providers for Yuba City Residents

Recommendation: A. Adopt a Resolution authorizing participation in CSCDA Open PACE, which will enable property owners to finance permanently fixed renewable energy, energy efficiency, water efficiency, and seismic strengthening improvements as well as electric vehicle charging infrastructure

B. Adopt a Resolution consenting to the inclusion of properties within the City's Jurisdiction in the California HERO Program to Finance Distributed Generation Renewable Energy Sources, Energy and Water Efficiency Improvements and Electric Vehicle Charging Infrastructure and Approving an Amendment to a Certain Joint Powers Agreement Related Thereto

C. Adopt a Resolution consenting to the City's Associate Membership in the California Home Finance Authority and the inclusion of properties within the City's Jurisdiction in the Authority's SB 555 YgreneWorks PACE Program

D. Adopt a Resolution consenting to the inclusion of properties within the City's jurisdiction and AB 811 YgreneWorks PACE Programs for Financing Distributed Generation Renewable Energy Sources, Energy and Water Efficiency Improvements and Electric Vehicle Charging Infrastructure

10. Refunding the City's Community Facilities District No. 2004-1 (Sunsweet Boulevard) bond issue

Recommendation: Adopt a Resolution authorizing the issuance of special tax refunding bonds for and on behalf of the City of Yuba City Community Facilities District No. 2004-1 (Sunsweet Boulevard), approving and directing the execution of a fiscal agent agreement and escrow agreement, approving sale of such bonds, and approving other related documents and actions

11. Adoption of the City of Yuba City's Fiscal Year 2016-2017 Operating and Capital Budgets and Fiscal Year 2016-2017 Appropriations Limit

- Recommendation:
- A. Adopt a Resolution approving the proposed Fiscal Year 2016-2017 Operating Budget. The proposed All Funds Budget Summary for Fiscal Year 2016-2017 is attached
 - B. Adopt a Resolution approving the Fiscal Year 2016-2017 Capital Improvement Program. Project Summaries by Funding Source are attached to the Resolution
 - C. Adopt a Resolution approving the City's Appropriations Limit for Fiscal Year 2016-17
 - D. Adopt a Resolution approving modification to the Salary Schedule and Compensation Plan to include classification additions and deletions as contained in the proposed operating budget for FY 2016-2017

Business from the City Council

12. Appointments to City of Yuba City Boards and Commissions

- Recommendation: Approve the City Council Screening Committee Recommendations for Appointments

13. City Council Reports

- Councilmember Didbal
- Councilmember Dukes
- Councilmember Gill
- Vice Mayor Cleveland
- Mayor Buckland

Adjournment



Proclamation

of the City Council

Mike Fitzgerald Retirement STREET MAINTENANCE SUPERVISOR August 1, 1982 – June 3, 2016

WHEREAS, Mike Fitzgerald is retiring from employment with the City of Yuba City with 34 years of dedicated service on June 3, 2016; and

WHEREAS, Mike Fitzgerald began his career at the City as a Maintenance Worker II, and promoted through the ranks to his current position of Street Maintenance Supervisor in March of 1996; and

WHEREAS, Mike Fitzgerald spent his entire 34 years of service maintaining and overseeing the maintenance of City streets, sidewalks, curbs, gutters, signs, markings and storm drain systems; and

WHEREAS, Mike Fitzgerald is known only as “FITZ” to his friends and co-workers; and

WHEREAS, Mike Fitzgerald received accolades from the City Council in May of 1986 and again in 1997 for his work efforts and contributions to the community during high water events in those years; and

WHEREAS, Mike Fitzgerald was very meticulous about his office and dining space, everything had its place with which he never deviated from; and

WHEREAS, Mike Fitzgerald’s enthusiasm for building his team prompted the modification of the saying, “I want to be like Mike” to “We want to be like Mike”; and

WHEREAS, Mike Fitzgerald has always been a conscientious, dedicated and loyal employee of the City of Yuba City Public Works Department and has earned the respect and admiration of employees and citizens alike;

NOW, THEREFORE, BE IT RESOLVED, that I, John Buckland, Mayor of the City of Yuba City, and on behalf of the entire City Council, do hereby commend Mike’s outstanding and loyal service, and sincerely urge all residents of the City of Yuba City to join with me in recognizing Mr. Michael Fitzgerald for all of his contributions to the Yuba City community for the past 34 years.

Done this 7th day of June 2016, at the City of Yuba City, County of Sutter, State of California.

/s/ John Buckland

John Buckland, Mayor

CITY OF YUBA CITY

Written Requests

Members of the public submitting written requests at least 24 hours prior to the meeting will normally be allotted 5 minutes to speak.

Procedure

When requesting to speak, please indicate your name and the topic and mail to:

City of Yuba City
Attn: City Clerk
1201 Civic Center Blvd
Yuba City CA 95993

Or email to:

Terrel Locke, City Clerk

tlocke@yubacity.net

The Mayor will call you to the podium when it is time for you to speak.

CITY OF YUBA CITY

Appearance of Interested Citizens

Members of the public may address the City Council on items of interest that are within the City's jurisdiction. Individuals addressing general comments are encouraged to limit their statements.

Procedure

Complete a Speaker Card located in the lobby and give to the City Clerk. When a matter is announced, wait to be recognized by the Mayor. Comment should begin by providing your name and place of residence. A three-minute limit is requested when addressing Council.

- For Items on the Agenda

Public comments on items on the agenda are taken during Council's consideration of each agenda item. If you wish to speak on any item appearing on the agenda, please note the number of the agenda item about which you wish to speak. If you wish to speak on more than one item, please fill out a separate card for each item.

- Items not listed on the Agenda

Public comments on items not listed on the agenda will be heard during the Public Communication portion of the meeting.

CITY OF YUBA CITY
STAFF REPORT

Date: June 7, 2016
To: Honorable Mayor & Members of the City Council
From: Finance Department
Presentation By: Spencer Morrison, Accounting Manager

Summary

Subject: Chemical Bid (FB16-08)

Recommendation: Award formal bid contracts for the period July 1, 2016 through June 30, 2017 with the option to extend the contract on a year-to-year basis, not to exceed three (3) years, based on the lowest responsive bid in all categories, as it is in the best interest of the City and authorize the City Manager to approve contract extensions

Fiscal Impact: \$982,000: Funds to be drawn from various accounts in both the Wastewater and Water Treatment funds as well as Community Services 5130-63701 account. The actual cost may vary based on usage

Purpose:

To provide chemicals to the Water and Wastewater Treatment plants, at the best prices available.

Background:

The contracts are necessary to provide chemicals to be used in the purification of water for human consumption and in the treatment of wastewater.

Analysis:

In last year's chemicals staff report, Council was informed that the Water and Wastewater Department's were researching joining a consortium for the purchase of chemicals. The Bay Area Chemical Consortium (BACC) is a group of multiple municipalities and water agencies that have been working together for several years to consolidate all chemical purchases into one bid to receive the best possible prices for all agencies. The Water and Wastewater Departments joined the BACC group this year. Dublin San Ramon Services District was the agency that put the bid specification together with all other agencies reviewing their specific chemicals to assure that all items included in the bid were correct. The bid specifications were sent out to multiple vendors for each type of chemical for a total of approximately 50 different vendors.

Included in the BACC bid was the category for Sodium Hypochlorite which is a chemical used for the swimming pool at Gauche Aquatic Park. The decision was made for the city to utilize the BACC bid process for that chemical to receive a better price instead of doing our own bid.

The BACC did not include all the chemicals that the Water and Wastewater Departments purchase, so the city put out a bid specifically for those chemicals. A formal bid was developed

and advertised according to the City's municipal code section 2-6.09. Fifty-seven (57) vendors received bid notification and five (5) responded. The recommended awardees by category are as follows:

Category A-Calcium Hydroxide/Lime Slurry

Lhoist North America \$585.00/ton
Fort Worth, TX

Category B-Liquid Oxygen

Air Products \$.3822/gallon
Allentown, PA

The BACC awarded chemicals are as follows:

Category-Liquid Chlorine

Sierra Chemical \$542.88/ton
Sparks, NV

Category-Sodium Hypochlorite

Olin Corp \$.4773/gallon
Tracy, CA

Category-Fluorosilicic Acid

Thatcher Company of California \$2.1578/gallon
Salt Lake City, UT

Category-Sodium Hydroxide

Brenntag Pacific \$.22/Dry lb
Santa Fe Springs, CA

Category-Citric Acid

Univar USA \$6.224/gallon
Kent, WA

Category-Sodium Bisulfite

Univar USA \$1.0213/gallon
Kent, WA

Category-Aluminum Sulfate

Chemtrade Chemicals US LLC \$.5401/gallon
Parsippany, NJ

Category-Polymers

Polydyne Inc \$1.08/lb
Riceboro, GA

Fiscal Impact:

\$982,000: Funding for these purchases is budgeted in the Water and Wastewater fund portions of the budget as well as a Community Services account. The account numbers to be used for these purchases are as follows:

Origin	Account	Account Title	Origin	Account	Account Title
7120	63701	CHEMICALS	7120	63702	CHLORINE

7120	63703	ALUMINUM SULFATE	7120	63708	FLUORIDE
7120	63707	LIME	7120	63714	CITRIC ACID
7120	63704	CARBON	8120	63702	CHLORINE
8120	63731	SODIUM BISULFITE	8120	63735	SODIUM HYDROXIDE
8120	63732	LIQUID OXYGEN	8120	63733	POLYMERS
5130	63701	CHEMICALS			

Alternatives:

- 1) Instruct staff to prepare a new bid
- 2) Award to alternative firm(s)
- 3) Instruct staff to purchase on the open market as required

Recommendation:

Award formal bid contracts for the period July 1, 2016 through June 30, 2017 with the option to extend the contract on a year-to-year basis, not to exceed three (3) years, based on the lowest responsive bid in all categories, as it is in the best interest of the City. Authorize the City Manager to approve contract extensions.

Prepared By:

Submitted By:

/s/ Vicky Anderson

Vicky Anderson
Administrative Analyst

/s/ Steven C. Kroeger

Steven C. Kroeger
City Manager

Reviewed By:

Finance

/RB/

Utilities

/DL/

City Attorney

/TH/ via email

FB16-08 Chemical

Vendor	Sodium Hypochlorite	Liquid Chlorine One Ton	Fluorosilicic Acid	Sodium Hydroxide	Citric Acid	Sodium Bisulfite	Aluminum Sulfate	Polymers	Category A Calcium Hydroxide Slurry/Lime Slurry	Category B Liquid Oxygen
Blue = BACC										
Yellow = City										
Lhoist North America									585.0000	na
ChemTrade Chemicals									639.0000	na
Univar									670.0000	na
Air Products									na	0.3555
Sierra Chemical		505.0000			5.9900		1.0000			
Olin Corp	0.4440	no bid		0.2220						
Univar	0.4515	no bid		0.2301	5.7900	0.9500				
HASA	0.7920									
Thatacher			2.1578				0.6497			
Solvay			2.1867							
Brenntag			2.2900	0.2200						
North Star Chem										
Chemtrade							.5401/gal or 198.75/dry ton			
Eco Services							1.2780			
Chemurgic						2.2000				
Polydyne								1.0800		
	tax	tax	no tax	tax	tax	tax	no tax	tax	no tax	tax
	Pool	Both-tax incl.	WTP	WWTP	WTP	WWTP	WTP	WWTP	WTP	WWTP

CITY OF YUBA CITY
STAFF REPORT

Date: June 7, 2016
To: Honorable Mayor & Members of the City Council
From: Finance Department
Presentation By: Spencer Morrison, Accounting Manager

Summary

Subject: Custodial Services Contract (FB16-10)

Recommendation: Award a contract to Tony Fraga Building Service of Rocklin, CA, in the amount of \$56,675.76 for one (1) year of custodial services with the option of three (3) one (1) year extensions and authorize the City Manager to approve contract extensions

Fiscal Impact: \$56,675.76 annually as follows:
 Senior Center-1541-62701, Professional Services
 Gauche Aquatic Park-1541-62701, Professional Services
 Sutter Animal Control-7410-63601, Building Maintenance

Purpose:

To provide custodial services to three (3) city facilities: Gauche Aquatic Park, Senior Center and Sutter Animal Control.

Background:

The City currently has a custodial contract in place for custodial services at the same three locations that is due to expire June 30, 2016. The Facilities Maintenance division oversees the cleaning and maintenance of the following City Facilities: City Hall, Police Department, Fire Admin Building, Corporation Yard, Water Treatment Plant, and Wastewater Treatment Plant.

Analysis:

The Public Works Department worked with Finance staff to ensure that the specifications meet the City's requirements. A formal bid was developed and advertised according to the City's ordinances. Ten (10) vendors received bid notifications. The following bids were received:

<u>Vendor</u>	<u>Price</u>
Tony Fraga Building Services Rocklin, CA	\$56,675.76
Lincoln Training Center Roseville, CA	\$97,896.00
Ultimate Building Maintenance Yuba City, CA	\$77,100.00

S.Sarkissian Co. Phoenix, AZ	\$34,830.00
Tri County Building Maintenance San Jose, CA	\$101,625.00

Upon reviewing the bids, the apparent low bidder, S. Sarkissian Co., was not deemed responsive for lack of continuity in the bid documents, lack of experience, and staff not being able to reach any of the references that were provided. With this information the Finance and Public Works Department made the decision that it was in the best interest of the City to move to the next lowest bidder.

Public Works and Finance met with Tony Fraga Building Service to review the bid specification and to discuss the level of service that is expected. Mr. Fraga has been in the custodial service business for over 32 years and has worked with multiple municipalities.

Fiscal Impact:

\$56,675.76 annually follows:

- Senior Center-1541-62701, Professional Services
- Gauche Aquatic Park-1541-62701, Professional Services
- Sutter Animal Control-7410-63601, Building Maintenance

Alternatives:

- 1) Reject the bid
- 2) Direct staff to hire additional part-time temporary extra help employees and authorize additional overtime for the Custodian II's to provide seven days/week service at Gauche Aquatic Park
- 3) Request new bid

Recommendation:

Award a contract to Tony Fraga Building Service of Rocklin, CA in the amount of \$56,675.76 for one (1) year of custodial services with the option of three (3) one (1) year extensions and authorize the City Manager to approve contract extensions.

Prepared By:

/s/Vicky Anderson
Vicky Anderson
Administrative Analyst I

Submitted By:

/s/Steven C. Kroeger
Steven C. Kroeger
City Manager

Reviewed By:

Finance

/RB/

Public Works

/DL/

City Attorney

/TH/ via email

**MINUTES (DRAFT)
REGULAR MEETING OF THE CITY COUNCIL
CITY OF YUBA CITY
COUNCIL CHAMBERS
MAY 17, 2016
5:00 P.M. – CLOSED SESSION
6:00 P.M. – REGULAR MEETING**

Closed Session—Butte Room

- A. Conferred with real property negotiators Steve Kroeger and Diana Langley pursuant to Government Code Section 54956.8 regarding possible purchase of the following properties or portions thereof: APN 52-071-012, 670 Brown Avenue, and APN 52-077-010, 889 Bridge Street.
- B. Conferred with real property negotiators Steve Kroeger and Diana Langley pursuant to Government Code Section 54956.8 regarding negotiations regarding possible purchase of the following properties or portions thereof: Yuba County APN 010-156-007, 010-156-008, 010-156-009, Union Pacific Railroad Company.
- C. Conferred with real property negotiators Steve Kroeger and Diana Langley pursuant to Government Code Section 54956.8 regarding negotiations regarding possible purchase of the following properties or portions thereof: Yuba County APN 010-156-005, 010-156-006, Gisi (75%) / Pharis (25%).
- D. Conferred with real property negotiators Steve Kroeger and Brad McIntire pursuant to Government Code Section 54956.8 regarding negotiations for the possible sale of the following city owned properties or portions thereof: APN's 57-150-004 217 S Walton and 57-150-050 211 S Walton Ave.

Regular Meeting—Council Chambers

The City of Yuba City City Council meeting was called to order by Mayor Buckland at 6:00 p.m.

Roll Call

Present: Councilmembers Cleveland, Didbal, Dukes, Gill and Mayor Buckland

Absent: None

Invocation

Councilmember Dukes gave the invocation

Pledge of Allegiance to the Flag

Youth Commissioner Nick Lavy led the Pledge of Allegiance

Presentations & Proclamations**1. Proclamation for Police Officer Bruce Taylor's Retirement**

Mayor Buckland presented Officer Taylor with a proclamation in honor of his 22 years of service to the public

2. National Public Works Week

Mayor Buckland presented a proclamation to the following staff from the Public Works Department:

Gurtej Bhattal – Engineering
Jesse Gaona – Wastewater Treatment Facility
Dave Calonder – Water Treatment Plant
Rich Raczynski – Sewer Collection
Nate McCready – Water Distribution
Jim Murphy - Wastewater Treatment Facility

3. Youth Commission Report

Members of the Yuba City Youth Commission presented a report to the Mayor and City Council

Public Communication

4. Written Requests

The following persons requested time to speak:

Bob Renton, Live Oak – Proposed Water Rate Increase
Bill Zearfoss, Yuba City – Proposed Water Rate Increase
Rick Dais, Live Oak – Proposed Water Rate Increase

5. Appearance of Interested Citizens – None

Public Hearing

6. 2016-2017 Community Development Block Grant (CDBG) Annual Action Plan and 2015-2016 CDBG Annual Action Plan Amendment

Mayor Buckland opened the public hearing, hearing no comment he closed the Public Hearing.

Councilmember Gill moved to adopt **Resolution No. 16-026** accepting the 2016-2017 Annual Action Plan and **Resolution No. 16-027** amending the 2015-2016 Annual Action Plan and authorize staff to submit the plan to the Department of Housing and Urban Development (HUD). Councilmember Dukes seconded the motion that passed with a unanimous vote.

Ordinance

7. Sign Ordinance Update

Councilmember Dukes moved to adopt Ordinance No. 006-16 amending Title 8, Chapter 5, Article 63 relating to signs and section 8-5.8055 relating to sign definitions; waiving the second reading. Councilmember Didbal seconded the motion that passed with a unanimous vote.

Consent Calendar

Councilmember Gill moved to adopt the Consent Calendar as presented. Councilmember Dukes seconded the motion that passed with a unanimous vote.

8. Minutes of May 3, 2016

Approved the City Council Meeting Minutes of May 3, 2016.

9. General Municipal Election November 1, 2016

Adopted **Resolution No. 16-028** calling and giving notice of the holding of a General Municipal Election to be held on Tuesday, November 1, 2016 for the election of two members of the City Council, City Clerk, and City Treasurer and authorize the Mayor to enter into an agreement for Election Services with Sutter County

10. Yuba City Lighting and Landscape Maintenance District No. 6, Zone of Benefit B_9

Adopted **Resolution No. 16-029** to modify Yuba City Lighting and Landscape Maintenance District No. 6, Zone of Benefit B_9 (2510 Live Oak Boulevard) and **Resolution No. 16-030** of Intention, Yuba City Lighting and Landscape Maintenance District No. 6, Zone of Benefit B_9 (pursuant to the Landscaping and Lighting Act of 1972)

General Items

11. Active Transportation Program Grant Application Project Approval

Councilmember Cleveland moved to authorize the Public Works Director to submit the Sutter Bike Path Extension, the Harter Shared Path, and the Bridge Street Shared Path projects for grant funding through State Active Transportation Program, Regional Active Transportation Program, and Bicycle and Pedestrian Funding Program. Councilmember Gill seconded the motion that passed with a unanimous vote.

12. Presentation of Investment Report – Quarter Ended March 31, 2016

Noted and Filed Quarterly Investment Report.

Business from the City Council

13. City Council Reports

- Councilmember Didbal
- Councilmember Dukes
- Councilmember Gill
- Vice Mayor Cleveland
- Mayor Buckland

Adjournment

Mayor Buckland adjourned the Regular Meeting of the City Council of the City of Yuba City at 7:20 p.m. in memory of Michael Churkin, Jr., who passed away on May 12, 2016. His was a life well lived.

John Buckland, Mayor

Attest:

Terrel Locke, City Clerk

**MINUTES (DRAFT)
BUDGET WORKSHOP
CITY COUNCIL
CITY OF YUBA CITY
SUTTER ROOM
MAY 23, 2016 - 5:00 P.M.**

Special Meeting—Sutter Room

The City of Yuba City City Council meeting was called to order by Mayor Buckland at 5:00 p.m.

Roll Call

Present: Councilmembers Cleveland, Didbal, Dukes, Gill and Mayor Buckland

Absent: None

1. Proposed 2016 – 2017 Operating and CIP Budgets

Conducted a workshop to review the Proposed Fiscal Year 2016-2017 Operating and Capital Improvement Project Budgets.

Public Communication on Items on the Agenda

None.

Adjournment

Mayor Buckland adjourned the Special Meeting of the City Council of the City of Yuba City at 6:45 p.m.

