

COUNCIL MEMBERS PRESENT: Harness, Hinesly, Smith, Morales, Gonzalez

STAFF MEMBERS PRESENT: Anderson, Barkley, Beltran, Doyle, McCloskey, Nunes, Olvera
Todd, Uota

CALL TO ORDER

Mayor Smith called the meeting to order at 5:34 pm.

CITY OF DINUBA MUNICIPAL SERVICES REVIEW STUDY – LAFCO HEARING

Marcos Segura, TCAG Analyst was present to present information in regard to a Municipal Services Review that LAFCO completed.

The key steps: receive the draft; examine the draft for consistency and do analysis of developed community and incorporate the information into the MSR and put on the website for public review.

Segura said that TCAG will meet with the City and incorporate the information into an analysis and include it in a public hearing. Quad-Knopf is currently doing this for county.

Segura explained that the hearing is to better inform people who are paying for services, like water, sewer, garbage pickup, police and fire of the role of LAFCO in reviewing those services; to get feedback from the public; to explain what a Municipal Service Review (MSR) is and what its purpose is. Also, he added, this setting is to answer questions.

The comments will help LAFCO create an MSR that will ensure orderly growth; protect the County's resources; ensure efficient service delivery; and facilitate access of basic services to previously underserved territories.

Mayor Smith asked Segura who else is involved in the process.

City Manager Todd responded saying that a number of different agencies having updated their general plans and it helps if the County's general plan is updated; if we've done specific plans that also gets incorporated and our service plans.

Discussion followed in regard to changing the City's sphere of influence to go toward the west rather than the south or the east sides of the city.

Chief Olvera asked how this might affect the public safety training facility.

City Manager Todd said the facility would be on a detached island. He said it's important to push the sphere out to where it is used. If the south can be adjusted to Kamm Avenue, for the next 20 years or so, it would be fine.

Council Member Harness asked how often the Sphere of Influence is adjusted.

City Manager Todd said it's adjusted every 5 to 8 years.

With that the hearing ended.

City Manager Todd said he attended a meeting this morning at the Board of Supervisors where redistricting was discussed. Several community meetings have been held to discuss the redistricting meetings and 3 options have been proposed for consideration. Todd shared the three proposed options with the Council. He said the item will be brought back for two more public meetings and Todd suggested the Council direct staff to prepare a written comment from the Mayor to ensure it gets into the record at the hearings. The communities need to get to the hearing and be aware of the proposed options.

BREAK

Mayor Smith declared a break at 6:14 pm.

RECONVENE FROM BREAK

Mayor Smith reconvened the meeting at 6:30 pm.

INVOCATION

The invocation was led by Pastor Nancy Boyd.

FLAG SALUTE

The flag salute was led by Battalion Chief Doyle.

COMMUNITY RECOGNITION AND APPRECIATION

5.1. Willie Williams

Williams was not present.

5.2. Donna Lopez-Mireles

Mayor Smith presented a certificate of appreciation to the family members of the late Donna Lopez-Mireles. Lopez-Mireles served as Police Advisory Commissioner and as a community advocate.

NEW EMPLOYEES AND PROMOTIONS

6.1. Fire Services

- Jordan Webster

The Council welcomed Firefighter Webster and his family to the community. Webster's wife pinned a fire badge on him officially declaring him as a Dinuba Firefighter.

6.2. Public Works

- Elva Patino

Director Beltran presented Elva Patino, newly promoted to Fiscal Analyst in the Public Works department.

The Council congratulated Patino on her promotion. Patino commented that she is eager and excited about her appointment.

- Edgar Ruelas

Ruelas was not present.

Vice Mayor Hinesly said that July 28 is Mayor Smith's birthday. In celebration she passed out cupcakes to council staff and the audience members.

PUBLIC COMMENT

7.1. Pat de la Montanya, Methodist Church - Request for Street Closure, August 6, 2011

City Manager Todd presented the street closure request from the Methodist Church. He said this is their annual street fair.

Council discussion followed.

It was motioned by Council Member Morales, second by Council Member Gonzalez, to authorize the street closure request from the Methodist Church.

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

7.2. Rudy Mendoza – San Joaquin Valley Water Reliability Act HR1837 (Nunes)
Mendoza was present to talk about HR 1837, sj water reliability act. Costa is supportive.
Harness asked if Costa is known for supporting and then backing away at the end. Mendoza said he has never been supportive of water bills. Harness asked what other support he is requesting.
Mendoza said it is a growing list of supporters. Mendoza said “This is an issue of national security.”
Council discussed a possible joint meeting with Alta Irrigation at the August 9 meeting to discuss the issues.

