

Council / Board Members Present: Harness, Hinesly, Smith, Morales, Gonzalez

Staff Members Present: Anderson, Barkley, Beltran, McCloskey, Nunes, Olvera,
Thompson, Todd, Uota

CALL TO ORDER

Mayor / Chair Smith called the meeting to order at 5:30 pm.

The budget session from the May 9 meeting continued.

4.1. FY 2011-2012 Budget Department Overview

8. Public Works

Director Beltran presented the proposed Public Works Services Budget.

BREAK

6:33 PM

RECONVENE FROM BREAK

Mayor Smith reconvened the meeting at 6: 42 pm.

Invocation

Pastor Al Serna led the invocation.

FLAG SALUTE

The flag salute was led by Council Member Gonzalez.

COMMUNITY RECOGNITION AND APPRECIATION

5.1. 2011 Cinco de Mayo Grand Marshals, Lisa Castillo and Thatcher Wong

A certificate of appreciation was presented to Thatcher Wong and Lisa Castillo (in absentia.)

PUBLIC COMMENT

6.1. Martin Ortega Offer to Purchase Real Property Located at 595 and 597 West El Monte Way

Martin Ortega was present to make an offer to purchase the lots located at 595 and 597 West El Monte Way in order to make them into parking lots for his business, Dinuba Tire Center.

6.2. Tulare County Supervisor Steve Worthley, County Update

Supervisor Worthley, District 4, was present to give a County update. He said the County currently has \$58 million in construction going on in Tulare County most of which is in District 4. He explained briefly some of the construction projects including the county landfill access change; the County is currently making preliminary overtures to purchase bridge rights on Avenue 416; and the Rd 80 exit to Hwy 99.

Council Member Harness said it was nice to have Supervisor Worthley answer questions the other night at a community meeting about county redistricting.

Vice Mayor Hinesly asked if the County is doing rumor control about privatizing the county landfill.

Worthley said no, the big concern for landfills is they fill up too quickly. Discussion is ongoing about the use of the landfill. Recycling is changing all the time. There are no current plans of privatization.

Council discussion followed about where they recycle.

Worthley said the new design of the landfill will be more effective for recycling and accessibility.

Mayor Smith asked about the County budget and said he heard there will be County layoffs.

Worthley said if the County does not have an extension on DMV fees, it means a \$7 million loss and layoffs are eminent likely in the sheriff's department. Merced County is dealing with a 20% loss and

Fresno County has laid-off one-quarter of their staff but Tulare County feels pretty good about its position. There is a bill before the legislature that if passed, will allow the county to go through the process of taking 10 percent of the Williamson Act contract amount and give it to the counties.

Mayor Smith said he was glad to see Worthley present and would like to see him visit quarterly.

Worthley said he would like to be here regularly to give an update and make himself available.

City Manager Todd said we're kind of fighting back and forth on the tax appropriation item but any help Worthley could give would be very much appreciated.

6.3. Lora Rico – St. Catherine's Catholic Church Carnival Request for Street Closure, June 12, 2011

Lora Rico was present to request street closure for a Pentecost celebration. She explained the closure would consist of blocking the streets from the point of the church's north and south parking lots entrances.

City Manager Todd said this is a traditional event and the event is going to be held on church property not in the street. The closure is merely for safety's sake.

It was moved by Council Member Morales, second by Vice Mayor Hinesly, to approve the request for street closure as presented by Rico.

Rico was directed to provide a street closure form and work with staff on the event.

AYES: Harness, Hinesly, Smith, Morales, Gonzalez
NOES: None
ABSTAIN: None
ABSENT: None

6.4. Public Comments in Regard to Dinuba Vocational Center, 199 No L Street

Assistant City Manager Anderson referred to a letter sent to Leonard Smith, Regional Director of the US Department of Commerce, EDA, informing him that we are in the process of asking the community for input and some time to do so and, staff is also in the process of contacting former tenants of the building and will get back to EDA as soon as we get some feedback.