Attest:

John Buckland, Mayor

Terrel Locke, City Clerk

CITY OF YUBA CITY
STAFF REPORT

Date: June 7, 2016
To: Honorable Mayor & Members of the City Council
From: Community Services Department
Presentation By: Brad McIntire, Community Services Director

Subject: Certified Farmers' Market License Agreement
Recommendation: Authorize the Mayor to enter into an agreement with Robertson Family Farm to establish an additional certified farmers' market in Yuba City
Fiscal Impact: None

Purpose:

Promote health and wellness within our community by permitting the establishment of an additional certified farmers' market.

Background:

Robertson Family Farm of Marysville, CA was established in 2001 and is owned and operated by Andrew and Lacie Robertson. The Robertsons currently participate in farmers' markets in Yuba, Sutter and Nevada Counties. They also operate a Consumer Supported Agriculture (CSA) program – the farm shares fresh produce with customers the same day it goes home with them in exchange for payment directly to the farm.

In May 2016, Lacie Robertson of Robertson Family Farm contacted the Community Services Department to express interest in establishing a year-round certified farmers' market in Yuba City.

The proposed certified farmers' market will consist of approximately 10 vendors and will be held Wednesdays between 2:00pm and 7:30pm year-round. In addition to the sale of agricultural products, vendors may sell hand-crafted items and fresh bread. The market will be held at the upper parking lot at the City's Gauche Aquatic Park located at the northeast corner of Wilbur and C Street.

The City will impose the same requirements for the Robertson Family Farm Certified Farmers' Market as the certified farmers' market currently held at the Town Center Park, which will remain open on Saturdays from 8:00am to 12:00pm.

Analysis:

The attached agreement formalizes the arrangements with the operators (Licensee) of the Farmers' Market. The agreement details the operating days and times, designates the location, requires that the operator have written guidelines and rules available for the public, requires liability insurance and provides indemnification for the City. A summary of the agreement is as follows:

- Market will be located at the upper parking lot at the City's Gauche Aquatic Park located at the northeast corner of Wilbur and C Street (as shown in the attached site map).

- Market will operate Wednesdays between 2:00pm and 7:30pm.
- Market must operate in accordance with the most current California Code of Regulations relating to farmers' markets.
 - No resale of goods.
 - All saleable items must be grown or made by the vendors.
- The Robertson's shall accommodate any activities of the City that may conflict with market operations.
- In addition to the sale of agricultural products, vendors may sell fresh bread and hand-crafted items (excludes items that are factory-made for resale).
- Robertson Family Farm shall maintain specific insurance and worker's compensation requirements.
- The agreement includes a three year term with automatic one year renewals.

Fiscal Impact:

None

Recommendation:

Authorize the Mayor to enter into an agreement with Robertson Family Farm to establish a certified farmers' market in Yuba City.

Attachments:

- A. Site Map
- B. License Agreement

Prepared By:

/s/ Brad McIntire
 Brad McIntire
 Community Services Director

Submitted By:

/s/ Steven C. Kroeger
 Steven C. Kroeger
 City Manager

Reviewed By:

Finance	<u>RB</u>
City Attorney	<u>TH via email</u>



1 inch = 50 feet

EMERSON

WILBUR

C



CITY OF YUBA CITY

ROBERTSON FAMILY FARM CERTIFIED FARMERS' MARKET LICENSE AGREEMENT

THIS AGREEMENT is made and entered into this 7th day of June, 2016 by the CITY OF YUBA CITY, a municipal corporation, hereinafter designated as "CITY", and LACIE ROBERTSON, DBA Robertson Family Farm, hereinafter designated as "LICENSEE."

NOW THEREFORE, THE PARTIES AGREE AS FOLLOWS:

1. **SCOPE OF LICENSE.** For and in consideration of the observance of the terms and conditions set forth herein, City hereby grants to LICENSEE a License for the operation of a "Certified Farmers' Market" (the "Market") in the upper parking lot at the City's Gauche Aquatic Park located at the northeast corner of Wilbur and C Street (as shown in the attached site map). The Market will be allowed to operate on Wednesdays between 2:00 p.m. and 7:30 p.m.
 - 1.1 The LICENSEE shall provide the City with a venue site plan, including street utilization, if any, barricading plan and traffic control, as required by the CITY'S Public Work's Department.
 - 1.2 The Market shall be operated in accordance with the most current regulations as provided in the California Code of Regulations, Title III, Division 3, Chapter 1, Subchapter 4, Article 6.5, Direct Marketing.
 - 1.3 The LICENSEE shall coordinate its activities with state and local health officials and receive any necessary permits for said activities.
 - 1.4 The LICENSEE shall accommodate any activities of the City that may conflict with market operations.
 - 1.5 The LICENSEE may have entertainment in the form of individuals or small groups adjunct to and in conjunction with the Farmers' Market event. Such entertainment shall be in keeping with the scope of the Farmers' Market event and will not create any excessive noise or traffic issues. Requests for larger entertainment venues and/or amusements, such as amusement rides, games, and other entertainment venues, must have advance approval by the Director of Community Services, or his designee.
 - 1.6 In addition to the sale of agricultural products at the Market, LICENSEE shall also be authorized to allow vendors to sell hand-crafted items and locally baked goods. No sale of factory or commercially made items will be allowed. No resale of items sold at the Market will be allowed.
 - 1.7 The LICENSEE shall have written guidelines and rules available for public reference governing market vendor requirements, freedom of information, public area use/location, and assignment of priority vendor spaces.

- 1.8 Any use of City utilities shall require the LICENSEE to obtain the permission of the City, subject to any conditions imposed by the City.
 - 1.9 LICENSEE shall be responsible for clean-up of all litter and trash following each Farmers' Market event.
 - 1.10 LICENSEE shall obtain a City business license for the operation of the Market.
 - 1.11 LICENSEE shall not use the Farmers' Market for purposes other than those specified hereinabove.
2. **RENT.** LICENSEE agrees to pay City an annual rent in the amount of \$360.00 per year. Rent shall be payable, annually, in advance.
3. **INDEPENDENT CONTRACTOR.** The LICENSEE'S relationship to the CITY shall be that of an independent contractor. LICENSEE shall have no authority expressed or implied, to act on behalf of the City as an agent or to bind the CITY to any obligation whatsoever. The LICENSEE shall be solely responsible for the performance of any of its employees, agents, or subcontractors under this AGREEMENT.
4. **WORKERS' COMPENSATION.** Pursuant to Labor Code 1861, the LICENSEE hereby certifies that they are aware of provisions of Section 3700 of the Labor Code which requires every employer to be insured against liability for Workers' Compensation or to undertake self-insurance in accordance with the provisions of that code.
5. **LIABILITY INSURANCE.**
- 5.1 LICENSEE shall, through the duration of this Agreement, maintain comprehensive general liability and property damage insurance, or commercial general liability insurance, covering all operations of the LICENSEE, its agents and employees, performed in connection with this AGREEMENT.
- 5.2 LICENSEE shall maintain liability insurance in the following minimum limits:

Comprehensive General Liability Insurance

Combined single limit/occurrence	\$1,000,000
General Aggregate	\$2,000,000

Commercial General Liability Insurance

General limit/occurrence	\$1,000,000
General limit project specific aggregate	\$2,000,000

Automobile Liability Insurance

\$1,000,000

- 5.3 The commercial general liability insurance shall have 50% of the aggregate limit available at all times and will purchase additional coverage as necessary, due to claims, to maintain this level of coverage. The LICENSEE shall notify the CITY of all claims filed against the LICENSEE within 30 days of the claim.
 - 5.4 All insurance companies providing coverage to the LICENSEE shall add, by written endorsement, Yuba City as "additional insured" under the designated insurance policy for all work and activity performed under this AGREEMENT. Insurance coverage provided to the CITY as additional insured shall be primary insurance and other insurance maintained by the CITY OF YUBA CITY, its officers, agents and employees shall be excess only.
 - 5.5 All insurance companies affording coverage to the LICENSEE shall have a current Best rating of A:VII or higher or as otherwise approved by the CITY.
 - 5.6 Each insurance policy required under this Agreement shall provide that coverage shall not be changed or cancelled except after 30 days prior written notice to City has been provided or 10 days prior written notice for non-payment of premium. Any replacement insurance must meet the conditions of this AGREEMENT and be acceptable to the CITY.
 - 5.7 LICENSEE shall provide evidence of insurance to the CITY by providing a Certificate of Insurance in a form satisfactory to the CITY.
 - 5.8 Recertification or substitute insurance certification required 30 days in advance of prior policy expiration date.
6. **LICENSEE INDEMNIFICATION OF CITY.** LICENSEE shall indemnify and hold harmless the CITY of YUBA CITY, its officers, agents and employees against all claims for damages to persons or property arising out of the negligent acts, errors or omissions or wrongful acts or conduct of the LICENSEE. Further, the LICENSEE shall, upon written request by the CITY, defend any such claim or action brought against the CITY, its officers, agents or employees resulting or arising from the conduct, act or omission of the LICENSEE.
 7. **DURATION OF AGREEMENT.** The term of this AGREEMENT shall be for three years. After the initial term of the Agreement, the Agreement will automatically renew on January 1 of each year for an additional year unless notified by the LICENSEE of their intent to terminate the contract prior to this date. Termination by the City, if desired, would be pursuant to Section 11 of this Agreement.
 8. **ENTIRE AGREEMENT.** This AGREEMENT comprises the entire understanding between the CITY and the LICENSEE concerning the work performed and supersedes all prior negotiations and/or Agreements for Farmers' Market.

9. **INTERPRETATION OF THE AGREEMENT.** The interpretation, validity and enforcement of the AGREEMENT shall be governed by and construed under the laws of the State of California. The AGREEMENT does not limit any other rights or remedies available to CITY.

The LICENSEE shall be responsible for complying with all local, state, and federal laws whether or not said laws are expressly stated or referred to herein.

Should any provision herein be found or deemed to be invalid, the AGREEMENT shall be construed as not containing such provision, and all other provisions, which are otherwise lawful, shall remain in full force and effect, and to this end the provisions of this AGREEMENT are severable.

10. **AGREEMENT MODIFICATION.** This AGREEMENT may not be modified orally or in any manner other than by an agreement in writing signed by the parties hereto.
11. **TERMINATION.** This Agreement may be terminated by City immediately for cause and may be terminated by City for any reason, and without cause upon thirty (30) days written notice of termination by City to LICENSEE.
12. **SIGNATURES.** The individuals executing this AGREEMENT represent that they have the right and legal authority to enter into and to execute this AGREEMENT on behalf of the respective legal entities of the LICENSEE and the CITY.

IN WITNESS WHEREOF the parties hereto for themselves, their heirs, executors, administrators, successors, and assigns do hereby agree to the full performance of the covenants herein contained and have caused this License Agreement to be executed by setting hereunto these signatures this 7th day of June, 2016.

LICENSEE

CITY OF YUBA CITY

By: Lacie Robertson
Lacie Robertson

By: _____

APPROVED AS TO FORM:

Timothy P. Hayes, City Attorney

CITY OF YUBA CITY
STAFF REPORT

Date: June 7, 2016
To: Honorable Mayor & Members of the City Council
From: Department of Public Works
Presentation by: Diana Langley, Public Works Director

Summary

Subject: Emergency Water Restrictions and Water Conservation Update

Recommendation: Adopt a Resolution implementing the State Water Resource Control Board's "locally-developed conservation standard" of 15% for Yuba City

Fiscal Impact: With the reduction in the conservation mandate, it is anticipated that water consumption will increase, which will also increase water revenues

Purpose:

To comply with Governor Brown's Executive Order B-37-16, "Making Water Conservation a California Way of Life."

Background:**Water Supply:**

The City of Yuba City obtains water for its water system through four different permits/contracts from the Feather River. The City also has access to one groundwater well located at the Water Treatment Plant for use in drought or emergency conditions. The City's contractual water supply, historical water use for 2013-2015, and projected water supply for 2016 are shown in Figure 1.

Water Conservation:

On May 9, 2016, Governor Brown issued Executive Order B-37-16, "Making Water Conservation a California Way of Life." In response to the Executive Order, the State Water Resources Control Board (Water Board) adopted new emergency conservation regulations on May 18th. The highlights of the Executive Order and draft regulations that apply to Yuba City are as follows:

- Use Water More Wisely
 - The Water Board shall adjust emergency water conservation regulations through the end of January 2017. The current state-developed standard for Yuba City of 28% shall be replaced with a City-developed conservation standard. The City is required to self-certify that the new conservation standard is sufficient to ensure that there are enough water supplies to meet water demand, assuming three additional dry years.

- The Department of Water Resources (DWR) shall work with the Water Board to develop new water use targets as part of a permanent framework for urban water agencies. The new water targets shall build upon the existing state law requirements to achieve 20% reduction in urban water usage by 2020. The draft framework for the water use targets shall be issued by January 10, 2017.
- DWR and the Water Board shall permanently require urban water suppliers to issue a monthly report on their water usage, amount of conservation achieved, and any enforcement efforts.
- Eliminate Water Waste
 - The Water Board shall permanently prohibit practices that waste potable water, such as:
 - Hosing off sidewalks, driveways, and other hardscapes.
 - Washing automobiles with hoses not equipped with a shut-off nozzle.
 - Using non-recirculated water in a fountain or other decorative water feature.
 - Watering lawns in a manner that causes runoff, or within 48 hours after measurable precipitation; and
 - Irrigating ornamental turf on public street medians.
 - The Water Board and DWR shall direct actions to minimize water system leaks that waste large amounts of water.
- Strengthen Local Drought Resistance
 - DWR shall strengthen requirements for Urban Water Shortage Contingency Plans. The updated draft requirements shall be publicly released by January 10, 2017.

The regulations will go into effect in June and remain in effect until the end of January 2017.

Analysis:

Water Supply:

Based on the current contract allotments and the mandated conservation requirement, the City should have sufficient water for 2016.

Water Conservation:

The City's new conservation mandate is based on comparing water demand in Calendar Years 2013 and 2014 to the water supply projection for the next 3 years, based on current supply conditions plus an assumed 3-year hydrology mirroring the 2012-13, 2013-14, and 2014-15 water years. **Based on this calculation, the City's new conservation mandate is 15%.**

To determine if water suppliers are meeting their conservation mandate, water production data will be compared to the same periods in 2013. Compliance will be assessed both on a monthly and a cumulative basis.

Based on the reduction of the conservation mandate from 28% to 15%, staff recommends that the City's mandatory irrigation restrictions limiting watering to 2 days per week be removed, but that the other emergency water restrictions noted in Section 6-6.19 of the Municipal Code

remain in effect. With the drought conditions over the last few years, and educational efforts to encourage customers to conserve, staff is hopeful that customers will continue to conserve and limit watering to no more than necessary.

Since June 2015, the City has achieved a cumulative conservation amount of approximately 25%. Staff will continue to monitor the City's water supply, water demand, and conservation numbers and will recommend adjustments as necessary to maintain the 15% conservation requirement.

Fiscal Impact:

The City's approach is to educate water customers about the conservation requirements and issue monetary violations as a last resort. With the issuance of written warnings, customers are given the opportunity to make adjustments as necessary to achieve compliance.

To enforce the elimination of water waste as noted in Section 6-6.19 of the Municipal Code, with the exception of the irrigation restrictions limiting watering to 2 days per week, staff will continue to utilize the enforcement measures outlined in Section 6-6.20, "Enforcement Measures," of the Municipal Code.

In regards to fiscal impact to the City if the City does not meet the conservation requirements, the State Water Board can issue informational orders, conservation orders, or cease and desist orders to water suppliers for failure to meet their conservation standard. Water agencies that violate cease and desist orders are subject to a civil liability of up to \$10,000 per day.

With the reduction in the conservation mandate, it is anticipated that water consumption will increase, which will also increase water revenues. With the City currently in the process of increasing water and wastewater rates, it is important to note that the current proposed rate structure provides the maximum that the rates can be raised. Staff will provide Council with a status update of the Water Fund on an annual basis as part of the budget process, prior to the July 1st implementation of the increase for the following year. Council will retain the ability to set actual rates below the maximum should revenues exceed expectations.

Alternatives:

Modify the mandatory irrigation restrictions to limit watering to 3 days per week. Staff does not recommend this option. During the implementation of the 2 days per week mandatory irrigation restrictions, staff received feedback from many customers that they could achieve the same conservation level without being limited to watering specific days of the week.

Recommendation:

Adopt a Resolution implementing the State Water Resource Control Board's "locally-developed conservation standard" of 15% for Yuba City.

Prepared by:

/s/ Diana Langley

Diana Langley
Public Works Director

Submitted by:

/s/ Steven C. Kroeger

Steven C. Kroeger
City Manager

Reviewed by:

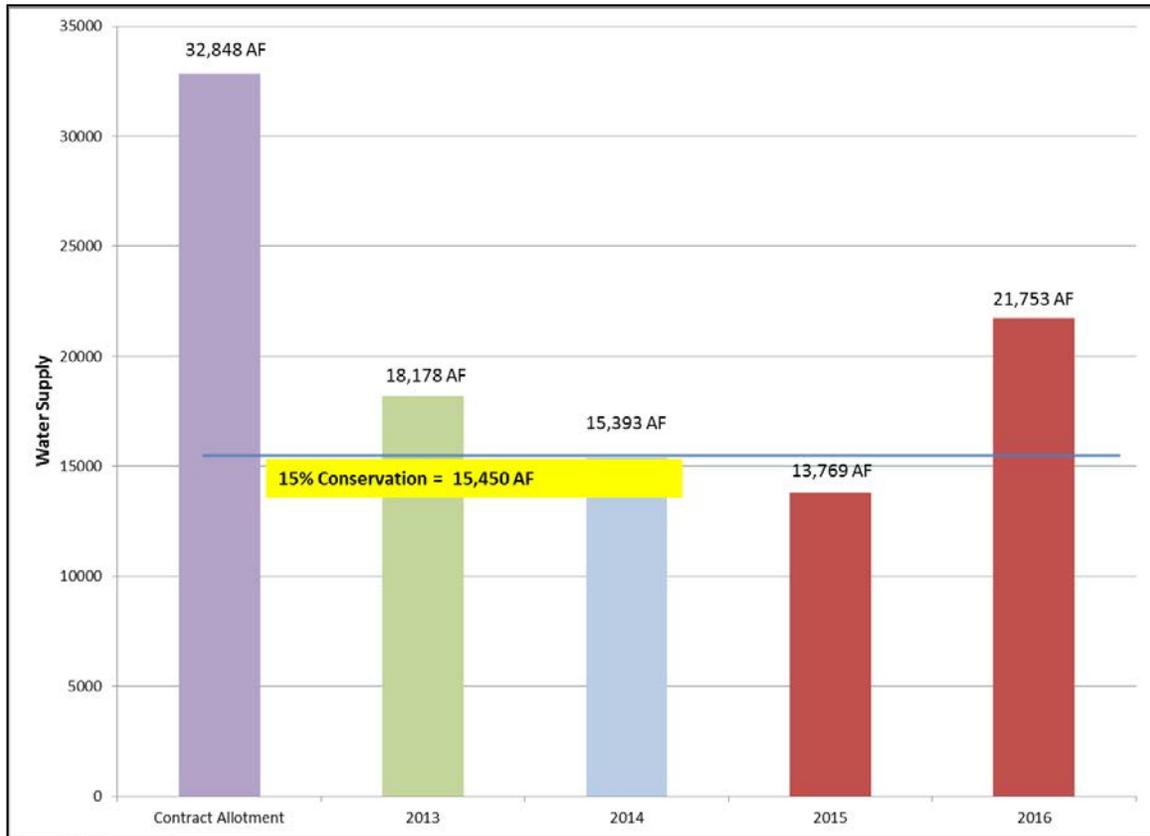
Finance

City Attorney

RB

TH via email

**FIGURE 1
COMPARISON OF CONTRACTUAL WATER SUPPLY TO WATER USE**



Contract Allotment = SWRCB License 13855 + SWRCB Permit 18558 + North Yuba Water District Contract + DWR State Water Project Allocation (25%) + DWR State Water Project Carryover + Backup Groundwater Well at Water Treatment Plant

2013 Water Use = 18,178 AF

2014 Water Use = 15,393 AF

2015 Water Use = 13,769 AF

2016 Projected Water Supply = 21,753 AF

RESOLUTION NO. _____

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF YUBA CITY
IMPLEMENTING THE STATE WATER RESOURCE CONTROL BOARD'S
"LOCALLY-DEVELOPED CONSERVATION STANDARD" OF 15% FOR YUBA CITY**

BE IT RESOLVED AND ORDERED BY THE CITY COUNCIL OF THE CITY OF YUBA CITY AS FOLLOWS:

WHEREAS, the State of California has endured several years of drought; and,

WHEREAS, on July 15, 2014, the State Water Resources Control Board approved emergency regulations to ensure that water suppliers, their customers and state residents increase water conservation in urban settings; and,

WHEREAS, on May 6, 2015, the State Water Resources Control Board approved emergency regulations to reduce urban water usage statewide by 25 percent; and,

WHEREAS, on May 19, 2015, the City Council adopted Resolution No. 15-024 declaring that water supply conditions are still such that they dictate and justify the need for the continued implementation of emergency water restrictions per Section 6-6.19 of the Municipal Code; and

WHEREAS, on May 18, 2016, the State Water Resources Control Board approved emergency regulations to replace the state-developed conservation standards with locally-developed conservation standards, and continued the prohibition of the following:

- Irrigating with potable water of ornamental turf on public street medians;
- Using potable water to wash sidewalks, driveways, and hardscapes;
- Allowing runoff when irrigating with potable water;
- Using hoses with no shutoff nozzle to wash cars;
- Using potable water in decorative water features that do not recirculate the water; and
- Irrigating outdoors during and within 48 hours following measurable rainfall; and

WHEREAS, the City of Yuba City's locally-developed conservation standard is 15 percent; and

WHEREAS, the City Council has determined the need for the continued implementation of emergency water restrictions with the exception of limiting lawn watering to two days per week.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Yuba City hereby declares that water supply conditions are such that they dictate and justify the need to implement the State Water Resource Control Board's "locally-developed conservation standard"

of 15% for Yuba City, and the continued implementation of emergency water restrictions with the exception of limiting lawn watering to two days per week.