Recommend letter of support.

7.3. Roy Cotton, Alta Historical Society - Proposed Historic Preservation Sites

Roy Cotton, Alta District Historical Society President, was present to inform the city council that the ADHS is supportive of the Historic Preservation Commission.

Cotton submitted applications for Historic Preservation designation to the City Council.

7.4. Unscheduled

Michael Stewart, Director of Field Service and an Area District Executive were present at to talk about the Boy Scouts program. Stewart said the Scouts organization is working toward getting the program back in Dinuba. They plan to go to the schools in the fall to promote the program.

Discussion followed about when the Boy Scouts program was started in Dinuba and the original troop number 376 designation. The number, if not utilized by the Dinuba area, is scheduled to go back in circulation in December.

CONSENT CALENDAR

- 8.1. Rejection of Demolition Bids
- 8.2. Set Hearing - JAG Grant, August 9, 2011
- 8.3. Avenue 416/El Monte Way Widening Project Right-of-Way and Property Acquisitions

It was motioned by Council Member Morales, second by Vice Mayor Hinesly, to approve the consent calendar as presented.

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

WARRANT REGISTER

9.1. Approval – City Council Warrant Register, July 15, 22, 2011

It was motioned by Council Member Harness, second by Council Member Gonzalez, to approve the warrant registers as presented.

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

MAYOR’S MINUTE

10.1. Information Sharing

Mayor Smith said he attended a CWMA meeting held at Pena's Disposal yesterday with Vice Mayor Hinesly, and staff members Anderson and Beltran. He said it was a good meeting and presentation in regard to Pena's expansion. Mayor Smith said he also went to a TCAG meeting with the vice mayor and to a Board of Supervisors meeting this morning with the vice mayor and city manager. This morning's meeting was in regard to the County Board of Supervisors redistricting and he and others were present to make their redistricting concerns heard.

City Manager Todd shared that he feels it would be a good idea to have staff draft a letter to the Board of Supervisors for the Mayor's signature outlining our City's concerns about the redistricting.

The Council concurred that staff should write a letter to the Board of Supervisors in regard to redistricting.

COUNCIL COMMENTS

11.1. Cancellation of August 23, 2011 City Council Meeting

It was motioned by Council Member Morales, second by Council Member Gonzalez, to approve the cancellation of the August 23, 2011 City Council meeting.

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

11.2. Reminder - Meeting with Senator Rubio July 27 at 12:30 pm, Three Finger Jack's Restaurant

City Manager Todd shared that this is a reminder of tomorrow's meeting with Senator Rubio at the golf course. He plans to update the community leaders and answer questions we might have for him about the budget, etc. Todd said that the invitation included the City Council, Chamber of Commerce, the EDC and the School District.

Council discussion followed.

11.3. South San Joaquin Valley Division General Meeting, August 11, 2011, Delano

City Manager Todd said the next meeting of League's SSJVD is scheduled for August 11 in Delano.

11.4. Information Sharing

Council Member Harness said he plans to attend the Tulare County EDC meeting tomorrow morning.

Vice Mayor Hinesly said she attended the CWMA meeting and the discussion was about recycling. She said she plans to attend the next TCAG meeting.

CITY MANAGER

12.1. Information Sharing

None

CITY ATTORNEY

13.1. Dinuba Redevelopment Agency Consideration

- a. Analysis of Agency Benefit
- b. Ordinance No 2011-05, Election to Participate in the Alternative Voluntary Redevelopment Program
- c. Ordinance No 2011-06, Election to Participate in the Alternative Voluntary Redevelopment Program, First Reading, Read Title, Waive Reading in Full

Marshall Linn, Urban Futures, reported there have been there have been several attempts by the Governor, the Senate, and the Assembly to eliminate or substantially restructure existing redevelopment agencies, essentially abolishing local control and authority of redevelopment funds and on Wednesday, June 15, 2011, the state legislature passed ABx1 26 (“AB 26”) and ABx1 27 (“AB 27”) relating to the dissolution and voluntary continuance of redevelopment agencies throughout the state. These bills were signed by Governor Brown on June 28, 2011, and purport to eliminate Redevelopment Agencies, except in certain cases where the Redevelopment Agency pays money to fund state obligations to schools, fire protection districts, and transit districts.