Robert Cervantes, vocational center was built for job skills and education and never meant to be a money machine to make money for the city. Legislators got the \$5.2 or \$5.6 million dollars. He said he spoke with Marshall from L.A. about it. If they were to sell the building 80% of the money will have to go back to EDA. Back then it was a good idea. When it was built a lot of city personnel was occupying the facility since the city was occupying the facility for a couple of years. Reedley College paying \$50,000 to \$60,000 a year and he didn't know about the others. Now that Ruiz Foods backed out, it was a pretty good system, it was just a couple years that Reedley College was in there, all of a sudden the vocational center was not making money. He said he spoke with Dr. Clevinger of Reedley College and she would like to see something there if we can lower the rent. Right now we have 4 classes a night at the high school. The vocational center had 15 classes during the day. Let's bring it back to the table and let's negotiate. Let's bring Reedley College and other people in there to make up loss. Kid's education is first. The students are the ones being affected. Not only Dinuba but other cities are being affected. The facility was going to be used by cities north and south of Dinuba. We have lost students and we need to bring students back there. Right now it takes more than a high school diploma to get a good job. Let's do something for the community and our students. They will be breaking into homes, let's say yes to education. I don't mind paying for education I do mind paying for the golf course. He said he thinks the best thing is to work with them. Let's do a girls and boys club downstairs, get them involved with other things. There won't be any jobs out there. Let's work with them.

Mayor Smith said he knows students at Reedley and COS college and budget cuts have made it so people can't register for classes because of budget cuts.

6.5. Unscheduled

Sal Medina, 281 Whitney, thanked the Council and staff for time. He continued saying that a great opportunity came to the Chamber with the beer garden. He said he was planning to host the beer garden on Saturday and he said Sandy Sills said it wouldn't be a problem. He said that City Manager Todd directed Medina to come to the Council today to discuss the matter.

Mayor Smith asked how the chamber fits in.

Medina said he wants to help the Chamber out and he will split proceeds with the Chamber by half, he will provide the beer.

Council Member Harness asked if the concept is the same as the Chamber's.

Medina said it is. He wants to use the parking lot at Rabobank but he has not yet asked the bank manager for permission.

Mayor Smith said he experienced this years ago and it is legal to have the beer garden in Dinuba. He wished Medina luck with the beer garden because the car show committee at that time only netted \$80.

Council discussion followed.

Mayor Smith asked Medina if he's talked to J's Sports Bar and Grill about the proposed beer garden.

City Manager Todd said there would be a few requirements about the place.

Vice Mayor Hinesly asked if the beer garden would be handled the same way as the Chamber proposed a few weeks ago.

Medina said yes.

Council Member Morales said he was at a car show committee meeting and they were willing to back him up since he was willing to split the proceeds.

Mayor directed Medina to work with the Chamber on the beer garden.

CONSENT CALENDAR

- 7.1. City Council / RDA Joint Meeting, April 12, 26, 2011
- 7.2. Acceptance – Other Agency Meeting Minutes
 - a. Citizens Oversight Committee, January 21, 2011
 - b. Dinuba Economic Development Committee, March 3; April 7, 2011
 - c. Planning Commission, April 5, 2011
 - d. Police Advisory Commission, April 5, 2011
 - e. Pro-Youth Commission, January 20, 2011
- 7.3. Parks and Community Services Draft Agenda, May 17, 2011
- 7.4. Master Development Schedule

It was moved by Vice Mayor / Vice Chair Hinesly, second by Council / Board Member Morales, to approve the consent calendar as presented.

AYES: Harness, Hinesly, Smith, Morales, Gonzalez
NOES: None
ABSTAIN: None
ABSENT: None

WARRANT REGISTER

- 8.1. Approval – City Council Warrant Register, April 29, May 6, 2011
- 8.2. Approval – Redevelopment Agency Warrant Register, March 25, April 29, May 6, 2011

It was moved by Council / Board Member Morales, second by Vice Mayor / Vice Chair Hinesly, to approve the warrant register as presented.