The foregoing resolution was duly and regularly introduced, passed, and adopted by the City Council of the City of Yuba City at a regular meeting thereof held on the 7th day of June, 2016.

AYES:

NOES:

ABSENT:

John Buckland, Mayor

ATTEST:

Terrel Locke, City Clerk

CITY OF YUBA CITY
STAFF REPORT

Date: June 7, 2016

To: Honorable Mayor & Members of the City Council

From: Administration

Presentation By: Darin Gale, Economic Growth & Public Affairs

Summary

Subject: Consideration of Three Additional Property Assessed Clean Energy Programs (PACE) Providers for Yuba City Residents

Recommendation:

- A. Adopt a Resolution authorizing participation in CSCDA Open PACE, which will enable property owners to finance permanently fixed renewable energy, energy efficiency, water efficiency, and seismic strengthening improvements as well as electric vehicle charging infrastructure
- B. Adopt a Resolution consenting to the inclusion of properties within the City's Jurisdiction in the California HERO Program to Finance Distributed Generation Renewable Energy Sources, Energy and Water Efficiency Improvements and Electric Vehicle Charging Infrastructure and Approving an Amendment to a Certain Joint Powers Agreement Related Thereto
- C. Adopt a Resolution consenting to the City's Associate Membership in the California Home Finance Authority and the inclusion of properties within the City's Jurisdiction in the Authority's SB 555 YgreneWorks PACE Program
- D. Adopt a Resolution consenting to the inclusion of properties within the City's jurisdiction and AB 811 YgreneWorks PACE Programs for Financing Distributed Generation Renewable Energy Sources, Energy and Water Efficiency Improvements and Electric Vehicle Charging Infrastructure

Fiscal Impact: No cost to the City

Purpose:

To provide a means of offering property owners the opportunity to finance energy and water efficiency retrofits to their property.

Background:

The California legislature has passed laws establishing two statutory frameworks that allow cities to make Property Assessed Clean Energy (PACE) financing available to property owners within its jurisdictional boundaries.

Through Assembly Bill (AB) 811, AB 474 and Senate Bill (SB) 555 the legislature provide a mechanism for individual property owners to finance or refinancing the acquisition, installation and improvement of energy efficiency, water conservation, renewable energy and electric

vehicle charging infrastructure improvements permanently affixed to private or publicly-owned real property

Through this legislation individual properties can be annexed into a CFD and be subject to the special tax that is imposed to repay project financing only if: (i) the Council adopts a Resolution consenting to the inclusion of parcels in the incorporated areas of the City within the CFD; and (ii) the owner of the individual property provides written approval to annex the property into the CFD.

The City of Yuba City was the first jurisdiction in the region to adopt a PACE program in 2012 followed by a second PACE provider in 2014. Last year Yuba County adopted a variety of PACE programs and those providers have begun advertising in the region. Since that time, the City has received a number of requests from both residential and commercial property owners to consider adopting the three new PACE programs proposed in this report. If adopted residents would have a choice between five PACE program providers.

Analysis:

PACE programs provide a cost effective means of offering property owners the opportunity to make energy and water efficiency retrofits to their property and to create new local jobs. In many cases, the savings realized far exceed payment obligations required for the financing.

Participation in the programs is completely voluntary to property owners. Examples of energy and water saving property improvements include high efficiency air conditioners, dual-pane windows, renewable energy – such as solar photovoltaic panel systems, insulation, cool roofs, and other such permanently installed energy efficient improvements.

The benefits to the property owner include:

- Only property owners who choose to participate in a PACE program will have assessments imposed on their property.
- In today's economic environment, there may not be attractive alternatives for property owners to finance renewable energy/energy efficiency/water efficiency improvements.
- Most private loans are due on sale of the benefited property, which makes it difficult for property owners to match the life of the repayment obligation with the useful life of the financed improvements. Under California law, the PACE financing obligation transfers with the property upon sale.
- The property owner can choose to pay off the PACE financing at any time, subject to applicable prepayment penalties.
- Having multiple programs available to property owners increases consumer choices and creates competition.

The benefits to the City include:

- Yuba City is not obligated to repay or be responsible for the private financing used for the programs and is not obligated to pay the voluntary assessments levied on the participating properties.
- The joint power authority for each program handles all assessment administration and financing including bond issuance and bond administration functions.

The proposed Resolutions authorize the programs (Open PACE, California HERO, and YgreneWorks -- established by the California Home Financing Authority) to accept applications

from owners of property within our jurisdiction for financing of authorized improvements through their program. It also authorizes them to conduct the necessary proceedings and levy the contractual assessments and special taxes, as applicable, against properties within the incorporated territory of the City when the owners of those properties choose to voluntarily participate in a PACE program.

Any jurisdiction can withdraw from these PACE programs at any time by passing a Resolution rescinding the authorization.

Fiscal Impact:

No cost to the City.

Alternatives:

Do not approve the proposed PACE programs and continue with our existing PACE providers.

Recommendation:

Adopt the Resolutions presented authorizing the City to join the CSCDA Open PACE Program, the California HERO program, and the CHF YgreneWorks program and authorizing each program to offer the program financing to property owners in Yuba City.

Prepared By:

Submitted By:

/s/ Darin E. Gale

Darin E. Gale
Economic Growth & Public Affairs

/s/ Steven C. Kroeger

Steven C. Kroeger
City Manager

Attachments:

- CSCDA Open PACE Resolution
- California Hero Resolution
- YgreneWorks Resolutions
- CHF Resolution

Reviewed By:

Finance

RB

City Attorney

TH via email

RESOLUTION NO. _____

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF YUBA CITY
CONSENTING TO THE INCLUSION OF PROPERTIES WITHIN THE TERRITORY
OF THE CITY IN THE CSCDA OPEN PACE PROGRAMS; AUTHORIZING THE
CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY TO
ACCEPT APPLICATIONS FROM PROPERTY OWNERS, CONDUCT
CONTRACTUAL ASSESSMENT PROCEEDINGS AND LEVY CONTRACTUAL
ASSESSMENTS WITHIN THE TERRITORY OF THE CITY; AND AUTHORIZING
RELATED ACTIONS**

WHEREAS, the California Statewide Communities Development Authority (the "Authority") is a joint exercise of powers authority, the members of which include numerous cities and counties in the State of California, including the City of Yuba City (the "City"); and

WHEREAS, the Authority is implementing Property Assessed Clean Energy (PACE) programs, which it has designated CSCDA Open PACE, consisting of CSCDA Open PACE programs each administered by a separate program administrator (collectively with any successors, assigns, replacements or additions, the "Programs"), to allow the financing or refinancing of renewable energy, energy efficiency, water efficiency and seismic strengthening improvements, electric vehicle charging infrastructure and such other improvements, infrastructure or other work as may be authorized by law from time to time (collectively, the "Improvements") through the levy of contractual assessments pursuant to Chapter 29 of Division 7 of the Streets & Highways Code ("Chapter 29") within counties and cities throughout the State of California that consent to the inclusion of properties within their respective territories in the Programs and the issuance of bonds from time to time; and

WHEREAS, the program administrators currently active in administering Programs are the AllianceNRG Program (presently consisting of Deutsche Bank Securities Inc., CounterPointe Energy Solutions LLC and Leidos Engineering, LLC), PACE Funding LLC and Renewable Funding LLC, and the Authority will notify the City in advance of any additions or changes; and

WHEREAS, Chapter 29 provides that assessments may be levied under its provisions only with the free and willing consent of the owner or owners of each lot or parcel on which an assessment is levied at the time the assessment is levied; and

WHEREAS, the City desires to allow the owners of property ("Participating Property Owners") within its territory to participate in the Programs and to allow the Authority to conduct assessment proceedings under Chapter 29 within its territory and to issue bonds to finance or refinance Improvements; and

WHEREAS, the territory within which assessments may be levied for the Programs shall include all of the territory within the City's official boundaries; and

WHEREAS, the Authority will conduct all assessment proceedings under Chapter 29 for the Programs and issue any bonds issued in connection with the Programs; and

WHEREAS, the City will not be responsible for the conduct of any assessment proceedings; the levy of assessments; any required remedial action in the case of delinquencies

in such assessment payments; or the issuance, sale or administration of any bonds issued in connection with the Programs;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Yuba City as follows:

Section 1. This City Council hereby finds and declares that properties in the territory of the City will benefit from the availability of the Programs within the territory of the City and, pursuant thereto, the conduct of special assessment proceedings by the Authority pursuant to Chapter 29 and the issuance of bonds to finance or refinance Improvements.

Section 2. In connection with the Programs, the City hereby consents to the conduct of special assessment proceedings by the Authority pursuant to Chapter 29 on any property within the territory of the City and the issuance of bonds to finance or refinance Improvements; provided, that

(1) The Participating Property Owners, who shall be the legal owners of such property, execute a contract pursuant to Chapter 29 and comply with other applicable provisions of California law in order to accomplish the valid levy of assessments; and

(2) The City will not be responsible for the conduct of any assessment proceedings; the levy of assessments; any required remedial action in the case of delinquencies in such assessment payments; or the issuance, sale or administration of any bonds issued in connection with the Programs.

Section 3. The appropriate officials and staff of the City are hereby authorized and directed to make applications for the Programs available to all property owners who wish to finance or refinance Improvements; provided, that the Authority shall be responsible for providing such applications and related materials at its own expense. The following staff persons, together with any other staff persons chosen by the City Manager of the City from time to time, are hereby designated as the contact persons for the Authority in connection with the Programs: City Manager's Office

Section 4. The appropriate officials and staff of the City are hereby authorized and directed to execute and deliver such certificates, requisitions, agreements and related documents as are reasonably required by the Authority to implement the Programs.

Section 5. The City Council hereby finds that adoption of this Resolution is not a "project" under the California Environmental Quality Act, because the Resolution does not involve any commitment to a specific project which may result in a potentially significant physical impact on the environment, as contemplated by Title 14, California Code of Regulations, Section 15378(b)(4).

Section 6. This Resolution shall take effect immediately upon its adoption. The City Clerk is hereby authorized and directed to transmit a certified copy of this resolution to the Secretary of the Authority at: Secretary of the Board, California Statewide Communities Development Authority, 1400 K Street, Sacramento, CA 95814.

The foregoing Resolution of the City Council of the City of Yuba City is duly introduced, PASSED AND ADOPTED at a regular meeting thereof held on this 7th day of June, 2016 by the following vote:

Ayes:

Noes:

Absent:

Attest:

John Buckland, Mayor

Terrel Locke, City Clerk

RESOLUTION NO. _____

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF YUBA CITY
CONSENTING TO INCLUSION OF PROPERTIES WITHIN THE CITY'S
JURISDICTION IN THE CALIFORNIA HERO PROGRAM TO FINANCE
DISTRIBUTED GENERATION RENEWABLE ENERGY SOURCES, ENERGY
AND WATER EFFICIENCY IMPROVEMENTS AND ELECTRIC VEHICLE
CHARGING INFRASTRUCTURE AND APPROVING THE AMENDMENT TO A
CERTAIN JOINT POWERS AGREEMENT RELATED THERETO**

WHEREAS, the Western Riverside Council of Governments ("Authority") is a joint exercise of powers authority established pursuant to Chapter 5 of Division 7, Title 1 of the Government Code of the State of California (Section 6500 and following) (the "Act") and the Joint Power Agreement entered into on April 1, 1991, as amended from time to time (the "Authority JPA"); and

WHEREAS, Authority has established the California HERO Program to provide for the financing of renewable energy distributed generation sources, energy and water efficiency improvements and electric vehicle charging infrastructure (the "Improvements") pursuant to Chapter 29 of the Improvement Bond Act of 1911, being Division 7 of the California Streets and Highways Code ("Chapter 29") within counties and cities throughout the State of California that elect to participate in such program; and

WHEREAS, City of Yuba City (the "City") is committed to development of renewable energy sources and energy efficiency improvements, reduction of greenhouse gases, protection of our environment, and reversal of climate change; and

WHEREAS, in Chapter 29, the Legislature has authorized cities and counties to assist property owners in financing the cost of installing Improvements through a voluntary contractual assessment program; and

WHEREAS, installation of such Improvements by property owners within the jurisdictional boundaries of the counties and cities that are participating in the California HERO Program would promote the purposes cited above; and

WHEREAS, the City wishes to provide innovative solutions to its property owners to achieve energy and water efficiency and independence, and in doing so cooperate with Authority in order to efficiently and economically assist property owners the City in financing such Improvements; and

WHEREAS, Authority has established the California HERO Program, which is such a voluntary contractual assessment program, as permitted by the Act, the Authority JPA, originally made and entered into April 1, 1991, as amended to date, and the Amendment to Joint Powers Agreement Adding the City of Yuba City as an Associate Member of the Western Riverside Council of Governments to Permit the Provision of Property Assessed Clean Energy (PACE) Program Services within the City (the "JPA Amendment"), by and between Authority and the City, a copy of which is attached as Exhibit "A" hereto, to assist property owners within the jurisdiction of the City in financing the cost of installing Improvements; and

WHEREAS, the City will not be responsible for the conduct of any assessment proceedings; the levy and collection of assessments or any required remedial action in the case

of delinquencies in the payment of any assessments or the issuance, sale or administration of any bonds issued in connection with the California HERO Program.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. This City Council finds and declares that properties in the City's incorporated area will be benefited by the availability of the California HERO Program to finance the installation of the Improvements.

2. This City Council consents to inclusion in the California HERO Program of all of the properties in the jurisdictional boundaries of the City and to the Improvements, upon the request by and voluntary agreement of owners of such properties, in compliance with the laws, rules and regulations applicable to such program; and to the assumption of jurisdiction thereover by Authority for the purposes thereof.

3. The consent of this City Council constitutes assent to the assumption of jurisdiction by Authority for all purposes of the California HERO Program and authorizes Authority, upon satisfaction of the conditions imposed in this resolution, to take each and every step required for or suitable for financing the Improvements, including the levying, collecting and enforcement of the contractual assessments to finance the Improvements and the issuance and enforcement of bonds to represent such contractual assessments.

4. This City Council hereby approves the JPA Amendment and authorizes the execution thereof by appropriate City officials.

5. City staff is authorized and directed to coordinate with Authority staff to facilitate operation of the California HERO Program within the City, and report back periodically to this City Council on the success of such program.

6. This Resolution shall take effect immediately upon its adoption. The City Clerk is directed to send a certified copy of this resolution to the Secretary of the Authority Executive Committee.

The foregoing Resolution of the City Council of the City of Yuba City is duly introduced, PASSED AND ADOPTED at a regular meeting thereof held on this 7th day of June, 2016 by the following vote:

Ayes:

Noes:

Absent:

Attest:

John Buckland, Mayor

Terrel Locke, City Clerk

EXHIBIT A

AMENDMENT TO THE JOINT POWERS AGREEMENT ADDING CITY OF YUBA CITY AS AN ASSOCIATE MEMBER OF THE WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS TO PERMIT THE PROVISION OF PROPERTY ASSESSED CLEAN ENERGY (PACE) PROGRAM SERVICES WITHIN SUCH CITY

This Amendment to the Joint Powers Agreement (“JPA Amendment”) is made and entered into on the 7th day of June, 2016, by City of Yuba City (“City”) and the Western Riverside Council of Governments (“Authority”) (collectively the “Parties”).

RECITALS

WHEREAS, Authority is a joint exercise of powers authority established pursuant to Chapter 5 of Division 7, Title 1 of the Government Code of the State of California (Section 6500 and following) (the “Joint Exercise of Powers Act”) and the Joint Power Agreement entered into on April 1, 1991, as amended from time to time (the “Authority JPA”); and

WHEREAS, as of October 1, 2012, Authority had 18 member entities (the “Regular Members”).

WHEREAS, Chapter 29 of the Improvement Act of 1911, being Division 7 of the California Streets and Highways Code (“Chapter 29”) authorizes cities, counties, and cities and counties to establish voluntary contractual assessment programs, commonly referred to as a Property Assessed Clean Energy (“PACE”) program, to fund certain renewable energy sources, energy and water efficiency improvements, and electric vehicle charging infrastructure (the “Improvements”) that are permanently fixed to residential, commercial, industrial, agricultural or other real property; and

WHEREAS, Authority has established a PACE program designated as the “California HERO Program” pursuant to Chapter 29 which authorizes the implementation of such PACE financing program for cities and counties throughout the state; and

WHEREAS, City desires to allow owners of property within its jurisdiction to participate in the California HERO Program and to allow Authority under Chapter 29, as it is now enacted or may be amended hereafter, to finance Improvements to be installed on such properties; and

WHEREAS, this JPA Amendment will permit City to become an Associate Member of Authority and to participate in California HERO Program for the purpose of facilitating the implementation of such program within the jurisdiction of City; and

WHEREAS, pursuant to the Joint Exercise of Powers Act, the Parties are approving this JPA Agreement to allow for the provision of PACE services through the California HERO Program, including the operation of such PACE financing program, within the incorporated territory of City; and

WHEREAS, the JPA Amendment sets forth the rights, obligations and duties of City and Authority with respect to the implementation of the California HERO Program within the incorporated territory of City.

MUTUAL UNDERSTANDINGS

NOW, THEREFORE, for and in consideration of the mutual covenants and conditions hereinafter stated, the Parties hereto agree as follows:

A. JPA Amendment.

1. The Authority JPA. City agrees to the terms and conditions of the Authority JPA, attached.

2. Associate Membership. By adoption of this JPA Amendment, City shall become an Associate Member of Authority on the terms and conditions set forth herein and the Authority JPA and consistent with the requirements of the Joint Exercise of Powers Act. The rights and obligations of City as an Associate Member are limited solely to those terms and conditions expressly set forth in this JPA Amendment for the purposes of implementing the California HERO Program within the incorporated territory of City. Except as expressly provided for by the this JPA Amendment, City shall not have any rights otherwise granted to Authority's Regular Members by the Authority JPA, including but not limited to the right to vote on matters before the Executive Committee or the General Assembly, the right to amend or vote on amendments to the Authority JPA, and the right to sit on committees or boards established under the Authority JPA or by action of the Executive Committee or the General Assembly, including, without limitation, the General Assembly and the Executive Committee. City shall not be considered a member for purposes of Section 9.1 of the Authority JPA.

3. Rights of Authority. This JPA Amendment shall not be interpreted as limiting or restricting the rights of Authority under the Authority JPA. Nothing in this JPA Amendment is intended to alter or modify Authority Transportation Uniform Mitigation Fee (TUMF) Program, the PACE Program administered by Authority within the jurisdictions of its Regular Members, or any other programs administered now or in the future by Authority, all as currently structured or subsequently amended.

B. Implementation of California HERO Program within City Jurisdiction.

1. Boundaries of the California HERO Program within City Jurisdiction. The boundaries within which contractual assessments may be entered into under the California HERO Program (the "Program Boundaries") shall include the entire incorporated territory of City.

2. Determination of Eligible Improvements. Authority shall determine the types of distributed generation renewable energy sources, energy efficiency or water conservation improvements, electric vehicle charging infrastructure or such other improvements as may be authorized pursuant to Chapter 29 (the "Eligible Improvements") that will be eligible to be financed under the California HERO Program.

3. Implementation of California HERO Program Within the Program Boundaries. Authority will undertake such proceedings pursuant to Chapter 29 as shall be legally necessary to enable Authority to make contractual financing of Eligible Improvements available to eligible property owners within the Program Boundaries.

4. Financing the Installation of Eligible Improvements. Authority shall implement its plan for the financing of the purchase and installation of the Eligible Improvements under the California HERO Program within the Program Boundaries.