The California League of Cities, the California Redevelopment Association, and special counsel for the City/Agency have respectively opined that certain or all provisions of AB 26 and AB 27, including but not limited to the effectiveness date, violate the State Constitution and other laws (collectively, “Laws”), and are invalid and unenforceable. The California Redevelopment Association and the League of California Cities have filed a lawsuit challenging the constitutionality of the State’s recent actions. They also intend to seek an injunction, or stay, to enable agencies to continue operating without opting into the alternative voluntary redevelopment program while the case is being decided. In the meantime, cities and agencies are left to consider the options available under protest.

With the adoption of AB 26 and AB27, the legislature provides two options to cities regarding their redevelopment agencies, AB26 provides for dissolution of the agency and AB27 provides for the continued voluntary alternative redevelopment program. The State Director of Finance will notify the cities of the voluntary payment amount due by August 1, 2011. Cities can appeal the amount due by August 15 if they believe the amount is incorrect based on the calculations contained in AB 27. Staff estimates the FY 11-12 payment will be between \$1,000,000 and \$1,221,300. Payment for FY 12-13 and beyond will change, but the FY 12-13 payment is estimated at \$287,365.

Council Member Gonzalez asked at what point to do we cry wolf and ask what the government is doing?

Linn said that rules can be waived. It is a terrible way to run a democratic process. It’s a billion dollar industry in California. He said millions will lose jobs because of the loss of redevelopment. He asked where we go from here.

He said last week a case was filed in the Supreme Court. The California Redevelopment Agency and League of Cities asked the courts for a stay. It may be granted as early as August 15. The CRA has been holding press conferences throughout the state. This is hardship that has caused stopping of projects. There are many cities that cannot afford to pay the “ransom.” Even large cities like San Jose are starting to rethink whether they can pay the fees to continue.

Linn presented our options: if the Agency elects to move forward and continue, we must adopt an Ordinance prior to October 1, 2011 or, if it adopts a continuing resolution, it must be done by November 1.

The assets of those cities that opt out of the process will be turned over to the other agencies and they must turn over their money to the county and the state. There are lots of unintended repercussions.

Gonzalez left the dais at 8:19 pm and returned at 8:20 pm.

Linn recommended that the Council consider adopting both ordinances that way if the urgency ordinance is challenged the other ordinance is a “fail-safe.” Linn continued talking about the urgency and the attack by the state on cities.

Council discussion followed.

It was motioned by Vice Mayor Hinesly, second by Council Member Gonzalez, to authorize the reading into the record and to adopt urgency Ordinance No 2011-05 as presented.

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

It was motioned by Council Member Morales, second by Vice Mayor Hinesly, to approve the introduction and first reading of Ordinance No 2011-06.

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

Deputy City Clerk Barkley read the titles of Ordinance Nos 2011-05 and 2011-06 into the record.

BREAK

Mayor Smith declared a break at 8:40 pm.

RECONVENE FROM BREAK

Mayor Smith reconvened the meeting at 8:49 pm.

- 13.2. Tioga Solar Power Facility Agreements
- a. Host Consent and Estoppel Certificate
 - b. Grantor Consent and Estoppel Certificate

City Attorney McCloskey said Tioga Solar Dinuba LLC Counsel approached him to review the proposed documents to be provided to their construction lender Seminole Financial Services out of Florida. One of the agreements is entitled "Host Consent and Estoppel Certificate" and the other is entitled "Grantor Consent and Estoppel Certificate". The first document refers to the Power Purchase Agreement that was entered into by the City and Tioga in September 2010 and it is the City's consent to allow SFS to have the agreement as collateral. SFS is also allowed to use the cure provisions if Tioga does not use the cure provisions. The City by consenting is allowing SFS all the rights of Tioga and then also adds another sixty days to the cure if it is decided to be taken by SFS, the lender. The permanent financing appears to be in place in six months and it appears that they would like to get it built in six months as well. The estoppel certificate also establishes that Tioga is in good standing and there is nothing currently, whether contractual or otherwise that affects the ability to go forward with the Power Purchase Agreement.

The other agreement deals with the easement for solar, ingress and egress and the City's consent and certificate that the easement is valid, in Tioga's favor and that the City would recognize SFS' right if SFS or another succeeding grantee to Tioga had to operate the facility. City consents that Tioga has the right to the easement for solar, access and that SFS could step into Tioga shoes, if SFS had to and the City does not object to that. The certificate also establishes that the easement and access are in place, in good standing, and there is nothing currently, contractual, litigation or otherwise that affect the ability to enjoy the easement and use it as a Grantee.

