

**MAY 12, 2020 MINUTES
REGULAR WHEATLAND CITY COUNCIL MEETING
WHEATLAND COMMUNITY CENTER
101 C STREET, WHEATLAND, CA
6:30 – 7:10 P.M.**

COUNCIL MEMBERS PRESENT: R. Coe, L. McIntosh, R. West,
J. Pendergraph
ABSENT: J. Henderson

OTHERS PRESENT: J. Goodwin, City Manager
T. Raney, Community Development Director
K. Valente, Senior Planner
J. Buckman, City Attorney
D. Schilling, City Engineer
D. Sylvester, Police Chief
D. Klever

PLEDGE OF ALLEGIANCE: Mayor R. West led the pledge of allegiance.

PUBLIC COMMENT:

None.

CONSENT CALENDAR

Motion was made by Vice Mayor J. Pendergraph, Seconded by Council Member R. Coe to **approve Minutes from the Regular City Council meeting on April 28, 2020; Resolution No. 21-20 Approving Employment Agreement with Dale Klever for position of Public Works Director; Ordinance No. 473 to: (1) Amend Section 3.04.010 of the Wheatland Municipal Code to Conform the Purchasing Policy with Applicable Legal Requirements, and (2) Amend Section 2.16.030 of the Wheatland Municipal Code to Ensure that the City Manager is Authorized to Enter Into Contracts of Employment With City staff; Ordinance No. 474 to Amend Section 18.27.060 of the Wheatland Zoning Code, Create Chapter 18.55 of the Wheatland Zoning Code, Rezone Three Properties Totaling 21.75 acres (APN's 015-500-008-000, 015-360-001-000 and 015-350-012-000), and Rezone a 2.24 Acre Property (APN 015-500-018-000) To Include The Emergency Shelter Combining District Resolution No. 22-20A adopting the Updated Yuba County Multi-Jurisdictional, Multi-Hazard Mitigation Plan and Jurisdictional Annexes in Accordance With FEMA Guidelines and The Disaster Mitigation Act of 2000.** Vote called – AYES: All. Motion carried.

REGULAR CALENDAR

1) City Engineer D. Schilling presented the staff report for approval of request for proposals and specifications, and authorize solicitation of proposals for the AMI Water System Metering Upgrade Project, Phase 1 of the Wheatland Comprehensive Drinking Water Project. With the support of the Yuba Water Agency (YWA), the City has been awarded a combined \$1.36 million grant through the Integrated Regional Water Management (IRWM) grant program, which includes fifty percent (50%) matching funds by YWA, for a Comprehensive Drinking Water Project. The Comprehensive Project will improve

water system reliability; increase community awareness of water consumption; encourage sustainable water practices; and modernize the City's water supply system to accommodate growth. The AMI Water System Metering Upgrade Project is one of two projects defined within the Comprehensive Project. The AMI Water System Metering Upgrade Project accounts for \$964,695 of the \$1.38 million in awarded IRWM grant funding. The other project included within the grant is the Water System Reliability Project, which has a programmed budget of \$400,000. Plans for delivery of that project will be brought to the Council at a later date. The City has outdated water meters and billing software, making it difficult to quickly and accurately detect leaks; providing very limited information for water conservation measures; and creating on-going operational challenges which can be solved with available technology. Individual service meters are currently read manually. Most consumer leaks go undetected until after monthly reads, which results in substantial water loss. The system-wide water meter automation upgrades will improve water conservation and system management capabilities significantly. Further, the new system will allow for automated data sharing of groundwater levels with Yuba Water Agency, which will enhance the groundwater sustainability monitoring efforts within the South Yuba Sub-Basin of which provides all of Wheatland's drinking water. The project will install all new supply-side and demand-side meters, and implement systemwide water meter automation upgrades using Advanced Metering Infrastructure (AMI) to fully automate meter reading, enable timely leak detection; provide consumers with data for consumption management, increase operational efficiencies and improve the City's related operational and billing software. With Council authorization and confirmation of funding award, the request for proposals is planned to be finalized and issued on May 14th. Staff has been working cooperatively with multiple AMI system vendor teams to develop the RFP specification and has circulated a draft form of the RFP to those teams inviting their comments and input. The details of the RFP process and specification may be adjusted by comments received before issuance for solicitation and the final recommended scope may be adjusted as a result of negotiations with the selected vendor team before final contract award is recommended to the City Council. Staff has determined that no significant environmental impacts should occur as a result of this project and therefore the project is categorically exempt under CEQA.