AYES: Harness, Hinesly, Smith, Morales, Gonzalez
NOES: None
ABSTAIN: None
ABSENT: None

MAYOR'S MINUTE

- 9.1. Alternative Education Graduates, May 24, 2011, Proclamation No 2011-03
- 9.2. Washington Intermediate School Graduates, May 25, 2011, Proclamation

No 2011-04

9.3. Dinuba High School Graduates, May 26, 2011, Proclamation No 2011-05

Mayor Smith said he will attend the graduations and so did the rest of the Council and that there will be a break at the next City Council meeting in order to do so.

9.4. Information Sharing

Mayor Smith talked about the Fast and Furious car show event at Platinum Theaters.

Council discussion followed.

Mayor Smith said he attended the Woman's Club Tea and Fashion Show at The Island and was pleased with the turn out of people.

He said he attended the Cinco de Mayo event and he talked about the fire truck the Council rode in the Cinco de Mayo Parade which broke down and was repaired quickly by city mechanic Robert Hood.

Mayor Smith said he attended the Board of Supervisors meeting this morning along with Vice Mayor Hinesly. He said Vice Mayor Hinesly has been presented three awards and one of them was due eight years ago when she retired from the Sheriff's Department.

Council discussion followed.

10.1. Request for Excused Absence, Aldo Gonzalez, Council Member

It was moved Council Member Morales, second by Vice Mayor Hinesly, to approve the request for excused absence by Council Member Gonzalez.

AYES: Harness, Hinesly, Smith, Morales, Gonzalez
NOES: None
ABSTAIN: None
ABSENT: None

10.2. Information Sharing

Council Member Gonzalez said he assisted at the Cinco de Mayo event this year.

Council Member Morales shared he attended the Cinco de Mayo Pageant and commented it was a nice event with a good turnout; he also attended the Cinco de Mayo parade.

Council Member Harness said he attended baseball opening day ceremonies and the Cinco de Mayo parade.

Harness said he wants to plant a seed in regard to internet sales tax. After last night's budget presentation, we all noticed the internet sales tax had a huge impact on us protecting the basic services. Before we adopt the budget, we need to figure out how we can protect the services and we should think about offsetting some of the internet sales tax; how we're going to offset it and what would be the best value of residual moneys left over—he said doesn't know what the answer is but it would be worth talking about at a later date. He referred to future city managers and new council and said it could cause problems for our citizens. Last night's discussion could have been much worse than they were, it might have been layoffs and further cuts instead.

Council Member Morales said those were good comments by Harness. He agreed and said the old Council heard a lot of bad news but Harness' comments were well spoken.

Morales added that Best Buy produces a lot of electronics and uses components which might be affected by the natural disasters in Japan which would affect parts availability and economics.

Mayor Smith said his employer is affected by the same thing.

PUBLIC HEARING

11.1. Dinuba Redevelopment Agency Affordable Housing and real Property Disposition Agreement, RDA/ Urbano Nieblas, RDA Resolution No 2011-05

Business Manager Avila reported the purpose of this memorandum is to conduct a public hearing to accept public comments regarding the sale of the house located at 1832 E. Olive Way; and to obtain a

The Dinuba Redevelopment Agency (Agency) is required by California Health & Safety Code (Section 33433) to spend 20% of tax increment revenues for affordable housing. For over 5 years, City staff has worked closely with the Dinuba High School Building Trades Construction Program to build affordable housing for persons or families of low or moderate income who live in our community.

Through this program, the fourth house is now completed and is ready for sale to an eligible family. The house is approximately 1,200 sq. ft. in size with a living room, three bedrooms, two bathrooms, a kitchen, and a dining area. The house was completed in May 2010.

The marketing for this property has been through a display advertisement billboard located on the property and it was also advertised in the local newspaper. Approximately fifty- (50) applications were given out and twenty-five (25) applications were returned.