City Attorney McCloskey requested that the City Council consider and approve the two agreements and authorize the City Manager to sign them on behalf of the City.

Council discussion followed.

It was motioned by Council Member Morales, second by Vice Mayor Hinesly, to authorize the City Manager to sign the documents on behalf of the City of Dinuba.

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

13.3. Information Sharing

None

FINANCE AND COMMUNITY SERVICES

14.1. Ridge Creek Golf Course Financial Report and Year-end Review

Manager Joe Wisocki presented the golf course financial report and year end review to the City Council.

Council discussion followed in regard to the golf course and service. Mayor Smith said he has noticed a noticeable improvement in service and food in the restaurant.

Director Beltran shared that of the 12 ponds currently at the reclamation plant 9 are empty which allows staff to deep root them and get better percolation. She shared that without the golf course several new ponds would have had to have been built.

Nunes said that 241,492,563 gallons of water per year are pumped from the lake onto the course. Discussion followed in regard to the excessive cost of building additional ponds as opposed to the cost building the golf course. The cost would have easily exceeded the cost of building the golf course but the course is much more attractive and adds a recreational element.

Director Nunes reported that the financial condition of the golf course continues to improve. For fiscal year 2010/11 revenues exceeded expenses including the Kemper Management fee. Success can be attributed to cutting costs while maintaining revenues. Beyond the numbers there is even more reason to celebrate the success at the course.

Nunes reported the greatest improvement in the financial conditions at the course can be attributed to the decrease in expenses. Both payroll costs and operating expenses came in well below budget and below the previous year's expenses. Fiscal Year expenses 2010/11 totaled \$1,829,769 which is a decrease of 18% from the previous year but still maintained their level of service.

Nunes reported that revenues for the fiscal year came in at 99% of budget and slightly ahead of the previous fiscal year. While total revenues remain the same there was a change in the make up of the revenues. Nunes shared that the Kemper Management contract has three years left on a seven year term. Given the success of the golf course for the City and for Kemper Sports, it might be a good time to consider renewing the contract for an additional period of time. Nunes proposed provided that as a part of the renewal, Kemper Sports be willing to provide some management cost reductions and include profit based incentives as a part of their management fee increases. Specifically a greater cost sharing for the over all accounting effort needed to operate the course, which could potentially save the City \$10,000 to \$15,000 a year. This would also mean increases in their management fee being changed from a fee of 3% per year to a percentage based on the annual net profit.

Council discussion followed.

Todd clarified the contract extension proposal for the Management Agreement provided they have a profitable Fiscal Year 2011/12. The current agreement would remain in effect but be extended three years out past the existing term.

Council discussion followed.

Todd said this is a recommendation and if the council approves of the idea by mutual agreement you can renew the contract by making an additional 7 year term beginning July 2011.

14.2. Information Sharing

Director Nunes said this is the last year for the Summer Fun in the Park program. She reported that the Aquatics program is coming to a season end. Staff is gearing up for the "After School" program and anticipating the soccer season to begin. The Seniors are doing well and enjoying their meals.

Staff has been working to try to get their parking lot lights working but have been unsuccessful. Senior Center staff has contacted a private company to help resolve the lighting issues.

ENGINEERING SERVICES

15.1. Draft West El Monte Commercial Center and Land Use Master Plan

Director Beltran reported that Engineer Uota would like the Council to read the proposed draft of the West El Monte Commercial Center and Land Use Master Plan in preparation for a workshop on August 9, 2011. The consultants will provide a comprehensive presentation of the project and facilitate a discussion of their recommendations for the West El Monte Commercial Center Master Plan project.

The draft was not included in the Council packet and Beltran said she would be sure to provide the Council with a draft in order for them to prepare for the meeting.

15.2. Information Sharing

None

FIRE SERVICES

16.1. Information Sharing

None

POLICE SERVICES

17.1. Tow Agreement

Chief Olvera reported that the rotational towing companies are requesting a rate adjustment. He explained that rotational towing fees are set by City Agreement through a bid process. The fees may be adjusted to reasonable retail rate during agreement annual enrollment period.

Council discussion followed.

Olvera requested that the Council set the towing and storage fees using the lowest reasonable bid process.

It was motioned by Vice Mayor Hinesly, second by Council Member Gonzalez, to authorize adjustments for the rotational towing fees and set reasonable retail rates for the towing companies operating under the City's Towing Agreement.