5. Ongoing Administration. Authority shall be responsible for the ongoing administration of the California HERO Program, including but not limited to producing education plans to raise public awareness of the California HERO Program, soliciting, reviewing and approving applications from residential and commercial property owners participating in the California HERO Program, establishing contracts for residential, commercial and other property owners participating in such program, levying and collecting assessments due under the California HERO Program, taking any required remedial action in the case of delinquencies in such assessment payments, adopting and implementing any rules or regulations for the California HERO Program, and providing reports as required by Chapter 29.

City will not be responsible for the conduct of any proceedings required to be taken under Chapter 29; the levy or collection of assessments or any required remedial action in the case of delinquencies in such assessment payments; or the issuance, sale or administration of any bonds issued in connection with the California HERO Program.

6. Phased Implementation. The Parties recognize and agree that implementation of the California HERO Program as a whole can and may be phased as additional other cities and counties execute similar agreements. City entering into this JPA Amendment will obtain the benefits of and incur the obligations imposed by this JPA Amendment in its jurisdictional area, irrespective of whether cities or counties enter into similar agreements.

C. Miscellaneous Provisions.

1. Withdrawal. Authority may withdraw from this JPA Amendment upon six (6) months written notice to the other party; provided, however, there is no outstanding indebtedness of Authority within City. The provisions of Section 6.2 of the Authority JPA shall not apply to City under this JPA Amendment. Notwithstanding the foregoing, City may withdraw, either temporarily or permanently, from its participation in the California HERO Program or either the residential or commercial component of the California HERO Program upon thirty (30) written notice to WRCOG without liability to the Authority or any affiliated entity. City withdrawal from such participation shall not affect the validity of any voluntary assessment contracts (a) entered prior to the date of such withdrawal or (b) entered into after the date of such withdrawal so long as the applications for such voluntary assessment contracts were submitted to and approved by WRCOG prior to the date of City's notice of withdrawal.

2. Mutual Indemnification and Liability. Authority and City shall mutually defend, indemnify and hold the other party and its directors, officials, officers, employees and agents free and harmless from any and all claims, demands, causes of action, costs, expenses, liabilities, losses, damages or injuries of any kind, in law or equity, to property or persons, including wrongful death, to the extent arising out of the willful misconduct or negligent acts, errors or omissions of the indemnifying party or its directors, officials, officers, employees and agents in connection with the California HERO Program administered under this JPA Amendment, including without limitation the payment of expert witness fees and attorneys fees and other related costs and expenses, but excluding payment of consequential damages. Without limiting the foregoing, Section 5.2 of the Authority JPA shall not apply to this JPA Amendment. In no event shall any of Authority's Regular Members or their officials, officers or employees be held directly liable for any damages or liability resulting out of this JPA Amendment.

3. Environmental Review. Authority shall be the lead agency under the California Environmental Quality Act for any environmental review that may be required in implementing or administering the California HERO Program under this JPA Amendment.

4. Cooperative Effort. City shall cooperate with Authority by providing information and other assistance in order for Authority to meet its obligations hereunder. City recognizes that one of its responsibilities related to the California HERO Program will include any permitting or inspection requirements as established by City.

5. Notice. Any and all communications and/or notices in connection with this JPA Amendment shall be either hand-delivered or sent by United States first class mail, postage prepaid, and addressed as follows:

Authority:

Western Riverside Council of Governments
Attn: Executive Director
4080 Lemon Street, 3rd Floor. MS1032
Riverside, CA 92501-3609

City:

City of Yuba City
Attn: Economic Development
1201 Civic Center Boulevard
Yuba City, CA 95993

6. Entire Agreement. This JPA Amendment, together with the Authority JPA, constitutes the entire agreement among the Parties pertaining to the subject matter hereof. This JPA Amendment supersedes any and all other agreements, either oral or in writing, among the Parties with respect to the subject matter hereof and contains all of the covenants and agreements among them with respect to said matters, and each Party acknowledges that no representation, inducement, promise of agreement, oral or otherwise, has been made by the other Party or anyone acting on behalf of the other Party that is not embodied herein.

7. Successors and Assigns. This JPA Amendment and each of its covenants and conditions shall be binding on and shall inure to the benefit of the Parties and their respective successors and assigns. A Party may only assign or transfer its rights and obligations under this JPA Amendment with prior written approval of the other Party, which approval shall not be unreasonably withheld.

8. Attorney's Fees. If any action at law or equity, including any action for declaratory relief is brought to enforce or interpret the provisions of this Agreement, each Party to the litigation shall bear its own attorney's fees and costs.

9. Governing Law. This JPA Amendment shall be governed by and construed in accordance with the laws of the State of California, as applicable.

10. No Third Party Beneficiaries. This JPA Amendment shall not create any right or interest in the public, or any member thereof, as a third party beneficiary hereof, nor shall it authorize anyone not a Party to this JPA Amendment to maintain a suit for personal injuries or property damages under the provisions of this JPA Amendment. The duties, obligations, and responsibilities of the Parties to this JPA Amendment with respect to third party beneficiaries shall remain as imposed under existing state and federal law.

11. Severability. In the event one or more of the provisions contained in this JPA Amendment is held invalid, illegal or unenforceable by any court of competent jurisdiction, such portion shall be deemed severed from this JPA Amendment and the remaining parts of this JPA Amendment shall remain in full force and effect as though such invalid, illegal, or unenforceable portion had never been a part of this JPA Amendment.

12. Headings. The paragraph headings used in this JPA Amendment are for the convenience of the Parties and are not intended to be used as an aid to interpretation.

13. Amendment. This JPA Amendment may be modified or amended by the Parties at any time. Such modifications or amendments must be mutually agreed upon and executed in writing by both Parties. Verbal modifications or amendments to this JPA Amendment shall be of no effect.

14. Effective Date. This JPA Amendment shall become effective upon the execution thereof by the Parties hereto.

IN WITNESS WHEREOF, the Parties hereto have caused this JPA Amendment to be executed and attested by their officers thereunto duly authorized as of the date first above written.

[SIGNATURES ON FOLLOWING PAGES]

WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS

By: _____
Name: _____
Title: _____

Date: _____

CITY OF YUBA CITY

By: _____
Name: _____
Title: _____

Date: _____

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RESOLUTION No. _____

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF YUBA CITY
CONSENTING TO INCLUSION OF PROPERTIES WITHIN THE CITY'S
JURISDICTION IN THE CALIFORNIA HOME FINANCE AUTHORITY
COMMUNITY FACILITIES DISTRICT NO. 2014-1 (CLEAN ENERGY) TO
FINANCE RENEWABLE ENERGY IMPROVEMENTS, ENERGY EFFICIENCY
AND WATER CONSERVATION IMPROVEMENTS AND ELECTRIC
VEHICLE CHARGING INFRASTRUCTURE AND APPROVING ASSOCIATE
MEMBERSHIP IN THE JOINT EXERCISE OF POWERS AUTHORITY
RELATED THERETO
("SB 555 YGRENEWOKS PACE PROGRAM RESOLUTION")**

WHEREAS, the California Home Finance Authority, a California joint powers authority, (the "Authority") has established the Community Facilities District No. 2014-1(Clean Energy) in accordance with the Mello-Roos Community Facilities Act, set forth in sections 53311 through 53368.3 of the California Government Code (the "Act") and particularly in accordance with sections 53313.5(l) and 53328.1(a) (the "District"); and

WHEREAS, the purpose of the District is to finance or refinance (including the payment of interest) the acquisition, installation, and improvement of energy efficiency, water conservation, renewable energy and electric vehicle charging infrastructure improvements permanently affixed to private or publicly-owned real property (the "Authorized Improvements"); and

WHEREAS, the Authority is in the process of amending the Authority Joint Powers Agreement (the "Authority JPA") to formally change its name to the Golden State Finance Authority; and

WHEREAS, the City of Yuba City is committed to development of renewable energy generation and energy efficiency improvements, reduction of greenhouse gases, and protection of the environment; and

WHEREAS, in the Act, the Legislature has authorized a parcel within the territory of the District to annex to the District and be subject to the special tax levy of the District only (i) if the city or county within which the parcel is located has consented, by the adoption of a resolution by the applicable city council or county board of supervisors, to the inclusion of parcels within its boundaries in the District and (ii) with the unanimous written approval of the owner or owners of the parcel when it is annexed (the "Unanimous Approval Agreement"), which, as provided in section 53329.6 of the Act, shall constitute the election required by the California Constitution; and

WHEREAS, the City wishes to provide innovative solutions to its property owners to achieve energy efficiency and water conservation and in doing so cooperate with Authority in order to efficiently and economically assist property owners the City in financing such Authorized Improvements; and

WHEREAS, the Authority has established the District, as permitted by the Act and the Authority JPA, originally made and entered into July 1, 1993, as amended to date; and

WHEREAS, the City, desires to become an Associate Member of the JPA by execution of the JPA Agreement, a copy of which is attached as Exhibit "A" hereto, so that the City may participate in the programs of the JPA and assist property owners within the incorporated area of the City in financing the cost of installing Authorized Improvements; and

WHEREAS, the City will not be responsible for the conduct of any special tax proceedings; the levy and collection of special taxes or any required remedial action in the case of delinquencies in the payment of any special taxes in connection with the District.

NOW, THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF YUBA CITY AS FOLLOWS:

SECTION 1. This City Council of the City of Yuba City, California, finds and declares that properties in the City's incorporated area will be benefited by the availability of the Authority CFD No. 2014-1 (Clean Energy) to finance the installation of the Authorized Improvements.

SECTION 2. This City Council consents to inclusion in the Authority CFD No. 2014-1 (Clean Energy) of all of the properties in the incorporated area within the City and to the Authorized Improvements, upon the request of and execution of the Unanimous Approval Agreement by the owners of such properties when such properties are annexed, in compliance with the laws, rules and regulations applicable to such program; and to the assumption of jurisdiction thereover by Authority for the purposes thereof.

SECTION 3. The consent of this City Council constitutes assent to the assumption of jurisdiction by Authority for all purposes of the Authority CFD No. 2014-1 (Clean Energy) and authorizes Authority, upon satisfaction of the conditions imposed in this resolution, to take each and every step required for or suitable for financing the Authorized Improvements.

SECTION 4. This City Council hereby approves joining the JPA as an Associate Member and authorizes the execution by appropriate City officials of any necessary documents to effectuate such membership.

SECTION 5. City staff is authorized and directed to coordinate with Authority staff to facilitate operation of the Authority CFD No. 2014-1 (Clean Energy) within the City, and report back periodically to this City Council on the success of such program.

SECTION 6. This Resolution shall take effect immediately upon its adoption. The City Clerk is directed to send a certified copy of this resolution to the Secretary of the Authority Executive Committee.

The foregoing Resolution of the City Council of the City of Yuba City is duly introduced, PASSED AND ADOPTED at a regular meeting thereof held on this 7th day of June, 2016 by the following vote:

Ayes:

Noes:

Absent:

John Buckland, Mayor

Attest:

Terrel Locke, City Clerk

EXHIBIT "A"
JPA AGREEMENT

SEE ATTACHED:

"AMENDED AND RESTATED JOINT EXERCISE OF POWERS AGREEMENT
(ORIGINAL DATE JULY 1, 1993 AND AS LAST AMENDED AND RESTATED DECEMBER 10,
2014)"

CALIFORNIA HOME FINANCE AUTHORITY

AMENDED AND RESTATED JOINT EXERCISE OF POWERS AGREEMENT

(Original date July 1, 1993 and as last amended and restated December 10, 2014)

THIS AMENDED AND RESTATED JOINT EXERCISE OF POWERS AGREEMENT ("Agreement") is entered into by and among the counties listed on Attachment 1 hereof and incorporated herein by reference. All such counties are referred to herein as "Members" with the respective powers, privileges and restrictions provided herein.

RECITALS

A. WHEREAS, the California Rural Home Mortgage Finance Authority ("CRHMFA") was created by a Joint Exercise of Powers Agreement dated July 1, 1993 pursuant to the Joint Exercise of Powers Act (commencing with Article 1 of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California (the "Act"). By Resolution 2003-02, adopted on January 15, 2003, the name of the authority was changed to CRHMFA Homebuyers Fund. The most recent amendment to the Joint Exercise of Powers Agreement was on January 28, 2004.

B. WHEREAS, the Members of CRHMFA Homebuyers Fund desire to update, reaffirm, clarify and revise certain provisions of the joint powers agreement, including the renaming of the joint powers authority, as set forth herein.

C. WHEREAS, the Members are each empowered by law to finance the construction, acquisition, improvement and rehabilitation of real property.

D. WHEREAS, by this Agreement, the Members desire to create and establish a joint powers authority to exercise their respective powers for the purpose of financing the construction, acquisition, improvement and rehabilitation of real property within the jurisdiction of the Authority as authorized by the Act.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the Members individually and collectively agree as follows:

1. Definitions

Unless the context otherwise requires, the following terms shall for purposes of this Agreement have the meanings specified below:

"Act" means the Joint Exercise of Powers Act, commencing with Article 1 of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California, including the Marks-Roos Local Bond Pooling Act of 1985, as amended.

"Agreement" means this Joint Exercise of Powers Agreement, as the same now exists or as it may from time to time be amended as provided herein.

"Associate Member" means a county, city or other public agency which is not a voting member of the Rural County Representatives of California, a California nonprofit corporation ("RCRC"), with legal power and authority similar to that of the Members, admitted pursuant to paragraph 4.d. below to associate membership herein by vote of the Board.

"Audit Committee" means a committee made up of the nine-member Executive Committee.

"Authority" means California Home Finance Authority ("CHF"), formerly known as CRHMFA Homebuyers Fund or California Rural Home Mortgage Finance Authority.

"Board" means the governing board of the Authority as described in Section 7 below.

"Bonds" means bonds, notes, warrants, leases, certificates of participation, installment purchase agreements, loan agreements and other securities or obligations issued by the Authority, or financing agreements entered into by the Authority pursuant to the Act and any other obligation within the meaning of the term "Bonds" under the Act.

"Delegate" means the Supervisor designated by the governing board of each Member to serve on the Board of the Authority.

"Executive Committee" means the nine-member Executive Committee of the Board established pursuant to Section 10 hereof.

"Member" means any county which is a member of RCRC, has executed this Agreement and has become a member of the Authority.

"Obligations" means bonds, notes, warrants, leases, certificates of participation, installment purchase agreements, loan agreements and other securities or obligations issued by the Authority, or financing agreements entered into by the Authority pursuant to the Act and any other financial or legal obligation of the Authority under the Act.

"Program" or "Project" means any work, improvement, program, project or service undertaken by the Authority.

"Rural County Representatives of California" or "RCRC" means the nonprofit entity incorporated under that name in the State of California.

"Supervisor" means an elected County Supervisor from an RCRC member county.

2. Purpose

The purpose of the Authority is to provide financing for the acquisition, construction, , improvement and rehabilitation of real property in accordance with applicable provisions of law for the benefit of residents and communities. In pursuit of this purpose, this Agreement provides for the joint exercise of powers common to any of its Members and Associate Members as provided herein, or otherwise authorized by the Act and other applicable laws, including assisting

in financing as authorized herein, jointly exercised in the manner set forth herein.

3. Principal Place of Business

The principal office of the Authority shall be 1215 K Street, Suite 1650, Sacramento, California 95814.

4. Creation of Authority; Addition of Members or Associate Members

a. The Authority is hereby created pursuant to the Act. As provided in the Act, the Authority shall be a public entity separate and distinct from the Members or Associate Members.

b. The Authority will cause a notice of this Agreement or any amendment hereto to be prepared and filed with the office of the Secretary of State of California in a timely fashion in the manner set forth in Section 6503.3 of the Act.

c. A county that is a member of RCRC may petition to become a member of the Authority by submitting to the Board a resolution or evidence of other formal action taken by its governing body adopting this Agreement. The Board shall review the petition for membership and shall vote to approve or disapprove the petition. If the petition is approved by a majority of the Board, such county shall immediately become a Member of the Authority.

d. An Associate Member may be added to the Authority upon the affirmative approval of its respective governing board and pursuant to action by the Authority Board upon such terms and conditions, and with such rights, privileges and responsibilities, as may be established from time to time by the Board. Such terms and conditions, and rights, privileges and responsibilities may vary among the Associate Members. Associate Members shall be entitled to participate in one or more programs of the Authority as determined by the Board, but shall not be voting members of the Board. The Executive Director of the Authority shall enforce the terms and conditions for prospective Associate Members to the Authority as provided by resolution of the Board and as amended from time to time by the Board. Changes in the terms and conditions for Associate Membership by the Board will not constitute an amendment of this Agreement.

5. Term and Termination of Powers

This Agreement shall become effective from the date hereof until the earlier of the time when all Bonds and any interest thereon shall have been paid in full, or provision for such payment shall have been made, or when the Authority shall no longer own or hold any interest in a public capital improvement or program. The Authority shall continue to exercise the powers herein conferred upon it until termination of this Agreement, except that if any Bonds are issued and delivered, in no event shall the exercise of the powers herein granted be terminated until all Bonds so issued and delivered and the interest thereon shall have been paid or provision for such payment shall have been made and any other debt incurred with respect to any other financing program established or administered by the Authority has been repaid in full and is no longer outstanding.

6. Powers; Restriction upon Exercise

a. To effectuate its purpose, the Authority shall have the power to exercise any and all powers of the Members or of a joint powers authority under the Act and other applicable provisions of law, subject, however, to the conditions and restrictions herein contained. Each Member or Associate Member may also separately exercise any and all such powers. The powers of the Authority are limited to those of a general law county.

b. The Authority may adopt, from time to time, such resolutions, guidelines, rules and regulations for the conduct of its meetings and the activities of the Authority as it deems necessary or desirable to accomplish its purpose.

c. The Authority shall have the power to finance the construction, acquisition, improvement and rehabilitation of real property, including the power to purchase, with the amounts received or to be received by it pursuant to a bond purchase agreement, bonds issued by any of its Members or Associate Members and other local agencies at public or negotiated sale, for the purpose set forth herein and in accordance with the Act. All or any part of such bonds so purchased may be held by the Authority or resold to public or private purchasers at public or negotiated sale. The Authority shall set any other terms and conditions of any purchase or sale contemplated herein as it deems necessary or convenient and in furtherance of the Act. The Authority may issue or cause to be issued Bonds or other indebtedness, and pledge any of its property or revenues as security to the extent permitted by resolution of the Board under any applicable provision of law. The Authority may issue Bonds in accordance with the Act in order to raise funds necessary to effectuate its purpose hereunder and may enter into agreements to secure such Bonds. The Authority may issue other forms of indebtedness authorized by the Act, and to secure such debt, to further such purpose. The Authority may utilize other forms of capital, including, but not limited to, the Authority's internal resources, capital markets and other forms of private capital investment authorized by the Act..

d. The Authority is hereby authorized to do all acts necessary for the exercise of its powers, including, but not limited to:

- (1) executing contracts,
- (2) employing agents, consultants and employees,
- (3) acquiring, constructing or providing for maintenance and operation of any building, work or improvement,
- (4) acquiring, holding or disposing of real or personal property wherever located, including property subject to mortgage,
- (5) incurring debts, liabilities or obligations,
- (6) receiving gifts, contributions and donations of property, funds, services and any other forms of assistance from persons, firms, corporations or governmental entities,
- (7) suing and being sued in its own name, and litigating or settling any suits or claims,
- (8) doing any and all things necessary or convenient to the exercise of its specific powers and to accomplishing its purpose
- (9) establishing and/or administering districts to finance and refinance the acquisition, installation and improvement of energy efficiency, water

conservation and renewable energy improvements to or on real property and in buildings. The Authority may enter into one or more agreements, including without limitation, participation agreements and implementation agreements to implement such programs.

e. Subject to the applicable provisions of any indenture or resolution providing for the investment of monies held thereunder, the Authority shall have the power to invest any of its funds as the Board deems advisable, in the same manner and upon the same conditions as local agencies pursuant to Section 53601 of the Government Code of the State of California.

f. All property, equipment, supplies, funds and records of the Authority shall be owned by the Authority, except as may be provided otherwise herein or by resolution of the Board.

g. Pursuant to the provisions of Section 6508.1 of the Act, the debts, liabilities and obligations of the Authority shall not be debts, liabilities and obligations of the Members or Associate Members. Any Bonds, together with any interest and premium thereon, shall not constitute debts, liabilities or obligations of any Member. The Members or Associate Members hereby agree that any such Bonds issued by the Authority shall not constitute general obligations of the Authority but shall be payable solely from the moneys pledged to the repayment of principal or interest on such Bonds under the terms of the resolution, indenture, trust, agreement or other instrument pursuant to which such Bonds are issued. Neither the Members or Associate Members nor the Authority shall be obligated to pay the principal of or premium, if any, or interest on the Bonds, or other costs incidental thereto, except from the revenues and funds pledged therefor, and neither the faith and credit nor the taxing power of the Members or Associate Members or the Authority shall be pledged to the payment of the principal of or premium, if any, or interest on the Bonds, nor shall the Members or Associate Members of the Authority be obligated in any manner to make any appropriation for such payment. No covenant or agreement contained in any Bond shall be deemed to be a covenant or agreement of any Delegate, or any officer, agent or employee of the Authority in an individual capacity, and neither the Board nor any officer thereof executing the Bonds or any document related thereto shall be liable personally on any Bond or be subject to any personal liability or accountability by reason of the issuance of any Bonds.