Motion was made by Council Member R. Coe, Seconded by Council Member L. McIntosh to **adopt Resolution Not. 23-20 approving the Request for Proposals (RFP) and specifications and authorize the City Engineer to proceed with the solicitation of proposal for the implementation and installation of the Advanced Metering Infrastructure (AMI) Water System Metering Upgrade Project.** Vote called – AYES: All. Motion carried.

2) Finance Director S. Mahoney presented an oral report on the status of sales and transaction tax revenue as it relates to the preparation of the fiscal year (FY) 2020-2021 General Fund operating budget. Preliminary preparations for the FY 2020-2021 General Fund operating budget have identified reduced sales and transaction tax revenues due to; economic impacts of COVID-19; anticipated correction of transaction sales tax allocations and the sunset of the transaction sales tax

The COVID-19 stay-at-home order that began in mid-March has affected retail, gasoline, and restaurant sales. It is estimated that the City of Wheatland will experience a 50% loss of sales and transaction tax revenue for the period March through June 2020. The exact impacts will not be known for several months as businesses have been given a State authorized extension on the deadline to submit sales tax reports and collections. Experts predict that consumer spending will resume in the next fiscal year (FY 2020-2021) but at a slightly slower pace, which will result in an estimated 10% reduction in sales and transaction tax revenue for FY 2020-2021. In previous years, the City set aside \$1 million in estimated excess transaction tax revenues to allow for potential future corrections. Current fiscal year receipts of transaction tax revenue indicate that the corrections have been made. This has resulted in a reduction of

\$152,460 from original transaction tax budget projections. The City must keep the \$1 million set aside for three years to allow for possible reimbursement. In the next fiscal year (FY 2020-2021), one-third of the \$1 million set aside is available for transfer to the General Fund Emergency Reserve. The transaction tax will sunset on March 31, 2021 unless an extension is placed on the November 2020 ballot and it is approved by the voters. If Council chooses not to place the extension on the ballot or if the voters do not approve the extension there will be an estimated \$82,700 loss in transaction tax revenue in FY 2020-2021. In subsequent fiscal years there will be no transaction sales tax revenue. Mahoney provided a power point presentation for FY 2020-2021 Preliminary Budget Projections. Based on the sales and transaction tax projections and other adjustments to General Fund revenue and expenses, the estimated General Fund loss for the current fiscal year (FY 2019-2020) is \$311,607. This loss will require the use of \$64,298 of the General Fund Emergency Reserve. Based on current information, projections of General Fund revenue and expenses for next fiscal year (FY 2020-2021) will result in an estimated General Fund loss of \$197,766. FY 2020-2021 projections include a 10% reduction in sales and transaction sales tax revenue, the loss of all transaction sales tax revenue in April, May and June 2021, no COLA for staff, no capital projects, and no change in existing service levels. A transfer to the General Fund Emergency Reserve of one-third of the transaction tax set aside will restore the Emergency Reserve and provide \$85,175 in unreserved General Fund Fund balance.

Council Member R. Coe commented on League Assistance.

Mayor R. West questions is the Transaction Tax extension would broaden the tax base.

No action required.

2) Community Development Director T. Raney and Senior Planner K. Valente presented the staff report for consideration to introduce and waive the first reading of Ordinance No. 475 Amending Chapter 19.55 (Temporary Signs). The City has been approached by the Wheatland Union High School District to attach sign banners to the light poles along Wheatland Road. City staff is proposing Chapter 17.55 of the Wheatland Municipal Code be amended to allow public agencies the ability to attach seasonal sign banners to light poles with review and approval by the Wheatland Community Development Director. Most of the existing light poles in the City are owned and maintained by PG&E. Therefore, any public agency proposing a banner must obtain approval by PG&E prior to City review and approval of the proposed sign banners. After such approval a temporary sign permit application with fee shall be submitted to the Wheatland Community Development Department for review and approval. Temporary sign installation will also require an encroachment permit from the City Engineer. The proposed Ordinance amendment is exempt from environmental review pursuant to the California Environmental Quality Act (CEQA) Guidelines Section 15305, Minor Alterations in Land Use Limitations.

Motion was made by Council Member R. Coe, Seconded by Mayor R. West to **introduce Ordinance No. 475 of the City of Wheatland Amending Chapter 19.55 of the Wheatland Municipal Code and waive the full reading of the ordinance.**

Vote called – AYES: All. Motion carried.

REPORTS

Vice Mayor J. Pendergraph reported on the virtual Pet Parade.

There being no further business, Mayor R. West adjourned the meeting at 7:10 p.m.

Minutes approved and adopted on this 26th day of May 2020.

Rick West, *Mayor*

Lisa J. Thomason, *City Clerk*

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