The buyer will have a partial loan through a private lender and the second loan through the City's First-Time Homebuyer Program. The house is being sold for \$130,000 based on the appraised value. The City paid \$221,631 for construction and land acquisition.

Avila said Nieblas is an eligible applicant that has completed an application to purchase the house. The Nieblas family has two children and meets all of the criteria for the program. They are very excited about the new house.

The financing for the sale of the real property will be through Kings Mortgage, which will be providing the private sector financing for the maximum amount the applicant is eligible to borrow. The applicant would be eligible to borrow approximately \$71,500. The Agency would have a deferred payment second mortgage loan agreement through the First-Time Homebuyer Program in the amount of \$58,500.

Avila requested the Agency open the public hearing and following the hearing consider the adoption of Resolution No 2011-05. Under the sale arrangement, the Agency will receive \$130,000 in June 2011. Therefore, staff is requesting that the Board approve the sale of this property to Urbano A. Nieblas.

Chair Smith opened the hearing.

No comments from public were brought forward.

Chair Smith closed the hearing.

Chair Smith asked what the cost of the program includes.

Executive Director Todd said it includes the labor, purchase of the lot, the material, everything. It also included some of the house they are currently building.

Chair Smith commented that the price of the house at \$130,000 is fair in consideration of the market.

Todd commented there is value in the education program.

The Agency concurred it is a great program.

Agency discussion followed.

It was moved by Vice Chair Hinesly, second by Board Member Morales, to adopt Resolution No 2011-05 as presented.

AYES: Harness, Hinesly, Smith, Morales, Gonzalez
NOES: None
ABSTAIN: None
ABSENT: None

11.2. Muirfield III Final Map and Subdivision Agreement

Engineer Uota requested that City Council adopt Resolution No. 2011-19 approving the Final Subdivision Map, Muirfield Tract, Phase III, 47 lots on approximately 10.42 acres accepting all dedications shown on the final map and authorizing the recording of the map. He requested that the City Council open the

public hearing to take testimony regarding the proposed Subdivision Agreement for the Muirfield Tract, Phase III subdivision and consider adopting Ordinance No. 2011-03

Council discussion followed.

It was moved by Council Member Gonzalez, second by Council Member Morales, to approve the introduction and first reading of Ordinance No 2011-03.

AYES: Harness, Hinesly, Smith, Morales, Gonzalez
NOES: None
ABSTAIN: None
ABSENT: None

It was moved by Council Member Morales, second by Council Member Gonzalez, to adopt Resolution No 2011-19 as presented.

AYES: Harness, Hinesly, Smith, Morales, Gonzalez
NOES: None
ABSTAIN: None
ABSENT: None

Deputy City Clerk Barkley read the title of Ordinance No 2011-03 into the record.

CITY MANAGER/EXECUTIVE DIRECTOR

12.1. Committee Appointments – Decennial Charter Review of City Council Districts

City Manager Todd read the statistics of the 2001 Decennial review. He explained the primary objective is to get the districts in correct number alignment.

Council discussion followed.

Mayor Smith asked if districts can be split by precincts.

City Manager Todd said that is not looked upon favorably. He explained we are working with county staff to help us with redistricting. He explained the process that occurred last time.

No action at this time.

12.2. Offer to Purchase Real Property Located at 500 West Adelaide Conditions of Sale

After meeting with Dr. Ghaly and his group, he went back to them with some conditions he felt were important and relevant to the community and the Council's goals for the community.

1. Purchase and sale agreement, including an operating covenant.
2. 150,000 would be payable to city if during 5 year period the buyer fails to use hospital building as a multi-service clinic
3. Payment of purchase price will be paid within 5 working days (90,000) cash payment and remaining balance paid in cash at closing. They want 30 days to inspect property and if issues, present them and chance to mitigate them. They want 90 days.
4. They would indemnify us and mitigated damages.

The item was discussed in Closed Session.