7. Governing Board

a. The Board shall consist of the number of Delegates equal to one representative from each Member.

b. The governing body of each Member shall appoint one of its Supervisors to serve as a Delegate on the Board. A Member's appointment of its Delegate shall be delivered in writing (which may be by electronic mail) to the Authority and shall be effective until he or she is replaced by such governing body or no longer a Supervisor; any vacancy shall be filled by the governing body of the Member in the same manner provided in this paragraph b..

c. The governing body of each Member of the Board shall appoint a Supervisor as an alternate to serve on the Board in the absence of the Delegate; the alternate may exercise all the

rights and privileges of the Delegate, including the right to be counted in constituting a quorum, to participate in the proceedings of the Board, and to vote upon any and all matters. No alternate may have more than one vote at any meeting of the Board, and any Member's designation of an alternate shall be delivered in writing (which may be by electronic mail) to the Authority and shall be effective until such alternate is replaced by his or her governing body or is no longer a Supervisor, unless otherwise specified in such appointment. Any vacancy shall be filled by the governing body of the Member in the same manner provided in this paragraph c..

d. Any person who is not a member of the governing body of a Member and who attends a meeting on behalf of such Member may not vote or be counted toward a quorum but may, at the discretion of the Chair, participate in open meetings he or she attends.

e. Each Associate Member may designate a non-voting representative to the Board who may not be counted toward a quorum but who may attend open meetings, propose agenda items and otherwise participate in Board Meetings.

f. Delegates shall not receive compensation for serving as Delegates, but may claim and receive reimbursement for expenses actually incurred in connection with such service pursuant to rules approved by the Board and subject to the availability of funds.

g. The Board shall have the power, by resolution, to the extent permitted by the Act or any other applicable law, to exercise any powers of the Authority and to delegate any of its functions to the Executive Committee or one or more Delegates, officers or agents of the Authority, and to cause any authorized Delegate, officer or agent to take any actions and execute any documents for and in the name and on behalf of the Board or the Authority.

h. The Board may establish such committees as it deems necessary for any lawful purpose; such committees are advisory only and may not act or purport to act on behalf of the Board or the Authority.

i. The Board shall develop, or cause to be developed, and review, modify as necessary, and adopt each Program.

8. Meetings of the Board

a. The Board shall meet at least once annually, but may meet more frequently upon call of any officer or as provided by resolution of the Board.

b. Meetings of the Board shall be called, noticed, held and conducted pursuant to the provisions of the Ralph M. Brown Act, Chapter 9 (commencing with Section 54950) of Part I of Division 2 of Title 5 of the Government Code of the State of California.

c. The Secretary of the Authority shall cause minutes of all meetings of the Board to be taken and distributed to each Member as soon as possible after each meeting.

d. The lesser of twelve (12) Delegates or a majority of the number of current Delegates shall constitute a quorum for transacting business at any meeting of the Board, except

that less than a quorum may act to adjourn a meeting. Each Delegate shall have one vote.

e. Meetings may be held at any location designated in notice properly given for a meeting and may be conducted by telephonic or similar means in any manner otherwise allowed by law.

9. Officers; Duties; Official Bonds

a. The Board shall elect a chair and vice chair from among the Delegates at the Board's annual meeting who shall serve a term of one (1) year or until their respective successor is elected. The chair shall conduct the meetings of the Board and perform such other duties as may be specified by resolution of the Board. The vice chair shall perform such duties in the absence or in the event of the unavailability of the chair.

b. The Board shall contract annually with RCRC to administer the Agreement and to provide administrative services to the Authority, and the President and Chief Executive Officer of RCRC shall serve *ex officio* as Executive Director, Secretary, Treasurer, and Auditor of the Authority. As chief executive of the Authority, the Executive Director is authorized to execute contracts and other obligations of the Authority, unless prior Board approval is required by a third party, by law or by Board specification, and to perform other duties specified by the Board. The Executive Director may appoint such other officers as may be required for the orderly conduct of the Authority's business and affairs who shall serve at the pleasure of the Executive Director. Subject to the applicable provisions of any indenture or resolution providing for a trustee or other fiscal agent, the Executive Director, as Treasurer, is designated as the custodian of the Authority's funds, from whatever source, and, as such, shall have the powers, duties and responsibilities specified in Section 6505.5 of the Act. The Executive Director, as Auditor, shall have the powers, duties and responsibilities specified in Section 6505.5 of the Act.

c. The Legislative Advocate for the Authority shall be the Rural County Representatives of California.

d. The Treasurer and Auditor are public officers who have charge of, handle, or have access to all property of the Authority, and a bond for such officer in the amount of at least one hundred thousand dollars (\$100,000.00) shall be obtained at the expense of the Authority and filed with the Executive Director. Such bond may secure the faithful performance of such officer's duties with respect to another public office if such bond in at least the same amount specifically mentions the office of the Authority as required herein. The Treasurer and Auditor shall cause periodic independent audits to be made of the Authority's books by a certified public accountant, or public accountant, in compliance with Section 6505 of the Act.

e. The business of the Authority shall be conducted under the supervision of the Executive Director by RCRC personnel.

10. Executive Committee of the Authority

a. Composition

The Authority shall appoint nine (9) members of its Board to serve on an Executive Committee.

b. Powers and Limitations

The Executive Committee shall act in an advisory capacity and make recommendations to the Authority Board. Duties will include, but not be limited to, review of the quarterly and annual budgets, service as the Audit Committee for the Authority, periodically review this Agreement; and complete any other tasks as may be assigned by the Board. The Executive Committee shall be subject to all limitations imposed by this Agreement, other applicable law, and resolutions of the Board.

c. Quorum

A majority of the Executive Committee shall constitute a quorum for transacting business of the Executive Committee.

11. Disposition of Assets

Upon termination of this Agreement, all remaining assets and liabilities of the Authority shall be distributed to the respective Members in such manner as shall be determined by the Board and in accordance with the law.

12. Agreement Not Exclusive; Operation in Jurisdiction of Member

This Agreement shall not be exclusive, and each Member expressly reserves its rights to carry out other public capital improvements and programs as provided for by law and to issue other obligations for those purposes. This Agreement shall not be deemed to amend or alter the terms of other agreements among the Members or Associate Members.

13. Conflict of Interest Code

The Authority shall by resolution adopt a Conflict of Interest Code as required by law.

14. Contributions and Advances

Contributions or advances of public funds and of personnel, equipment or property may be made to the Authority by any Member, Associate Member or any other public agency to further the purpose of this Agreement. Payment of public funds may be made to defray the cost of any contribution. Any advance may be made subject to repayment, and in that case shall be repaid in the manner agreed upon by the advancing Member, Associate Member or other public agency and the Authority at the time of making the advance.

15. Fiscal Year; Accounts; Reports; Annual Budget; Administrative Expenses

a. The fiscal year of the Authority shall be the period from January 1 of each year to and including the following December 31, except for any partial fiscal year resulting from a change

in accounting based on a different fiscal year previously.

b. Prior to the beginning of each fiscal year, the Board shall adopt a budget for the succeeding fiscal year.

c. The Authority shall establish and maintain such funds and accounts as may be required by generally accepted accounting principles. The books and records of the Authority are public records and shall be open to inspection at all reasonable times by each Member and its representatives.

d. The Auditor shall either make, or contract with a certified public accountant or public accountant to make, an annual audit of the accounts and records of the Authority. The minimum requirements of the audit shall be those prescribed by the State Controller for special districts under Section 26909 of the Government Code of the State of California, and shall conform to generally accepted auditing standards. When an audit of accounts and records is made by a certified public accountant or public accountant, a report thereof shall be filed as a public record with each Member (and also with the auditor of Sacramento County as the county in which the Authority's office is located) within 12 months after the end of the fiscal year.

e. In any year in which the annual budget of the Authority does not exceed five thousand dollars (\$5,000.00), the Board may, upon unanimous approval of the Board, replace the annual audit with an ensuing one-year period, but in no event for a period longer than two fiscal years.

16. Duties of Members or Associate Members; Breach

If any Member or Associate Member shall default in performing any covenant contained herein, such default shall not excuse that Member or Associate Member from fulfilling its other obligations hereunder, and such defaulting Member or Associate Member shall remain liable for the performance of all covenants hereof. Each Member or Associate Member hereby declares that this Agreement is entered into for the benefit of the Authority created hereby, and each Member or Associate Member hereby grants to the Authority the right to enforce, by whatever lawful means the Authority deems appropriate, all of the obligations of each of the parties hereunder. Each and all of the remedies given to the Authority hereunder or by any law now or hereafter enacted are cumulative, and the exercise of one right or remedy shall not impair the right of the Authority to any or all other remedies.

17. Indemnification

To the full extent permitted by law, the Board may authorize indemnification by the Authority of any person who is or was a Board Delegate, alternate, officer, consultant, employee or other agent of the Authority, and who was or is a party or is threatened to be made a party to a proceeding by reason of the fact that such person is or was such a Delegate, alternate, officer, consultant, employee or other agent of the Authority. Such indemnification may be made against expenses, judgments, fines, settlements and other amounts actually and reasonably incurred in connection with such proceeding, if such person acted in good faith and in a manner such person reasonably believed to be in the best interests of the Authority and, in the case of a criminal

proceeding, had no reasonable cause to believe his or her conduct was unlawful and, in the case of an action by or in the right of the Authority, acted with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances.

18. Immunities

All of the privileges and immunities from liabilities, exemptions from law, ordinances and rules, all pension, relief, disability, workers' compensation and other benefits which apply to the activity of officers, agents or employees of any of the Members or Associate Members when performing their respective functions, shall apply to them to the same degree and extent while engaged as Delegates or otherwise as an officer, agent or other representative of the Authority or while engaged in the performance of any of their functions or duties under the provisions of this Agreement.

19. Amendment

This Agreement may be amended by the adoption of the amendment by the governing bodies of a majority of the Members. The amendment shall become effective on the first day of the month following the last required member agency approval. An amendment may be initiated by the Board, upon approval by a majority of the Board. Any proposed amendment, including the text of the proposed change, shall be given by the Board to each Member's Delegate for presentation and action by each Member's board within 60 days, which time may be extended by the Board.

The list of Members, Attachment 1, may be updated to reflect new and/or withdrawn Members without requiring formal amendment of the Agreement by the Authority Board of Directors.

20. Withdrawal of Member or Associate Member

If a Member withdraws as member of RCRC, its membership in the Authority shall automatically terminate. A Member or Associate Member may withdraw from this Agreement upon written notice to the Board; provided however, that no such withdrawal shall result in the dissolution of the Authority as long as any Bonds or other obligations of the Authority remain outstanding. Any such withdrawal shall become effective thirty (30) days after a resolution adopted by the Member's governing body which authorizes withdrawal is received by the Authority. Notwithstanding the foregoing, any termination of membership or withdrawal from the Authority shall not operate to relieve any terminated or withdrawing Member or Associate Member from Obligations incurred by such terminated or withdrawing Member or Associate Member prior to the time of its termination or withdrawal.

20. Miscellaneous

a. **Counterparts.** This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

b. **Construction.** The section headings herein are for convenience only and are not to

be construed as modifying or governing the language in the section referred to.

c. **Approvals.** Wherever in this Agreement any consent or approval is required, the same shall not be unreasonably withheld.

d. **Jurisdiction; Venue.** This Agreement is made in the State of California, under the Constitution and laws of such State and is to be so construed; any action to enforce or interpret its terms shall be brought in Sacramento County, California.

e. **Integration.** This Agreement is the complete and exclusive statement of the agreement among the parties hereto, and it supersedes and merges all prior proposals, understandings, and other agreements, whether oral, written, or implied in conduct, between and among the parties relating to the subject matter of this Agreement.

f. **Successors; Assignment.** This Agreement shall be binding upon and shall inure to the benefit of the successors of the parties hereto. Except to the extent expressly provided herein, no Member may assign any right or obligation hereunder without the consent of the Board.

g. **Severability.** Should any part, term or provision of this Agreement be decided by the courts to be illegal or in conflict with any law of the State of California, or otherwise be rendered unenforceable or ineffectual, the validity of the remaining parts, terms or provisions hereof shall not be affected thereby.

The parties hereto have caused this Agreement to be executed and attested by their properly authorized officers.

AS ADOPTED BY THE MEMBERS:

Originally dated July 1, 1993
Amended and restated December 10, 1998
Amended and restated February 18, 1999
Amended and restated September 18, 2002
Amended and restated January 28, 2004
Amended and restated December 10, 2014

[SIGNATURES ON FOLLOWING PAGES]

ATTACHMENT 1
CALIFORNIA HOME FINANCE AUTHORITY MEMBERS

As of December 10, 2014

Alpine County
Amador County
Butte County
Calaveras County
Colusa County
Del Norte County
El Dorado County
Glenn County
Humboldt County
Imperial County
Inyo County
Lake County
Lassen County
Madera County
Mariposa County
Mendocino County
Merced County
Modoc County
Mono County
Napa County
Nevada County
Placer County
Plumas County
San Benito County
Shasta County
Sierra County
Siskiyou County
Sutter County
Tehama County
Trinity County
Tuolumne County
Yolo County
Yuba County

RESOLUTION NO. _____

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF YUBA CITY
CONSENTING TO INCLUSION OF PROPERTIES WITHIN THE CITY'S
JURISDICTION IN THE CALIFORNIA HOME FINANCE AUTHORITY AB
811 YGRENEWORKS PACE PROGRAM TO FINANCE RENEWABLE
ENERGY GENERATION, ENERGY AND WATER EFFICIENCY
IMPROVEMENTS AND ELECTRIC VEHICLE CHARGING
INFRASTRUCTURE
("AB 811 YGRENEWORKS PACE PROGRAM RESOLUTION")**

WHEREAS, the California Home Finance Authority ("Authority") is a joint exercise of powers authority established pursuant to Chapter 5 of Division 7, Title 1 of the Government Code of the State of California (Section 6500 and following) (the "Act") and the Joint Power Agreement entered into on July 1, 1993, as amended from time to time (the "Authority JPA"); and

WHEREAS, the Authority is in the process of amending the Authority JPA to formally change its name to the Golden State Finance Authority; and

WHEREAS, Authority has established a property-assessed clean energy ("PACE") Program (the "Authority PACE Program") to provide for the financing of renewable energy generation, energy and water efficiency improvements and electric vehicle charging infrastructure (the "Improvements") pursuant to Chapter 29 of the Improvement Bond Act of 1911, being Division 7 of the California Streets and Highways Code ("Chapter 29") within counties and cities throughout the State of California that elect to participate in such program; and

WHEREAS, City of Yuba City (the "City") is committed to development of renewable energy generation and energy and water efficiency improvements, reduction of greenhouse gases, and protection of the environment; and

WHEREAS, in Chapter 29, the Legislature has authorized cities and counties to assist property owners in financing the cost of installing Improvements through a voluntary contractual assessment program; and

WHEREAS, installation of such Improvements by property owners within the jurisdictional boundaries of the counties and cities that are participating in the Authority PACE Program would promote the purposes cited above; and

WHEREAS, the City wishes to provide innovative solutions to its property owners to achieve energy and water efficiency, and in doing so cooperate with Authority in order to efficiently and economically assist property owners within the City in financing such Improvements; and

WHEREAS, Authority has established the Authority PACE Program, which is such a voluntary contractual assessment program, as permitted by the Act and the Authority JPA, originally made and entered into July 1, 1993, as amended to date; and

WHEREAS, the City has, through the adoption of a companion resolution at this meeting, become an Associate Member of the JPA so that the City may participate in the

programs of the JPA and assist property owners within the jurisdiction of the City in financing the cost of installing Improvements; and

WHEREAS, the City will not be responsible for the conduct of any assessment proceedings; the levy and collection of assessments or any required remedial action in the case of delinquencies in the payment of any assessments or the issuance, sale or administration of any bonds issued in connection with the Authority PACE Program.

NOW, THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF YUBA CITY AS FOLLOWS:

SECTION 1. This City Council finds and declares that properties in the City's incorporated area will be benefited by the availability of the Authority PACE Program to finance the installation of the Improvements.

SECTION 2. This City Council consents to inclusion in the Authority PACE Program of all of the properties in the jurisdictional boundaries of the City and to the Improvements, upon the request by and voluntary agreement of owners of such properties, in compliance with the laws, rules and regulations applicable to such program; and to the assumption of jurisdiction thereover by Authority for the purposes thereof.

SECTION 3. The consent of this City Council constitutes assent to the assumption of jurisdiction by Authority for all purposes of the Authority PACE Program and authorizes Authority, upon satisfaction of the conditions imposed in this resolution, to take each and every step required for or suitable for financing the Improvements, including the levying, collecting and enforcement of the contractual assessments to finance the Improvements and the issuance and enforcement of bonds to represent such contractual assessments.

SECTION 5. City staff is authorized and directed to coordinate with Authority staff to facilitate operation of the Authority PACE Program within the City, and report back periodically to this City Council on the success of such program.

SECTION 6. This Resolution shall take effect immediately upon its adoption. The City Clerk is directed to send a certified copy of this resolution to the Secretary of the Authority Executive Committee.

The foregoing Resolution of the City Council of the City of Yuba City is duly introduced, PASSED AND ADOPTED at a regular meeting thereof held on this 7th day of June, 2016 by the following vote:

Ayes:

Noes:

Absent:

Attest:

John Buckland, Mayor

Terrel Locke, City Clerk

CITY OF YUBA CITY
STAFF REPORT

Date: June 7, 2016
To: Honorable Mayor & Members of the City Council
From: Finance Department
Presentation by: Spencer Morrison, Accounting Manager, City Treasurer

Summary

Subject: Refunding the City's Community Facilities District No. 2004-1 (Sunsweet Boulevard) bond issue

Recommendation: Adopt a Resolution authorizing the issuance of special tax refunding bonds for and on behalf of the City of Yuba City Community Facilities District No. 2004-1 (Sunsweet Boulevard), approving and directing the execution of a fiscal agent agreement and escrow agreement, approving sale of such bonds, and approving other related documents and actions

Fiscal Impact: The combined savings to parcel owners average \$43,000 per year, with a combined present value savings of \$376,000 and an average reduction of 14% in the annual special tax levies.

Purpose:

Reduce the levy for property owners in the community facilities district by refinancing the bond debt at a lower interest rate and favorable bond structuring.

Background:

In May 2005, the City issued \$3.25 million in special tax bonds ("CFD 2004-1 Bonds") to fund improvements to support development of a 22-acre community facilities district along the west side of Highway 99 and along both sides of Sunsweet Boulevard. At present, \$2.62 million of the 2005 Bonds are outstanding with an average interest rate of 5.3%. The 2005 Bonds can now be refinanced at a lower interest rate to bring down the annual special tax levies to the property owners.

Analysis:

Staff has worked with the City's bond counsel, Jones Hall, and municipal advisor, NHA Advisors, to evaluate two financing options: (1) issuing publicly-offered debt or (2) privately placing the refinancing through community and regional banks. Staff has determined that a private placement is the best option for the 2016 refinancing. Based on a bid process conducted by the Hilltop Securities, the placement agent, staff has determined that the lowest interest rate is available through a private placement with Western Alliance Bank of Arizona. The interest rate committed by the bank is 3.4% (subject to market changes).

Hilltop Securities contacted seven banks for bids:

Western Alliance Bank of Arizona	River City Bank
Arizona Business Bank	Sterling Bank
BBVA	Umpqua Bank
City National Bank	

Only one bid was received, from Western Alliance Bank of Arizona. The main reason was that the final maturity for the 2005 Bonds is 2035, which is too long of a maturity for most banks. Other banks were concerned that not all properties within the CFD 2004-1 have fully developed. The bid received more debt service savings than originally anticipated. With the additional reduction in financing costs from a private placement compared with a public offering, the overall interest rate resulting from the Western Alliance Bank of Arizona bid is better than what could be achieved through a public offering. Since the one bid provides better results than a public offering, the City's finance team is confident that the bid from Western Alliance Bank of Arizona results in the largest potential decrease of future tax levies for the CFD of all available options.

As noted above, refinancing will save the parcel owners an estimated combined total of \$376,000, present value, net of all bond issuance expenses. The reduction in the levy for parcel owners will be realized in the 2016-17 tax cycle. Annual taxes for debt service in the 2016-17 tax cycle will be reduced from \$213,398 to \$170,281.