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

17.2. Information Sharing

Chief Olvera invited the Council and staff to an appreciation BBQ which he will host at his residence for Volunteers and Explorers.

PUBLIC WORKS

18.1. Federal Funding Agreement with City of Visalia - CNG Station

Director Beltran reported to the City Council information regarding a federal earmark for expansion of the City's CNG Fueling Station. The City of Dinuba, as a rural transit provider, is unable to access these funds in the 5309 program. The City of Visalia, as an urban transit provider, has the ability to access the funds and was recommended, by Caltrans staff, to provide grant management assistance to access the City's funds. The City of Visalia has provided similar grant management

assistance to the City of Exeter. City staff is working with City of Visalia transit staff to prepare an Memorandum of Understanding. The Visalia City Council authorized the MOU at its meeting of July 18, 2011. There is no fiscal impact from this action. Administration expenses will be paid out of the project funds.

Beltran requested that the City Council authorize the City Manager to execute a Memorandum of Understanding regarding grant management efforts with the City of Visalia to access funds in the 5309 program for the purpose of expanding the City's CNG Fueling Station.

Council discussion followed.

It was motioned by Vice Mayor Hinesly, second by Council Member Gonzalez, to authorize the City Manager to execute a Memorandum of Understanding regarding grant management efforts with the City of Visalia to access funds in the 5309 program for the purpose of expanding the City's CNG Fueling Station.

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

18.2. Authorization to Apply for Prop 1B Transit Securities Grant

Director Beltran requested that the City Council authorize staff to apply for funding through the FY 09-10 and FY 10-11 California Transit Security Grant Program, California Transit Assistance Fund and consider adopting Resolutions 2011-32 and 2011-33 authorizing signature authority regarding the referenced grants.

This California Transit Assistance Fund grant program was approved as part of Proposition 1B for the purpose of Transit System Safety, Security, and Disaster Response. The City is eligible to apply for up to \$16,246 for fiscal years 09/10 & 10/11 for a total of \$32,492 in funding. Staff will request through the grant application to use the funding to install solar lighting at transit bus shelters. Beltran asked the council to consider the information and if the Council approves, adopt the resolution which authorizes the City manager of the Public Works director to execute the contract and actions as necessary related to the financial assistance by the CALEMA.

Council discussion followed.

It was motioned by Council Member Morales, second by Vice Mayor Hinesly, to adopt Resolution No.'s 2011-32 and 2011-33 as presented.

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

18.3. Measure R Supplement Agreement – Transit

Director Beltran reported Tulare County voters approved a ½ Cent Transportation Sales Tax Measure for transportation improvements in Tulare County in 2006. The Local Transportation Authority under the Expenditure Plan and Ordinance 2006-01 is authorized to issue funds to the City of Dinuba for transit expansion projects effective April 1, 2007. The City must enter into the "Measure R Program Supplement to the Cooperative Agreement" with the Local Transportation Authority in order to receive funding as specified in the Expenditure Plan. The City Council has committed to using Measure R funding for transit to supplement the fare box requirement for DART operations annually as necessary.

Resolution 2007-22 delegates authority to the City Manager or the Deputy City Manager to execute all Supplemental Agreements on behalf of the City for transportation improvement projects within the City limits. The City's share of the Measure R Funds from Tulare County as detailed in the Expenditure Plan will be used to pay for the expansion projects.

Director Beltran requested that the City Council authorize the execution of an agreement with the Tulare County Association of Governments/Local Transportation Authority for funding of transit expansion in the City of Dinuba pursuant to the authority provided by the Measure R Transportation Sales Tax.

It was motioned by Council member Gonzalez, second by Council Member Morales, to authorize the execution of an agreement with the Tulare County Association of Governments/Local Transportation Authority for funding of transit expansion in the City of Dinuba pursuant to the authority provided by the Measure R Transportation Sales Tax.

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

18.4. Information Sharing

None

ADJOURN TO REDEVELOPMENT AGENCY MEETING

Mayor Smith adjourned to the Redevelopment Agency meeting at 10:01 pm.

RECONVENE FROM REDEVELOPMENT AGENCY MEETING

Mayor Smith reconvened the Council meeting at 10:02 pm.

City Manager Todd said the Commercial Study item will be brought back next month for a joint session with the Planning Commission to discuss the item.

ADJOURNMENT

Mayor Smith adjourned the meeting at 10:08 pm.

Mike Smith, Mayor

Linda Barkley, Deputy City Clerk