12.3. Information Sharing

Anderson said the Historic Preservation Commission has approved a resolution which recommends to the council to designate an historic resource, the McGee property on El Monte Way. The Commission will set a hearing in June.

Council discussion followed.

CITY ATTORNEY

13.1. Information Sharing

ENGINEERING ATTORNEY

14.1. Demolition of Houses on West El Monte Way - Authorization to Bid

Engineer Uota provided the information for the Council to consider bid proposals for the asbestos abatement and demolition/removal of the structures recently acquired along W. El Monte Way. The cost to run the bid advertisement and to mail notices to the contractors is estimated at about \$300. That expense will be paid for out of local operating funds. Other than that, there is no fiscal impact for the proposed action.

Council discussion followed.

It was moved by Council Member Morales, second by Council Member Harness, to authorize staff to request bid proposals for the structures acquired along W El Monte Way as proposed.

AYES: Harness, Hinesly, Smith, Morales, Gonzalez
NOES: None
ABSTAIN: None
ABSENT: None

14.2. Action of the Planning Commission, May 3, 2011

Engineer Uota reported the action of the Planning Commission of May 3, 2011.

14.3. Information Sharing

None

FINANCE AND COMMUNITY SERVICES

15.1. Information Sharing

Director Nunes reported that there were six people that came to the community planning meeting in regard to the Bob Barker building. The next meeting will be held next Tuesday at the community center then the following meeting will be here at City Hall. Staff is looking forward to receiving participation throughout the community. Plans were reviewed today for a grant for which staff would like to apply soon.

Mayor asked when the skate park will be moved on to the property.

Nunes said at the same time it's opened.

FIRE SERVICES

16.1. Information Sharing

Discussion followed about the old fire truck which is not working well for parades anymore.

PUBLIC WORKS

18.1. Authorization to Award – Housing Consultant

Budget Manager Avila reported that the City currently contracts with Self Help Enterprises for grant writing, administration and implementation of the City's Housing Programs including but not limited to: First-Time Homebuyer Program and/or Housing Rehabilitation Program over a three year period using funds secured through Federal and State sources which is set to expire June 1, 2011. On March 22, 2011 the City Council authorized Staff to request proposals for grant writing, administration and implementation of the City's housing programs.

The request for proposals (RFP) was announced in the Fresno Bee and the Visalia Times Delta on April 2, 2011 and was mailed to various (a total of 22) administrative subcontractors. Submittals deadline was Friday, April 22nd at 4:30 PM. Proposals were submitted by Self-Help Enterprises and Acquisitions Partners of America LLC. On May 2, 2011 staff reviewed the two proposals received and determined that Self Help Enterprises is the most qualified agency because Self Help Enterprises is an organization with a proven record and has a strong presence in the Central Valley. They have over 40 years of experience and will assign at least 12 people to provide support to our housing programs. The City of Dinuba has worked with Self Help Enterprises since 1993 and has been very pleased with their performance. The other agency is not yet a year old and appears to have a stronger background in

Economic Development. The Staff that would be assigned to the City of Dinuba has limited experience in working with the CDBG/HOME and CalHOME programs. Self Help Enterprises is local, their headquarters is in Visalia. Self Help Enterprises is a HUD recognized Counseling Agency. Acquisition Partners' proposal includes a monthly retainer fee of \$1,800 or \$21,600 annually for grant writing and to have access to their services. Self Help Enterprises does not charge a monthly retainer. Their fee proposal is based on a "per application" basis at a maximum fee of \$3,000 per application. Typically, the City requires 2-3 applications per year. The cost of services for SHE is approximately \$9,000 annually. Avila requested Self-Help Enterprises be awarded the contract based on the information provided.

It was moved by Council Member Morales, second by Council Member Gonzalez, to award the Housing Consultant contract to Self-Help Enterprises.