The bid from Western Alliance Bank of Arizona also provides that the debt service reserve fund can be reduced from an amount equal to 100% of maximum annual debt service to 25% of maximum annual debt service. This reduction in the debt service reserve fund sizing requirements also reduces the tax levies for parcel owners in CFD 2004-1.

The City is applying surplus special taxes already collected from CFD 2004-1 to reduce the size of the proposed refinancing. Since this will also reduce future special tax levies, it is a way of returning the surplus to parcel owners.

The City will collect a \$25,000 fee as reimbursement for costs in administering the refinancing.

Bond Issuance:

At this time, the City Council will consider taking action to approve a Resolution for the proposed 2004-1 CFD refunding.

This resolution authorizes staff to execute the fiscal agent agreement, the escrow agreement, and other documents required to close the proposed refinancing, subject to the net present value savings resulting from the refinancing equaling at least 5% of the amount of the bonds refunded.

This document has been thoroughly reviewed by City staff, our municipal advisor, and bond counsel. Should City Council approve the attached Resolution, the refunding is anticipated to close on July 6, 2016. Note that since the refinancing is a private placement, the City does not need to prepare an offering document (official statement), which reduces issuance costs and expedites the closing of the refinancing.

Fiscal Impact:

The table below summarizes the financial benefit of the proposed refinancing:

	No Refinancing, as of 9/2/16	Privately Placed Refinancing, as of 9/2/16
Par value⁽¹⁾	\$2,540,000	\$2,435,589
Interest rate	5.3%	3.465%
Average annual debt service	\$215,332	\$172,216
Debt service reserve fund	\$218,048	\$43,733
Total net present value savings	-	\$376,543
Net present value savings as a % of refunded bonds	0.0%	14.4%

(1) As a result of both the contribution by the City of surplus special tax revenues and the reduction in the size requirements for the debt service reserve fund, the actual amount of outstanding debt for the CFD will decrease.

Alternatives:

Do not proceed with the refinancing. If this option is chosen, parcel owners will receive no reduction in their special tax levies beginning in fiscal year 2016-17.

Recommendation:

Adopt a Resolution authorizing the issuance of special tax refunding bonds for and on behalf of the City of Yuba City Community Facilities District No. 2004-1 (Sunsweet Boulevard), approving and directing the execution of a fiscal agent agreement and escrow agreement, approving sale of such bonds, and approving other related documents and actions.

Attachments:

1. Fiscal Agent Agreement
2. Escrow Agreement

Prepared By:

Submitted By:

/s/ Spencer Morrison

Spencer Morrison
Accounting Manager/City Treasurer

/s/ Steven C. Kroeger

Steven C. Kroeger
City Manager

Reviewed By:

City Attorney
Finance Director

TH via email

RB

RESOLUTION NO. _____

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF YUBA CITY
AUTHORIZING THE ISSUANCE OF SPECIAL TAX REFUNDING BONDS FOR
AND ON BEHALF OF THE CITY OF YUBA CITY COMMUNITY FACILITIES
DISTRICT NO. 2004-1 (SUNSWEEP BOULEVARD), APPROVING AND
DIRECTING THE EXECUTION OF A FISCAL AGENT AGREEMENT AND
ESCROW AGREEMENT, APPROVING SALE OF SUCH BONDS, AND
APPROVING OTHER RELATED DOCUMENTS AND ACTIONS**

WHEREAS, the City of Yuba City has previously formed a community facilities district known as the "City of Yuba City Community Facilities District No. 2004-1 (Sunsweet Boulevard)" (the "District") under the Mello-Roos Community Facilities Act of 1982, as amended (Section 53311, et seq. of the California Government Code) (the "Act") and Resolution No. 04-221 adopted by the City Council of the City (the "City Council") on December 7, 2004.

WHEREAS, under the Act, on May 3, 2005, the City Council, as legislative body of the District, adopted its Resolution No. 05-082 authorizing the issuance and sale of its special tax bonds captioned "\$3,250,000 City of Yuba City Community Facilities District No. 2004-1 (Sunsweet Boulevard) Special Tax Bonds, Series 2005" (the "Prior Bonds").

WHEREAS, the City desires to refund the outstanding Prior Bonds through the issuance of bonds in an aggregate original principal amount not to exceed \$2,500,000 designated as the "City of Yuba City Community Facilities District No. 2004-1 (Sunsweet Boulevard) Special Tax Refunding Bonds, Series 2016" (the "Refunding Bonds") under a Fiscal Agent Agreement (the "Fiscal Agent Agreement") by and between the City and MUFG Union Bank, N.A., as fiscal agent.

WHEREAS, in order to effect the defeasance and refunding of the Prior Bonds, the City will cause the net proceeds of the Refunding Bonds to be deposited in an escrow account established under an Escrow Agreement (the "Escrow Agreement") to be entered into by and between the City and MUFG Union Bank, N.A., as escrow agent.

WHEREAS, the City Council, as legislative body of the District, has determined in accordance with Government Code Section 53583(c)(1) that a negotiated sale of the Refunding Bonds to Western Alliance Bank, or its assignee (the "Original Purchaser") will result in a lower overall cost to the City than a public sale.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF YUBA CITY DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. Recitals. Each of the above recitals is true and correct and is adopted by the City Council as legislative body of the District.

SECTION 2. Issuance of Bonds. The issuance of the Refunding Bonds in a principal amount not to exceed \$2,500,000, with a true interest cost not to exceed the amount necessary to make the findings below, is hereby authorized, with the exact principal amount to be determined by the official signing the Fiscal Agent Agreement in accordance with Section 3 below. The City Council, as legislative body of the District, hereby determines that it is prudent in the management of its fiscal affairs to issue the Refunding Bonds. The Refunding Bonds shall mature on the dates and pay interest at the rates set forth in the Fiscal Agent Agreement. All

other provisions of the Refunding Bonds shall be governed by the terms and conditions set forth in the Fiscal Agent Agreement, the form of which is on file with the City Clerk, and which is hereby approved.

The City Council hereby finds that the Refunding Bonds constitute “refunding bonds” within the meaning of the Act because the proceeds thereof will be used to refund the Prior Bonds, and that (i) the total net interest cost to maturity of the Refunding Bonds, plus the principal amount of the Refunding Bonds, is less than (ii) the total net interest cost to maturity of the Prior Bonds plus the principal amount of the Prior Bonds.

Furthermore, the Refunding Bonds shall only be issued provided that such issuance will produce a net present value savings at least equal to 5.0% of the outstanding principal amount of the Prior Bonds.

SECTION 3. Fiscal Agent Agreement. The form of Fiscal Agent Agreement presented at this meeting is hereby approved and any one of the Mayor, the City Manager or the Administrative Services Director (each an “Authorized Officer”), are hereby authorized to execute the Fiscal Agent Agreement, with such additions thereto and changes therein as the officers executing the same deem necessary, upon consultation with Bond Counsel, including any changes to cure any ambiguity or defect therein if such addition or change does not materially alter the substance or content thereof, and to insert the offering prices, interest rates, selling compensation, principal amount per maturity, redemption dates and prices and such other related terms and provisions as limited by Section 2 above. Approval of such changes shall be conclusively evidenced by the execution and delivery of the Fiscal Agent Agreement by such officers. Capitalized terms used in this Resolution which are not defined herein have the meanings ascribed to them in the Fiscal Agent Agreement.

SECTION 4. Execution of Bonds. The Refunding Bonds shall be executed on behalf of the City by the manual or facsimile signature of the Mayor or Vice Mayor, and attested by the manual or facsimile signature of the City Clerk.

SECTION 5. Covenants. The covenants set forth in the Fiscal Agent Agreement to be executed in accordance with Section 3 above are hereby approved, shall be deemed to be covenants of the City Council, in its capacity as the legislative body of the District, and shall be complied with by the City and its officers. The Fiscal Agent Agreement shall constitute a contract between the City and the owners of the Refunding Bonds.

SECTION 6. Escrow Agreement. The form of the Escrow Agreement presented at this meeting is hereby approved and any Authorized Officer is hereby authorized to execute the Escrow Agreement, with such additions thereto and changes therein as the Authorized Officer executing the same may deem necessary and advisable, upon consultation with Bond Counsel, including changes relating to dates and numbers as are necessary to conform the Escrow Agreement to the dates and amounts applicable to the refunding of the Prior Bonds. Approval of such additions and changes shall be conclusively evidenced by the execution and delivery of the Escrow Agreement by an Authorized Officer.

SECTION 7. Property Valuation. In accordance with the requirements of Section 53345.8 of the Act, the City Council, as legislative body of the District, hereby determines that the value of the real property in the District subject to the special tax to pay debt service on the Refunding Bonds is at least three times the principal amount of the Refunding Bonds and the principal amount of all other bonds outstanding that are secured by a special tax levied pursuant to the

Act or a special assessment levied on property within the District. This determination is based on the full cash value of such property as shown on the last equalized County Assessor's assessment roll.

SECTION 8. Findings and Determinations for Refunding Bonds Under the Act. For purposes of Section 53363.2 of the Act, the City Council, as legislative body of the District, hereby further finds and determines that: (i) it is expected that the purchase of the Refunding Bonds will occur on the Closing Date (as such term is defined in the Fiscal Agent Agreement); (ii) the date, denomination, maturity dates, places of payment and form of the Refunding Bonds shall be as set forth in the Fiscal Agent Agreement, as executed; (iii) the maximum true interest cost with respect to the Refunding Bonds shall not exceed the amount necessary to make the findings set forth in Section 2 hereof; (iv) the final maturity date of the Refunding Component of the Bonds shall not be later than September 1, 2035; (v) the place of payment for the Refunding Bonds shall be as set forth in the Fiscal Agent Agreement; and (vi) the designated costs of issuing the Refunding Bonds shall be as described in Section 53363.8(a) of the Act, and as otherwise described in the Fiscal Agent Agreement, and the closing certificates for the Refunding Bonds, including but not limited to, fees and expenses of bond counsel, municipal advisor, fiscal agent, original purchaser's compensation, other costs of issuance of the Refunding Bonds, and costs of City staff incurred in connection with the sale and issuance of the Refunding Bonds.

SECTION 9. Further Actions. The Authorized Officers, the City Clerk and the other officers and staff of the City responsible for the fiscal affairs of the City are hereby authorized and directed to take any actions and execute and deliver any and all documents as are necessary to accomplish the issuance, sale and delivery of the Refunding Bonds in accordance with the provisions of this Resolution and the fulfillment of the purposes of the Refunding Bonds as described in the Fiscal Agent Agreement. If any Authorized Officer is unavailable to sign any document authorized for execution herein, any member of the City Council, or his or her written designee, may sign such document. Any document authorized herein to be signed by the City Clerk may be signed by a duly appointed deputy clerk.

SECTION 10. Effective Date. This Resolution shall be effective as of the date of its adoption.

The foregoing Resolution of the City Council of the City of Yuba City is duly introduced, PASSED AND ADOPTED at a regular meeting thereof held on this 7th day of June, 2016 by the following vote:

Ayes:

Noes:

Absent:

John Buckland, Mayor

Attest:

Terrel Locke, City Clerk



VIA EMAIL

May 17, 2016

Mike Cavanaugh
Managing Director
Hilltop Securities
2533 S. Coast Highway 101, Suite 250
Cardiff by the Sea, CA 92007
mike.cavanaugh@hilltopsecurities.com

Re: Term Sheet – City of Yuba City Community Facilities District No. 2004-1 (Sunsweet Boulevard)
2016 Special Tax Refunding Bonds (the “2016 Bonds”)

Western Alliance Bank and its affiliate TPB Investments, Inc. (“Purchaser”) are pleased to submit the following preliminary terms, subject to formal credit approval and review of all relevant documentation, for the direct purchase of the 2016 Bonds of the City of Yuba City Community Facilities District No. 2004-1 (Sunsweet Boulevard) (“District” or “Borrower”). This term sheet does not constitute a firm commitment by the Purchaser to purchase the 2016 Bonds. The following terms are preliminary and subject to change based on negotiations between the Purchaser and Borrower.

Principal amount:	\$2,450,178 (Estimated)
Final Maturity:	September 1, 2035
Tax Status:	Tax-Exempt (Non-Bank Qualified)
Interest:	Semi-annual interest payments beginning September 1, 2016
Amortization:	Annual principal payments beginning September 1, 2016
Interest rate:	70% of the sum of the 10-Year LIBOR swap rate plus 3.25% (tax-exempt fixed rate). Based on market rates as of May 17, 2016, the rate would be 3.40% . The rate may be locked two weeks prior to funding following all necessary approvals.
Redemption Provisions:	See Appendix A
Origination fee:	None
Debt Service Reserve Account:	In connection with the issuance of the 2016 Bonds, there shall be established a debt service reserve account of the special tax fund (the “Reserve Account”) in an amount equal to 25% of the lesser of the reasonably required reserve or replacement fund size limitation in accordance with Section 1.48-2(f)(2)(ii) of the Internal Revenue Code.
Special Tax Fund:	In lieu of a trustee or a fiscal agent, the Borrower may elect to have Western Alliance Bank hold all proceeds in the special tax fund including accounts and subaccounts thereunder.
Security:	2016 Bonds are payable from and secured by a pledge of the Net Special Taxes of the District and all moneys deposited in the special tax fund.
Other fees due at closing:	The District shall be obligated to pay legal fees of Purchaser’s counsel and the California Debt and Investment Advisory Commission reporting fee. Purchaser’s counsel fee shall be capped at \$10,000.

Lender’s Counsel: Nixon Peabody

Funding: On or about July 7, 2016

Representations / Warranties: All legal documentation shall be prepared by Bond or Borrower’s Counsel and shall contain customary affirmative and negative covenants as well as usual representations and warranties for like situated borrowers and the 2016 Bonds, acceptable to the Purchaser and its counsel.

Documentation: Purchaser will book the 2016 Bonds as a loan, and, therefore, the additional provisions and conditions set forth in this term sheet shall be included in the documentation, which shall include execution and delivery of legal documentation acceptable to Purchaser and its counsel; provided however, Purchaser will only take physical possession of the 2016 Bonds, and, as a result, the 2016 Bonds will be registered to Purchaser, DTC will not be holding the 2016 Bonds and the 2016 Bonds will not have a CUSIP; the 2016 Bonds will not be rated; there will not be a disclosure document or a purchase contract; successor trustee to be acceptable to Purchaser; authorized denominations shall be the amount of \$250,000 and integral multiples of \$1 thereof; and no amendments to the issuing documents without Purchaser’s prior consent.

Reporting requirements: Reporting requirements shall include the following: (i) within 9 months after each fiscal year, the City of Yuba City (the “City”) shall provide : (a) a copy of the City’s comprehensive annual financial report or audited financial statements, (b) the assessed value within the District, (c) the amount of any delinquency in payment of special taxes within the District, (d) a summary of estimated parcel assessed value-to-lien by ratio within the District, and (e) a list of the ten largest taxpayers in the District; (ii) notices of (a) any default on any obligation of the District, (b) material litigation of the District and/or the City, (c) material governmental proceedings related to the District and/or the City, or (d) material adverse effect with respect to the District or the City or with respect to the collection of Special Taxes; and (iii) the City shall furnish at Purchaser’s request such additional information that Purchaser may from time to reasonably request.

Assignment: Purchaser retains right to assign its interest in the 2016 Bonds and will give Borrower appropriate written notice of such assignment. Purchaser acknowledges and agrees that the 2016 Bonds may only be transferred in authorized denominations to a “Qualified Institutional Buyer” or an “Accredited Investor” within the meaning of the Securities Act of 1933, as amended.

Please sign the enclosed copy of this term sheet to myself via e-mail or regular mail to my attention (see contact information below).

Submitted on behalf of Western Alliance Bank and its affiliate TPB Investments, Inc., a wholly owned subsidiary of Western Alliance Bank, an Arizona corporation:



Joshua J. Lentz
Vice President – Municipal Finance Officer
Western Alliance Public Finance
One East Washington Street, Suite 1400
Phoenix, AZ 85004
(602) 346-7467 (O)
jlentz@westernalliancebank.com

**CITY OF YUBA CITY
COMMUNITY FACILITIES DISTRICT NO. 2004-1 (SUNSWEEP BOULEVARD)**

By: _____
Name: _____
Title: _____
Date: _____

APPENDIX A

REDEMPTION PROVISIONS

Optional Redemption

The 2016 Bonds may be redeemed, at the option of the District, from any source of funds, other than from special tax prepayments, on any interest payment date on or after September 1, 2026 at 100% of the principal amount of the 2016 Bonds to be redeemed, together with accrued interest to the date of redemption.

Mandatory Sinking Fund Redemption

The 2016 Bonds may be required to be called before maturity and redeemed from sinking fund payments deposited into the principal account of the special tax fund, on September 1, 2016, and on each September 1 thereafter, in accordance with the schedule of sinking fund payments to be determined upon the locking of the rate. The 2016 Bonds so called for redemption shall be selected by the Purchaser by lot and shall be redeemed at a redemption price for each redeemed 2016 Bond equal to the principal amount thereof, plus accrued interest to the redemption date, without premium.

In the event of a partial optional redemption or special mandatory redemption of the 2016 Bonds, each of the remaining sinking fund payments for the 2016 Bonds will be reduced, as nearly practicable, on pro rata basis.

Special Mandatory Redemption from Special Tax Prepayments

The 2016 Bonds may be subject to redemption as a whole, or in part on a pro rata basis among the 2016 Bonds, on any interest payment date prior to maturity from the proceeds of the prepayment of the special taxes deposited in the redemption account of the special tax fund and amounts transferred from the debt service reserve account of the special tax fund in connection with such prepayment. Such special mandatory redemption of the 2016 Bonds shall be at the following redemption prices (expressed as percentages for the principal amount of the 2016 Bonds to be redeemed), together with accrued interest thereon to the date of redemption:

<i>Redemption Date</i>	<i>Redemption Prices</i>
March 1, 2017 and any interest payment date through March 1, 2026	103%
September 1, 2026 and any interest payment date thereafter	100%

SOURCES AND USES OF FUNDS

City of Yuba City
2016 Special Tax Refunding Bonds
Community Facilities District No. 2004-1
(Sunsweet Boulevard)

Private Placement (Western Alliance)

Dated Date 07/06/2016
Delivery Date 07/06/2016

Sources:

Bond Proceeds:	
Par Amount	2,435,589.00
Other Sources of Funds:	
2005 Reserve Fund	218,047.50
Surplus Special Taxes Held by Trustee	68,000.00
Surplus Special Taxes Held by City	125,000.00
	<hr/>
	411,047.50
	<hr/>
	2,846,636.50
	<hr/> <hr/>

Uses:

Refunding Escrow Deposits:	
Cash Deposit	0.19
SLG Purchases	2,687,903.00
	<hr/>
	2,687,903.19
Other Fund Deposits:	
Debt Service Reserve Fund	43,732.71
Delivery Date Expenses:	
Cost of Issuance	115,000.00
Other Uses of Funds:	
Additional Proceeds	0.60
	<hr/>
	2,846,636.50
	<hr/> <hr/>

SUMMARY OF REFUNDING RESULTS

City of Yuba City
2016 Special Tax Refunding Bonds
Community Facilities District No. 2004-1
(Sunsweet Boulevard)

Private Placement (Western Alliance)

Dated Date	07/06/2016
Delivery Date	07/06/2016
Arbitrage yield	3.465387%
Escrow yield	0.184049%
Bond Par Amount	2,435,589.00
True Interest Cost	3.465387%
Net Interest Cost	3.465000%
Average Coupon	3.465000%
Average Life	10.151
Par amount of refunded bonds	2,620,000.00
Average coupon of refunded bonds	5.299560%
Average life of refunded bonds	11.328
PV of prior debt to 07/06/2016 @ 3.465387%	3,095,403.11
Net PV Savings	376,542.52
Percentage savings of refunded bonds	14.371852%
Percentage savings of refunding bonds	15.460019%

SUMMARY OF BONDS REFUNDED

City of Yuba City
2016 Special Tax Refunding Bonds
Community Facilities District No. 2004-1
(Sunsweet Boulevard)

Private Placement (Western Alliance)

Bond	Maturity Date	Interest Rate	Par Amount	Call Date	Call Price
Special Tax Bonds, Series 2005, 2005:					
SERIAL	09/01/2016	4.900%	80,000.00		
SERIAL	09/01/2017	5.000%	80,000.00	09/01/2016	100.000
SERIAL	09/01/2018	5.000%	85,000.00	09/01/2016	100.000
SERIAL	09/01/2019	5.000%	90,000.00	09/01/2016	100.000
SERIAL	09/01/2020	5.100%	95,000.00	09/01/2016	100.000
SERIAL	09/01/2021	5.100%	100,000.00	09/01/2016	100.000
SERIAL	09/01/2022	5.200%	105,000.00	09/01/2016	100.000
SERIAL	09/01/2023	5.200%	110,000.00	09/01/2016	100.000
2029TERM	09/01/2029	5.250%	790,000.00	09/01/2016	100.000
2035TERM	09/01/2035	5.350%	1,085,000.00	09/01/2016	100.000
			2,620,000.00		

SAVINGS

City of Yuba City
 2016 Special Tax Refunding Bonds
 Community Facilities District No. 2004-1
 (Sunsweet Boulevard)

Private Placement (Western Alliance)

Date	Prior Debt Service	Prior Receipts	Prior Net Cash Flow	Refunding Debt Service	Refunding Receipts	Refunding Net Cash Flow	Savings	Present Value to 07/06/2016 @ 3.4653869%
09/01/2016	148,658.75		148,658.75	148,658.40		148,658.40	0.35	0.35
09/01/2017	213,397.50		213,397.50	170,280.90		170,280.90	43,116.60	41,889.53
09/01/2018	214,397.50		214,397.50	171,280.88		171,280.88	43,116.62	40,467.86
09/01/2019	215,147.50		215,147.50	172,031.46		172,031.46	43,116.04	39,093.08
09/01/2020	215,647.50		215,647.50	172,531.28		172,531.28	43,116.22	37,764.82
09/01/2021	215,802.50		215,802.50	172,686.22		172,686.22	43,116.28	36,480.08
09/01/2022	215,702.50		215,702.50	172,586.50		172,586.50	43,116.00	35,237.88
09/01/2023	215,242.50		215,242.50	172,125.48		172,125.48	43,117.02	34,037.40
09/01/2024	214,522.50		214,522.50	171,406.38		171,406.38	43,116.12	32,875.41
09/01/2025	213,485.00		213,485.00	170,368.14		170,368.14	43,116.86	31,752.99
09/01/2026	217,185.00		217,185.00	174,068.94		174,068.94	43,116.06	30,666.82
09/01/2027	215,360.00		215,360.00	172,242.98		172,242.98	43,117.02	29,617.51
09/01/2028	213,272.50		213,272.50	170,156.34		170,156.34	43,116.16	28,601.91
09/01/2029	215,922.50		215,922.50	172,805.96		172,805.96	43,116.54	27,620.93
09/01/2030	218,047.50		218,047.50	174,930.82		174,930.82	43,116.68	26,671.98
09/01/2031	214,487.50		214,487.50	171,371.40		171,371.40	43,116.10	25,752.91
09/01/2032	215,660.00		215,660.00	172,543.32		172,543.32	43,116.68	24,865.10
09/01/2033	216,297.50		216,297.50	173,180.80		173,180.80	43,116.70	24,006.05
09/01/2034	216,400.00		216,400.00	173,283.80		173,283.80	43,116.20	23,174.86
09/01/2035	215,967.50	218,047.50	(2,080.00)	43,734.66	43,732.71	1.95	(2,081.95)	(1,035.54)
	4,240,603.75	218,047.50	4,022,556.25	3,292,274.66	43,732.71	3,248,541.95	774,014.30	569,541.92

Savings Summary

PV of savings from cash flow	569,541.92
Less: Prior funds on hand	(193,000.00)
Plus: Refunding funds on hand	0.60
Net PV Savings	376,542.52

BOND SUMMARY STATISTICS

City of Yuba City
 2016 Special Tax Refunding Bonds
 Community Facilities District No. 2004-1
 (Sunsweet Boulevard)

Private Placement (Western Alliance)

Dated Date	07/06/2016
Delivery Date	07/06/2016
Last Maturity	09/01/2035
Arbitrage Yield	3.465387%
True Interest Cost (TIC)	3.465387%
Net Interest Cost (NIC)	3.465000%
All-In TIC	4.069320%
Average Coupon	3.465000%
Average Life (years)	10.151
Duration of Issue (years)	8.249
Par Amount	2,435,589.00
Bond Proceeds	2,435,589.00
Total Interest	856,685.66
Net Interest	856,685.66
Total Debt Service	3,292,274.66
Maximum Annual Debt Service	174,930.82
Average Annual Debt Service	171,895.41
Underwriter's Fees (per \$1000)	
Average Takedown	
Other Fee	
Total Underwriter's Discount	
Bid Price	100.000000

Bond Component	Par Value	Price	Average Coupon	Average Life
Term Bond	2,435,589.00	100.000	3.465%	10.151
	2,435,589.00			10.151

	TIC	All-In TIC	Arbitrage Yield
Par Value	2,435,589.00	2,435,589.00	2,435,589.00
+ Accrued Interest			
+ Premium (Discount)			
- Underwriter's Discount			
- Cost of Issuance Expense		(115,000.00)	
- Other Amounts			
Target Value	2,435,589.00	2,320,589.00	2,435,589.00
Target Date	07/06/2016	07/06/2016	07/06/2016
Yield	3.465387%	4.069320%	3.465387%

BOND PRICING

City of Yuba City
2016 Special Tax Refunding Bonds
Community Facilities District No. 2004-1
(Sunsweet Boulevard)

Private Placement (Western Alliance)

Bond Component	Maturity Date	Amount	Rate	Yield	Price
Term Bond:	09/01/2035	2,435,589	3.465%	3.465%	100.000
		2,435,589			

Dated Date	07/06/2016		
Delivery Date	07/06/2016		
First Coupon	09/01/2016		
Par Amount	2,435,589.00		
Original Issue Discount			
Production	2,435,589.00	100.000000%	
Underwriter's Discount			
Purchase Price	2,435,589.00	100.000000%	
Accrued Interest			
Net Proceeds	2,435,589.00		

BOND DEBT SERVICE

City of Yuba City
2016 Special Tax Refunding Bonds
Community Facilities District No. 2004-1
(Sunsweet Boulevard)

Private Placement (Western Alliance)

Period Ending	Principal	Coupon	Interest	Debt Service
09/01/2016	135,765	3.465%	12,893.40	148,658.40
09/01/2017	90,592	3.465%	79,688.90	170,280.90
09/01/2018	94,731	3.465%	76,549.88	171,280.88
09/01/2019	98,764	3.465%	73,267.46	172,031.46
09/01/2020	102,686	3.465%	69,845.28	172,531.28
09/01/2021	106,399	3.465%	66,287.22	172,686.22
09/01/2022	109,986	3.465%	62,600.50	172,586.50
09/01/2023	113,336	3.465%	58,789.48	172,125.48
09/01/2024	116,544	3.465%	54,862.38	171,406.38
09/01/2025	119,544	3.465%	50,824.14	170,368.14
09/01/2026	127,387	3.465%	46,681.94	174,068.94
09/01/2027	129,975	3.465%	42,267.98	172,242.98
09/01/2028	132,392	3.465%	37,764.34	170,156.34
09/01/2029	139,629	3.465%	33,176.96	172,805.96
09/01/2030	146,592	3.465%	28,338.82	174,930.82
09/01/2031	148,112	3.465%	23,259.40	171,371.40
09/01/2032	154,416	3.465%	18,127.32	172,543.32
09/01/2033	160,404	3.465%	12,776.80	173,180.80
09/01/2034	166,065	3.465%	7,218.80	173,283.80
09/01/2035	42,270	3.465%	1,464.66	43,734.66
	2,435,589		856,685.66	3,292,274.66

BOND DEBT SERVICE

City of Yuba City
2016 Special Tax Refunding Bonds
Community Facilities District No. 2004-1
(Sunsweet Boulevard)

Private Placement (Western Alliance)

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
07/06/2016					
09/01/2016	135,765	3.465%	12,893.40	148,658.40	148,658.40
03/01/2017			39,844.45	39,844.45	
09/01/2017	90,592	3.465%	39,844.45	130,436.45	170,280.90
03/01/2018			38,274.94	38,274.94	
09/01/2018	94,731	3.465%	38,274.94	133,005.94	171,280.88
03/01/2019			36,633.73	36,633.73	
09/01/2019	98,764	3.465%	36,633.73	135,397.73	172,031.46
03/01/2020			34,922.64	34,922.64	
09/01/2020	102,686	3.465%	34,922.64	137,608.64	172,531.28
03/01/2021			33,143.61	33,143.61	
09/01/2021	106,399	3.465%	33,143.61	139,542.61	172,686.22
03/01/2022			31,300.25	31,300.25	
09/01/2022	109,986	3.465%	31,300.25	141,286.25	172,586.50
03/01/2023			29,394.74	29,394.74	
09/01/2023	113,336	3.465%	29,394.74	142,730.74	172,125.48
03/01/2024			27,431.19	27,431.19	
09/01/2024	116,544	3.465%	27,431.19	143,975.19	171,406.38
03/01/2025			25,412.07	25,412.07	
09/01/2025	119,544	3.465%	25,412.07	144,956.07	170,368.14
03/01/2026			23,340.97	23,340.97	
09/01/2026	127,387	3.465%	23,340.97	150,727.97	174,068.94
03/01/2027			21,133.99	21,133.99	
09/01/2027	129,975	3.465%	21,133.99	151,108.99	172,242.98
03/01/2028			18,882.17	18,882.17	
09/01/2028	132,392	3.465%	18,882.17	151,274.17	170,156.34
03/01/2029			16,588.48	16,588.48	
09/01/2029	139,629	3.465%	16,588.48	156,217.48	172,805.96
03/01/2030			14,169.41	14,169.41	
09/01/2030	146,592	3.465%	14,169.41	160,761.41	174,930.82
03/01/2031			11,629.70	11,629.70	
09/01/2031	148,112	3.465%	11,629.70	159,741.70	171,371.40
03/01/2032			9,063.66	9,063.66	
09/01/2032	154,416	3.465%	9,063.66	163,479.66	172,543.32
03/01/2033			6,388.40	6,388.40	
09/01/2033	160,404	3.465%	6,388.40	166,792.40	173,180.80
03/01/2034			3,609.40	3,609.40	
09/01/2034	166,065	3.465%	3,609.40	169,674.40	173,283.80
03/01/2035			732.33	732.33	
09/01/2035	42,270	3.465%	732.33	43,002.33	43,734.66
	2,435,589		856,685.66	3,292,274.66	3,292,274.66

ESCROW REQUIREMENTS

City of Yuba City
2016 Special Tax Refunding Bonds
Community Facilities District No. 2004-1
(Sunsweet Boulevard)

Private Placement (Western Alliance)

Period Ending	Principal	Interest	Principal Redeemed	Total
09/01/2016	80,000.00	68,658.75	2,540,000.00	2,688,658.75
	80,000.00	68,658.75	2,540,000.00	2,688,658.75

CITY OF YUBA CITY
STAFF REPORT

Date: June 7, 2016
To: Honorable Mayor & Members of the City Council
From: Finance Department
Presentation By: Robin Bertagna, CPA, Finance Director

Summary

Subject: Adoption of the City of Yuba City's Fiscal Year 2016-2017 Operating and Capital Budgets and Fiscal Year 2016-2017 Appropriations Limit

Recommendation:

- A. Adopt a Resolution approving the proposed Fiscal Year 2016-2017 Operating Budget. The proposed All Funds Budget Summary for Fiscal Year 2016-2017 is attached
- B. Adopt a Resolution approving the Fiscal Year 2016-2017 Capital Improvement Program. Project Summaries by Funding Source are attached to the Resolution
- C. Adopt a Resolution approving the City's Appropriations Limit for Fiscal Year 2016-17
- D. Adopt a Resolution approving modification to the Salary Schedule and Compensation Plan to include classification additions and deletions as contained in the proposed operating budget for FY 2016-2017

Fiscal Impact: Adoption of these documents sets forth the City's financial plan for the next twelve months.

Purpose:

To formally adopt policy documents authorizing implementation of fiscal priorities during FY 2016-17.

Background:

The City Council held a budget workshop on May 23rd to review the proposed operating budget and capital improvement program. At that time, the Finance Director provided an overview of the upcoming year and presented assumptions, charts, and changes from prior years that were included in the proposed budget. The City Council and public asked questions and made comments with regard to the proposed operating budget. In addition, City Council was provided an overview of the proposed projects provided for in the City's Capital Improvement Project budget. City Council did not request any changes to the proposed budget at the budget workshop.

Analysis:

As discussed at the budget workshop, Finance is recommending two policy level changes for the City Council to consider as part of the FY 2016-17 budget adoption process. These are included in the attached Resolution and are explained in detail below.

Unwinding of ESR:

The City's five year budget plan projects that FY 2016-17 will be the final year that the City will have a deficit budget. As such, the Finance Director recommends that the City unwind the Economic Stabilization Reserve (ESR) Fund that was implemented to fund deficit budgets during the economic downturn. The ESR balance is currently \$4,541,557. Finance recommends that since the ESR is no longer needed to fund deficit budgets for the City, that funds be used for two separate purposes:

- 1) Return \$2,541,557 to the City's Vehicle Replacement Fund, as originally \$2.7 million was transferred from the Vehicle Replacement Fund to provide funds into the ESR.
- 2) Set aside \$2 million into a City held Pension Stabilization Trust Fund. The funds would be initially placed into a City held trust fund after the budget is adopted. Then staff would bring this back to City Council in July for further discussion and to request direction to transfer some or all of the \$2 million to a Pension Stabilization Trust Fund to be held in an approved Internal Revenue Service (IRS) Section 115 Trust. Once transferred to an IRS Section 115 Trust, City Council would still retain discretion over when and how much of these funds could be utilized to fund employee retirement costs. However, once transferred into an IRS Section 115 Trust, these funds would be restricted to only be used for employee retirement costs. This action would help the City fund its unfunded pension liability. It is a benefit to employees because it is specifically for their pensions, and it provides budget flexibility in future years because City Council can determine how much to use towards CalPERS contributions in any fiscal year, potentially buying down future cost increases.

The above two actions are included in Section 2 of the budget adoption Resolution.

Use of one-time year end funds for Capital Investment:

The City's Fiscal Policy for several years has been to ensure that as of June 30th of each year, the General Fund has a fund balance of no less than 15% of the subsequent fiscal year's appropriations. Prior to the downturn in the economy and the establishment of the City's ESR, the City had a long-standing fiscal policy that required Finance to calculate the reserve requirement at the end of each fiscal year and anything in excess of that was set aside for one-time capital infrastructure needs in the City's general unallocated capital improvement reserve fund. The Fiscal Policy goes both ways toward ensuring the reserve policy is met in that if the General Fund did not have sufficient reserve funds to meet the policy threshold, funds would be transferred back to the General Fund from the general unallocated capital improvement reserve fund. Finance is requesting that City Council authorize returning to the previous Fiscal Policy model. It provides prudent financial management practices as it sets aside one-time budget savings at the end of a fiscal year for future one-time capital expenditures. Absent other explicit direction from the City Council, by default this will occur at the end of every year. However, City Council retains full discretion to provide alternative direction to Finance each year.

This action is included in Section 3 of the budget adoption resolution. It is currently projected that surplus funds from FY 2015-2016 will be approximately \$2.1 million. \$400,000 will be used to achieve the 15% Healthy Cities Reserve, which leaves approximately \$1.7 million available for one-time capital investment by returning to the former Fiscal Policy model.

Water and Wastewater Working Capital:

In accordance with the provisions of the City's Budget Policy, direction is to ensure that as of June 30, 2016, the Water Fund and the Wastewater Fund have a 90 day working capital balance. Working capital beyond the 90 day requirement will be transferred to the respective

Capital Improvement Program Fund to fund future rehabilitation and replacement projects for the Utility (Section 4 of the budget adoption resolution).

Salary Schedule and Compensation Plan for FY 2016-2017:

As part of the budget process, departments submitted requests to update classifications or create new classifications. To determine the appropriate compensation level, when internal structures do not exist, staff utilizes the services of a human resources consultant who provides recommendations based upon data developed through surveys with comparable agencies. Analysis of salaries also included the utilization of internal salary alignments. Staff recommends the approving modification to the Salary Schedule and Compensation Plan for FY 2016-2017 as included in the attached Resolution (Attachment 4).

Fiscal Impact:

Adoption of an operating budget and a capital improvement program budget that prioritizes the needs of the community.

Alternatives:

- 1) During the Budget Workshop held on May 23, 2016, Vice Mayor Cleveland recommended consideration be given to repayment of development impact fee loans and accounts with negative balances. A summary is included as Attachment 5. The City Council might consider and discuss using the anticipated surplus funds from FY 2015-2016 as a source of partial repayment. Notably, any such advances from the General Fund to the development impact fee (DIF) fund would ultimately be repaid from future DIF collections in order to ensure that new development pays its own way in accordance with the City Council's Growth Policies.
- 2) Identify other uses for one-time surplus funds and the ESR such as:
 - A) Deferred Infrastructure Maintenance and Replacement;
 - B) Beat 6 Start-Up Costs for Police Services;
 - C) Construction of Park Facilities in Tierra Buena Area; and/or
 - D) Economic Development Initiatives.
- 3) Make other changes to the budget as proposed.

Recommendation:

The required Resolutions have been prepared and are attached for Council consideration.

Attachments:

- 1) *Resolution approving the proposed Fiscal Year 2016-2017 Operating Budget*
- 2) *Resolution approving the proposed Fiscal Year 2016-2017 Capital Improvement Program Budget*
- 3) *Resolution approving the City's Appropriations Limit for Fiscal Year 2016-17.*
- 4) *Resolution approving modification to the Salary Schedule and Compensation Plan for Fiscal Year 2016-2017.*
- 5) *Summary of Development Impact Fees*

Prepared By:

/s/ Robin Bertagna

Robin Bertagna, C.P.A.
Finance Director

Reviewed By:

City Attorney

Submitted By:

/s/ Steven C. Kroeger

Steven C. Kroeger
City Manager

TH via email

RESOLUTION NO. _____

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
YUBA CITY ADOPTING THE CITY'S OPERATING BUDGET
FOR FISCAL YEAR 2016-2017**

WHEREAS, a proposed operating budget for the City of Yuba City for the fiscal year commencing July 1, 2016 and ending June 30, 2017 was submitted to the City Council by the City Manager on May 20, 2016 in accordance with Section 2-2.02 of the Municipal Code; and,

WHEREAS, a special City Council workshop on the proposed FY 2016-2017 Operating Budget ("proposed annual budget") was held on May 23, 2016; and,

WHEREAS, the City Council desires to make certain year-end transfers in the current fiscal year to establish reserves and anticipate certain expenditures that are incorporated in the proposed annual budget.

NOW, THEREFORE, the City Council of the City of Yuba City does hereby resolve as follows:

Section 1. The proposed annual budget is adopted as the annual budget for the City of Yuba City for the fiscal year commencing July 1, 2016 and ending June 30, 2017.

Section 2. The Finance Director is directed to make the following transfers from the Economic Stabilization Reserve within the General Fund in the current budget year:

<u>No.</u>	<u>Account Number</u>	<u>Description</u>	<u>Amount</u>
1	620-Z69980	Vehicle Replacement Fund	\$2,541,557
3	702-Z69980	Pension Stabilization Trust Fund	\$2,000,000

Section 3. The Finance Director is directed to ensure that as of June 30, 2016, the general fund has a reserve fund balance of no less than 15% of FY 16-17 General Fund expenditures in accordance with the provisions of the City's Fiscal Policy. The Finance Director is further directed to transfer any reserve fund balance in excess of 15% to the Unallocated General Fund Capital Improvement Fund reserve. If the general fund reserve fund balance is less than 15% as of June 30, 2016, the Finance Director is directed to transfer any deficiency back from the Unallocated General Fund Capital Improvement Fund reserve to the General Fund to ensure it meets the 15% reserve requirement.

Section 4. The Finance Director is directed to ensure that as of June 30, 2016, the Water and Wastewater operating funds have a 90 day reserve fund balance in accordance with the provisions of the City's Budget Policy.

Section 5. The Finance Director is authorized to make other such revisions, individual appropriation line-item changes, changes in summaries, fund totals, grand totals, and other portions of the budget document as necessary to reflect and implement the programs specified in this resolution, and in full accordance to the direction provided by the City Council up until the adoption of the resolution.

The foregoing Resolution of the City Council of the City of Yuba City is duly introduced, PASSED AND ADOPTED at a regular meeting thereof held on this 7th day of June, 2016 by the following vote:

Ayes:

Noes:

Absent:

John Buckland, Mayor

Attest:

Terrel Locke, City Clerk

RESOLUTION NO. _____

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
YUBA CITY ADOPTING THE CITY'S CAPITAL
IMPROVEMENT PROGRAM BUDGET FOR FISCAL YEAR
2016-2017**

WHEREAS, a proposed capital improvement program budget for the City of Yuba City for the fiscal year commencing July 1, 2016 and ending June 30, 2017 was submitted to the City Council by the City Manager on May 20, 2016 in accordance with Section 2-2.02 of the Municipal Code; and,

WHEREAS, a special City Council workshop on the proposed FY 2016-2017 Capital Improvement Program Budget ("proposed CIP budget") was held on May 23, 2016; and,

WHEREAS, City Council reviewed and discussed projects proposed in the FY 2016-2017 Capital Improvement Program Budget during the budget workshop on May 23, 2016.