AYES: Harness, Hinesly, Smith, Morales, Gonzalez
 NOES: None
 ABSTAIN: None
 ABSENT: None

18.2. Dinuba Unified School District Residential Developer Fees

Director Beltran reported that the DUSD Board at the April 28, 2011 meeting approved changes to the Residential Developer Fee. The authority to levy fees is given to the Board via Education Code section 17620, and as set forth in Government Code section 65995 *et. seq.* Residential Developer Fees are assessed by the DUSD to help finance the construction and reconstruction of school facilities.

The Residential Developer Fee (also known as a School Fee) is collected by the City concurrently with building permit fees. School Fees are charged for any new residential or commercial construction as well as for living space additions more than 500 square feet in size. The total fee due is calculated using the square footage of new construction.

Government Code Section 65995.5 allows DUSD to charge a number of alternative fee amounts on new residential construction, as opposed to one general fee. In order to set such fees, the DUSD must meet State eligibility requirements, including but not limited to: conducting a school facilities needs analysis and having re-locatable classrooms number at least 20% of all teaching stations. Having met the State eligibility requirements, the Board approved the following changes to the School Fees:

Fee Type	Prior Fee	New Fee	Change
Level I Fee	\$2.97 per sq. ft.	\$2.97 per sq. ft.	No Change
Level II Alternative Fee	\$4.86 per sq. ft.	\$5.63 per sq. ft.	+16%
Level II Alternative Fee	\$9.72 per sq. ft.	\$11.26 per sq. ft.	+16%

Level One Fees are charged for construction occurring outside City Limits, but within the Dinuba Unified School District. The fee is collected by the County of Tulare. Level Two Alternative Fees are charged to construction occurring within City Limits and are collected by the City.

Level Three Alternative Fees would be charged to construction occurring within City Limits *only* in the event that State funds for new school facility construction are no longer available. DUSD staff stated that while the above scenario could occur, it is not likely. Staff stated that they do not expect to lose State funds for new school facility construction.

Council discussion followed.

18.3. Information Sharing

None

CLOSED SESSION

The City Council met in closed session at 8:37 pm.

RECONVENE FROM CLOSED SESSION

Mayor Smith reconvened the regular meeting at 9:01 pm.

CLOSED SESSION ACTION

19.1. Offer to Purchase Property Located at 595 and 597 West El Monte Way, Dinuba

It was moved by Council Member Morales, second by Council Member Harness, to accept the proposal to purchase the property located at 595 and 597 West El Monte Way, Dinuba for \$135,500 or \$10 per sq. ft. with an estimated demolition cost of \$21,600. The down payment is 20 percent or \$23,680 with the balance of \$90,220 to be paid at a monthly rate of \$3,759.17. The sale will be secured with property located at 290 west Tulare Street and the council stipulated the demolition be done by a licensed contractor and the agreement would be completed by a purchase and sale agreement.

AYES: Harness, Hinesly, Smith, Morales, Gonzalez
NOES: None
ABSTAIN: None
ABSENT: None

19.2. Offer to Purchase Property Located at 500 West Adelaide Way, Dinuba

It was moved by Council Member Morales, second by Council Member Gonzalez, to sell the property located at 500 West Adelaide Way for \$600,000 with 20 percent down (\$90,000) the balance payable after the inspection of the property and mitigation if any, inspection period of 90 days, the buyer has 60 days to finalize the terms of sale. If for some reason the buyer is not able to do so, the down payment will be considered liquidated damages to the seller.

AYES: Harness, Hinesly, Smith, Morales, Gonzalez
NOES: None
ABSTAIN: None
ABSENT: None

POLICE SERVICES

Chief Olvera presented the proposed budget.

Director Nunes said this is the conclusion of the budget presentations to the Council.

Council discussion followed in regard to changing the Council meeting of June 14 to June 13 in order to be able to attend the Flag Day event as presented by John Sanchez at a recent meeting.

ADJOURNMENT

Mayor / Chair Smith adjourned the meeting at 9:30 pm.

Mike Smith Mayor / Chair

ATTEST:

Linda Barkley, Deputy City Clerk / Secretary