NOW, THEREFORE, the City Council of the City of Yuba City does hereby resolve as follows:

Section 1. The proposed annual CIP budget is adopted for the City of Yuba City for the fiscal year commencing July 1, 2016 and ending June 30, 2017.

Section 2. The Draft Capital Improvement Budget was provided to the Planning Commission for review and comment on May 20, 2016. The Planning Commission approved the findings of consistency with the General Plan at their regularly scheduled May 25, 2016 meeting.

The foregoing Resolution of the City Council of the City of Yuba City is duly introduced, PASSED AND ADOPTED at a regular meeting thereof held on this 7th day of June, 2016 by the following vote:

Ayes:

Noes:

Absent:

John Buckland, Mayor

Attest:

Terrel Locke, City Clerk

City of Yuba City
List of Capital Improvement Program Projects
General Fund with Current Funding
FY 2016-2017

Fund 301 - General	Dept.	Note	Estimated Carryover Balance	Proposed 2016-2017 Approp.	Total Project Funds
901001 Fire Station Study	FD		\$ -	\$ 50,000	\$ 50,000
901023 City Hall Improvements	PW	*	-	50,000	50,000
901028 Improvements to Buildings and Grounds	PW	*	100,000	145,000	245,000
901072 Property Abatement	DS		107,000	-	107,000
901079 Public Safety Comms/Dispatch System Imp	IT		25,000	-	25,000
901080 General Plan Implementation	DS		317,000	200,000	517,000
901127 Capital Replacement Program--Gauche Aq. Pk.	CS		75,000	35,000	110,000
901165 Highway 20 Revitalization	DS	*	8,000	-	8,000
901172 Expansion of Park Amenities	CS	*	-	20,000	20,000
901188 Stormwater Management Program	PW	*	41,000	54,000	95,000
901207 Future Park Development	CS	*	349,000	-	349,000
901208 City Hall Parking Improvements	PW	*	25,000	-	25,000
901209 Union Pacific Railroad Property Acquisition	PW		128,000	-	128,000
901221 Feather River Mills Site Development	PW		5,000	50,000	55,000
901222 Annual Playground Replacement	CS		-	160,000	160,000
Total			\$ 1,180,000	\$ 764,000	\$ 1,944,000

Note: * Multiple funding sources exist for this project. See individual project sheet for breakdown.

City of Yuba City
List of Capital Improvement Program Projects
Transportation Development Act Programs with Current Funding
FY 2016-2017

Fund 305 - Transportation Development Act	Dept.	Note	Estimated Carryover Balance	Proposed 2016-2017 Approp.	Total Project Funds
911024 Striping and Marking	PW		-	\$ 100,000	\$ 100,000
911025 Drainage Improvements	PW		-	200,000	200,000
911027 Traffic Signals	PW	*	144,000	100,000	244,000
911051 Road Rehabilitation	PW	*	300,000	500,000	800,000
911152 Bogue Road Rehabilitation	PW	*	56,000	-	56,000
911153 Garden Highway Improvements - Winship to Lincoln	PW	*	179,000	374,000	553,000
911167 SR-20 Median Improvement Project	PW	*	-	200,000	200,000
911168 Butte Hse Rd Cl. II Bike Ln-Madison to Royo Ranchero	PW	*	7,000	-	7,000
911169 Bicycle Master Plan Implementation	PW	*	50,000	25,000	75,000
911188 Stormwater Management Program	PW	*	52,000	54,000	106,000
911190 Pavement Management System	PW	*	20,000	25,000	45,000
911199 Franklin Road Pedestrian Improvements	PW	*	12,000	-	12,000
911206 Bridge Street Reconstruction/Cooper to Plumas	PW	*	2,036,000	-	2,036,000
911210 Blevin Road Improvements	PW		150,000	-	150,000
911211 El Margarita Road Improvements	PW	*	45,000	-	45,000
911220 ADA Public Facilities Sidewalk Improvements	PW	*	-	90,000	90,000
Total			\$ 3,051,000	\$ 1,668,000	\$ 4,719,000

Note: * Multiple funding sources exist for this project. See individual project sheet for breakdown.

City of Yuba City
List of Capital Improvement Program Projects
Streets & Roads Fund with Current Funding
FY 2016-2017

Fund 303 - Streets & Roads Fund	Dept.	Note	Estimated Carryover Balance	Proposed 2016-2017 Approp.	Total Project Funds
921027 Traffic Signals	PW	*	\$ 26,000	\$ -	\$ 26,000
921028 Improvements to Buildings and Grounds	PW	*	-	34,000	34,000
921051 Road Rehabilitation	PW	*	652,000	-	652,000
921084 Fifth Street Bridge Replacement	PW	*	424,000	-	424,000
921139 Second Street Underground Utility District	PW		292,000	-	292,000
921152 Bogue Road Rehabilitation	PW	*	189,000	-	189,000
921153 Garden Highway Improvements--Winship to Lincoln	PW	*	77,000	-	77,000
921167 SR-20 Median Improvement Project	PW		76,000	-	76,000
921168 Butte Hse Rd Cl. II Bike Ln-Madison to Royo Ranchero	PW	*	8,000	-	8,000
921169 Bicycle Master Plan Implementation	PW	*	24,000	-	24,000
921190 Pavement Management System	PW	*	2,000	-	2,000
921206 Bridge Street Reconstruction	PW	*	207,000	-	207,000
Total			\$ 1,977,000	\$ 34,000	\$ 2,011,000

Note: * Multiple funding sources exist for this project. See individual project sheet for breakdown.

City of Yuba City
List of Capital Improvement Program Projects
Development Impact Fee Fund with Current Funding
FY 2016-2017

Fund 304 - Development Impact Fees	Dept.	Note	Estimated Carryover Balance	Proposed 2016-2017 Approp.	Total Project Funds
931027 Traffic Signals	PW	*	\$ 386,000	\$ -	\$ 386,000
931084 Fifth Street Bridge Replacement	PW	*	25,000	-	25,000
931128 Walton Ave Improvements/Bogue Rd to Franklin Rd	PW		985,000	-	985,000
931153 Garden Highway Improvements--Winship to Lincoln	PW	*	248,000	352,000	600,000
931166 Feather River Parkway Project Phase II	CS	*	101,000	-	101,000
931172 Expansion of Park Amenities	CS	*	20,000	20,000	40,000
931187 Bridge Street Widening	PW		576,000	752,000	1,328,000
931193 Oji Way Extension ROW	PW		218,000	-	218,000
931200 Lincoln Road Extension	PW		300,000	-	300,000
931201 State Route 99 Widening	PW		255,000	-	255,000
931206 Bridge Street Reconstruction	PW	*	550,000	-	550,000
931207 Future Park Development	CS	*	223,000	484,000	707,000
931208 City Hall Parking Improvements	PW	*	75,000	-	75,000
931211 El Margarita Road Improvements	PW	*	175,000	-	175,000
931214 Citywide Traffic Model Update	PW		200,000	-	200,000
931223 SR99/SR20 Intersection	PW		-	350,000	350,000
Total			\$ 4,337,000	\$ 1,958,000	\$ 6,295,000

Note: * Multiple funding sources exist for this project. See individual project sheet for breakdown.

City of Yuba City
List of Capital Improvement Program Projects
Community Development Block Grant Programs with Current Funding
FY 2016-2017

Fund 205 - CDBG	Dept.	Note	Estimated Carryover Balance	Proposed 2016-2017 Approp.	Total Project Funds
961023 City Hall Improvements	PW	*	\$ -	\$ 72,000	\$ 72,000
961153 Garden Highway Improvements--Winship to Lincoln	PW	*	-	100,000	100,000
961206 Bridge Street Reconstruction	PW	*	360,000	-	360,000
961220 ADA Public Facilities Sidewalk Improvements	PW	*	-	100,000	100,000
Total			\$ 360,000	\$ 272,000	\$ 632,000

Note: * Multiple funding sources exist for this project. See individual project sheet for breakdown.

City of Yuba City
List of Capital Improvement Program Projects
Water Fund with Current Funding
FY 2016-2017

Fund 517 - Water	Dept.	Note	Estimated Carryover Balance	Proposed 2016-2017 Approp.	Total Project Funds
971028 Improvements to Buildings and Grounds	PW	*	\$ -	\$ 33,000	\$ 33,000
971042 Water Meter Installation	PW		50,000	20,000	70,000
971092 Water Line Ext. Proj. & Distr. Piping Enhanc.	PW		417,000	250,000	667,000
971093 Replacement and Major Maint. of Water Lines	PW		-	300,000	300,000
971094 Replace Water Service or Water Meter	PW		431,000	300,000	731,000
971095 Fire Hydrant Relocation and Repair	PW		-	50,000	50,000
971096 Recoating Water Storage Reservoirs	PW		800,000	400,000	1,200,000
971145 Groundwater Well Abandonments	PW		280,000	118,000	398,000
971153 Garden Highway Impr--Winship to Lincoln	PW	*	60,000	40,000	100,000
971188 Stormwater Management Program	PW	*	23,000	36,000	59,000
971191 Second Groundwater Well/Aquifer Storage Recovery	PW		1,160,000	-	1,160,000
971192 Backwash Recovery	PW		600,000	-	600,000
971206 Bridge Street Reconstruction	PW	*	161,000	-	161,000
971208 City Hall Parking Improvements	PW	*	25,000	-	25,000
971215 Water Treatment Facility Security Improvements	PW		69,000	-	69,000
971224 WTP Electrical & Instrumentation Improvement	PW		-	370,000	370,000
971225 WTP Fluoride Storage & Delivery Refurbishing	PW		-	200,000	200,000
971226 Carbon Feed System Replacement	PW		-	500,000	500,000
971227 Recurring Water Storage Improvements	PW		-	100,000	100,000
971228 Water Model Update	PW		-	150,000	150,000
Total			\$ 4,076,000	\$ 2,867,000	\$ 6,943,000

Note: * Multiple funding sources exist for this project. See individual project sheet for breakdown.

City of Yuba City
List of Capital Improvement Program Projects
Wastewater Fund with Current Funding
FY 2016-2017

Fund 528 - Sewer	Dept.	Note	Estimated Carryover Balance	Proposed 2016-2017 Approp.	Total Project Funds
981028 Improvements to Buildings and Grounds	PW	*	\$ -	\$ 33,000	\$ 33,000
981103 Recurring Plant Projects	PW		50,000	150,000	200,000
981104 Recurring Collection/Rehab System Projects	PW		75,000	210,000	285,000
981105 Lift Station Improvements	PW		165,000	150,000	315,000
981106 New Septage Receiving Facility	PW		115,000	-	115,000
981116 Secondary Clarifier Improvements	PW		319,000	-	319,000
981153 Garden Highway Impr--Winship to Lincoln	PW	*	40,000	-	40,000
981155 Stonegate Treatment Works Demolition	PW		25,000	-	25,000
981156 New Outfall and River Levee Crossing Replace	PW		800,000	-	800,000
981175 Digester Improvements	PW		400,000	-	400,000
981177 Barscreen Rehab/Replacement/Addition at WWTF	PW		65,000	-	65,000
981178 Digested Sludge Dewatering System Impr	PW		382,000	-	382,000
981179 Oxygen Generation Sys. & Disinfection Sys. Impr.	PW		80,000	-	80,000
981183 Future Wastewater Collection System Exp. Ph. I	PW		500,000	-	500,000
981188 Stormwater Management Program	PW	*	23,000	36,000	59,000
981195 Electrical & Instr Sys Eval and Improvements	PW		-	100,000	100,000
981196 Rehabilitation of the West Chlorine Contact Basin	PW		650,000	-	650,000
981197 Grit Removal Facility	PW		5,000	-	5,000
981208 City Hall Parking Improvements	PW	*	25,000	-	25,000
981217 Disinfection System Alternative Evaluation & Replacement	PW		20,000	-	20,000
981218 Advanced Trtmnt & Water Recycling Options/Opp Eval	PW		35,000	100,000	135,000
981219 Secondary Clarifier No. 4	PW		310,000	-	310,000
981229 Capitalization Fund	PW		-	1,000,000	1,000,000
Total			\$ 4,084,000	\$ 1,779,000	\$ 5,863,000

Note: * Multiple funding sources exist for this project. See individual project sheet for breakdown.

City of Yuba City
List of Capital Improvement Program Projects
Other Programs with Current Funding
FY 2016-2017

Fund XXX - Other Funded	Dept.	Note	Estimated Carryover Balance	Proposed 2016-2017 Approp.	Total Project Funds
921051 Road Rehabilitation ¹¹	PW	*	\$ -	\$ 100,000	\$ 100,000
921084 Fifth Street Bridge Replacement ¹	PW	*	4,895,000	-	4,895,000
921152 Bogue Road Rehabilitation ³	PW	*	433,000	-	433,000
921162 King Avenue Safe Routes to School ⁴	PW	*	4,000	33,000	37,000
921168 Butte Hse Rd Class II Bike Lanes-Madison to Royo Ranchero ⁵	PW	*	170,000	-	170,000
921169 Bicycle Master Plan Implementation ⁷	PW	*	48,000	-	48,000
941153 Garden Highway Improvements-Winship to Lincoln ⁶	PW	*	680,000	-	680,000
901165 Highway 20 Design Study ¹²	PW	*	100,000	100,000	200,000
941166 Feather River Parkway Phase II ²	CS	*	1,536,000	-	1,536,000
921180 Consolidated Streetlight Distr-Acq. and Conversion ⁸	PW	*	795,000	29,000	824,000
921199 Franklin Road Pedestrian Improvements ⁹	PW	*	358,000	-	358,000
921213 Residential Road Rehabilitation ¹⁰	PW	*	100,000	200,000	300,000
Total			\$ 9,119,000	\$ 462,000	\$ 9,581,000

Notes:

- * Multiple funding sources exist for this project. See individual project sheet for breakdown.
- 1 Funded partly through HBP, RSTP, Demo HPP, and local funds
- 2 Funded by Proposition 84 grant funds
- 3 Funded through Regional Surface Transportation Program (RSTP)
- 4 Funded partly through Safe Routes to School grant
- 5 Funded through Bicycle Transportation Account
- 6 Funded partly through Congestion Mitigation and Air Quality Program (CMAQ)
- 7 Funded partly through Feather River Air Quality Management District grant (FRAQMD)
- 8 Funded through Consolidated Streetlight District Funds
- 9 Funded through Active Transportation Program grant (ATP)
- 10 Funded through Recology Yuba Sutter Franchise Fees
- 11 Funded partly through Recology Road Maintenance Fee
- 12 Funded partly through Sacramento Area Council of Governments grant (SACOG)

RESOLUTION NO. _____

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF YUBA
CITY DETERMINING AND ESTABLISHING THE CITY'S
APPROPRIATIONS LIMIT FOR FISCAL YEAR 2016-2017**

WHEREAS, on November 6, 1979, the voters of the State of California approved an initiative measure which added Article XIII B to the California Constitution; and,

WHEREAS, said constitutional provision imposes a limitation upon certain annual appropriations of state and local public entities; and,

WHEREAS, pursuant to said new constitutional provision, the State Legislature amended the Government Code by adding thereto Division 9 to Title I of said Code (§7900 et seq.); and,

WHEREAS, California Government Code Section 7910 requires the governing body of each local jurisdiction to establish its appropriations limit by resolution; and,

WHEREAS, pursuant to said code section, the documentation provided by the Finance Director upon which the determination and establishment of this resolution is based has been and is on file with and available for public inspection in the office of the City Clerk for fifteen (15) days prior to the date of adoption of this resolution.

NOW, THEREFORE, the City Council of the City of Yuba City does hereby resolve as follows:

Section 1. Pursuant to Government Code §7910 the appropriations limit for Fiscal Year 2016-2017 is determined to be and shall be the sum of \$167,131,610.

Section 2. The limitation established by the above paragraph includes only "appropriations subject to limitation," as said phrase is defined by Section 9 of Article XIII B of the California Constitution is the sum of \$30,377,348.

The foregoing Resolution of the City Council of the City of Yuba City is duly introduced, PASSED AND ADOPTED at a regular meeting thereof held on this 7th day of June, 2016 by the following vote:

Ayes:

Noes:

Absent:

John Buckland, Mayor

Attest:

Terrel Locke, City Clerk

RESOLUTION NO. _____

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF YUBA CITY
APPROVING MODIFICATION TO THE SALARY SCHEDULE AND
COMPENSATION PLAN**

WHEREAS, the efficiency of governmental operations are of paramount concern to the City Council, City Management and taxpayers alike; and

WHEREAS, these classifications are included in the proposed operating budget for Fiscal Year 2016-2017; and

WHEREAS, in support of our departments to more efficiently and effectively meet the needs of the department and citizens; and

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Yuba City as follows:

SECTION I.

The salary schedule shall reflect the following additions and deletion to the Salary Schedule and Compensation Plan:

Department	Classification Title	Salary Steps					
			Step 1	Step 2	Step 3	Step 4	Step 5
Additions							
Parks and Recreation	Parks and Grounds Superintendent	Monthly	\$6,626	\$6,957	\$7,305	\$7,670	\$8,054
		Hourly	\$38.23	\$40.14	\$42.14	\$44.25	\$46.46
Parks and Recreation	Recreation Supervisor III	Monthly	\$4,681	\$4,915	\$5,161	\$5,419	\$5,690
		Hourly	\$27.01	\$28.36	\$29.78	\$31.26	\$32.82
Public Works	Regulatory Compliance Administrator	Monthly	\$7,220	\$7,581	\$7,960	\$8,358	\$8,776
		Hourly	\$41.65	\$43.74	\$45.92	\$48.22	\$50.63
Human Resources	Administrative Analyst II (Confidential)	Monthly	\$4,897	\$5,142	\$5,399	\$5,669	\$5,953
		Hourly	\$28.25	\$29.67	\$31.15	\$32.71	\$34.34
Fire	Division Chief	Monthly	\$9,091	\$9,546	\$10,023	\$10,524	\$11,051
		Hourly	\$52.45	\$55.07	\$57.83	\$60.72	\$63.75
Fire	Deputy Fire Chief	Monthly	\$9,546	\$10,023	\$10,524	\$11,050	\$11,603
		Hourly	\$55.07	\$57.83	\$60.72	\$63.75	\$66.94
Deletion							
Parks and Recreation	Parks, Recreation, & Facilities Manager	Monthly	\$6,626	\$6,957	\$7,305	\$7,670	\$8,054
		Hourly	\$38.23	\$40.14	\$42.14	\$44.25	\$46.46

SECTION II.

The above modifications shall become effective with the payroll period beginning June 25, 2016.

SECTION III.

The Director of Finance is hereby authorized to amend the salary schedule as outlined above.

The foregoing Resolution of the City Council of the City of Yuba City is duly introduced, PASSED AND ADOPTED at a regular meeting thereof held on this 7th day of June, 2016 by the following vote:

AYES;

NOES:

ABSENT:

John Buckland, Mayor

ATTEST:

Terrel Locke, City Clerk

Attachment 5
Summary of Development Impact Fee Loans/Negative Balances

<i>Loaned To</i>	<i>Purpose</i>	<i>Loaned From</i>	<i>Total</i>	<i>10%</i>
Fire	Fire Admin Bldg/Fire Stn 4	Pooled Funds	\$ 2,396,883	\$ 239,688
Police	Police Department Expansion	Pooled Funds	1,583,976	158,398
Police	Poole Blvd. Land Acquisition	Community Center	1,657,788	165,779
Animal Control	Animal Control Facility-YC Share	Library Impact Fees	2,072,456	207,246
Animal Control	Animal Control Facility-Live Oak Share	Library Impact Fees	454,901	LO Repaying
Total			\$ 8,166,004	\$ 771,110

CITY OF YUBA CITY
 BUSINESS FROM THE CITY COUNCIL

Date: June 7, 2016
To: Honorable Members of the City Council
From: City Council Screening Committee
Report By: John Buckland, Mayor

Summary

Subject: Appointments to City of Yuba City Boards and Commissions
Recommendation: Approve the City Council Screening Committee Recommendations for Appointments
Fiscal Impact: None.

Purpose:

To fill vacancies on the Yuba City Boards and Commissions.

Background:

On June 6, 2016, the City Council Screening Committee, consisting of Mayor Buckland and Vice Mayor Cleveland, held interviews for scheduled vacancies on the City's Boards and Commissions. A total of seven applications were received for the following vacancies:

	Commission	Years	Term
5	Youth Commission	2	07/01/16 – 06/30/18
1	Senior Commission	4	01/01/16 – 12/31/20
2	Personnel Board	4	71/01/16 – 06/31/20

No applications were received for the Senior Commission. The names of the recommended Commissioners to be appointed will be provided to Council prior to the Council meeting.

Recommendation:

Approve the City Council Screening Committee Recommendations for Appointments.

CITY OF YUBA CITY

City Council Reports

- Councilmember Didbal
- Councilmember Dukes
- Councilmember Gill
- Vice Mayor Cleveland
- Mayor Buckland

Adjournment