



OROVILLE CITY COUNCIL

Council Chambers
1735 Montgomery Street
Regular Meeting

SEPTEMBER 1, 2015
CLOSED SESSION 5:00 P.M.
OPEN SESSION 6:00 P.M.
AGENDA

CLOSED SESSION (5:00 P.M.)

ROLL CALL

Council Members Berry, Del Rosario, Hatley, Pittman, Simpson, Vice Mayor Wilcox, Mayor Dahlmeier

CONVENE TO CLOSED SESSION (ITEMS LISTED ON PAGE NO. 4 AND 5)

RECONVENE TO OPEN SESSION

OPEN SESSION (6:00 P.M.)

PLEDGE OF ALLEGIANCE

PROCLAMATION / PRESENTATION

INDIVIDUALS WHO WISH TO SPEAK ON AGENDA ITEMS

This is the time the Mayor will invite anyone in the audience wishing to address the Council on a matter that is on the agenda to state your name and the agenda item on which you wish to speak. When that item comes up on the agenda, you will be asked to step to the podium, repeat your name for the record, and make your presentation or ask questions regarding the agenda item. Following your remarks, Council and/or staff may respond to your comments or questions. **Presentations are limited to three minutes per person.** Under Government Code Section 54954.3 the time allotted for presentations may be limited.

CONSENT CALENDAR

1. **APPROVAL OF THE MINUTES OF AUGUST 18, 2015 REGULAR MEETING OF THE OROVILLE CITY COUNCIL** – minutes attached

2. **DOWNTOWN CITY TREE REMOVAL WORK PROJECT – staff report**

The Council may consider the removal of three (3) trees in downtown Oroville. (**Donald Rust, Director of Community Development, Wade Atteberry, Public Works Supervisor and Gary Layman, Chief Building Official**)

Council Action Requested: **Authorize the City's Parks & Trees staff to remove the subject trees, and to replace the trees from the City's current tree inventory, located at the Corporation Yard, to eliminate several deficiencies along Bird Street, from Oak Street to Huntoon Street.**

3. **ZC 15-01: SIGN CODE AMENDMENT – REQUIREMENTS FOR THE DOWNTOWN HISTORIC OVERLAY AND HISTORIC PRESERVATION DISTRICTS – staff report**

The Council may consider amending Section 26-19.105 of the Oroville Municipal Code relating to the City's sign regulations in the Downtown Historic Overlay/Historic Preservation District. (**Donald Rust, Director of Community Development and Luis Topete, Associate Planner**)

Council Action Requested: **Waive the second reading and adopt by title only, Ordinance No. 1809– AN ORDINANCE OF THE OROVILLE CITY COUNCIL ADOPTING THE PROPOSED AMENDMENTS TO THE OROVILLE MUNICIPAL CODE SECTION 26-19.150 RELATING TO THE CITY'S SIGN REGULATIONS IN THE DOWNTOWN HISTORIC OVERLAY / HISTORIC PRESERVATION DISTRICT.**

4. **REINSTATEMENT OF FULL-TIME SWORN POLICE OFFICER POSITION – staff report**

The Council may consider a correction to the Police Department Position Control List to include the reinstatement of a full-time Sworn Police Officer position. (**Ruth Wright, Director of Finance**)

Council Action Requested: **Approve the correction to the Police Department Position Control List to include the reinstatement of a full-time Sworn Police Officer position.**

5. **LETTER OF AGREEMENT WITH DAVIS HAMMON AND COMPANY – staff report**

The Council may consider a Letter of Agreement with Davis Hammon & Company to review the City's financial information and recap Home Investment Partnership Program's Program Income received and expended for the period July 1, 2002 through June 30, 2015. (**Donald Rust, Director of Community Development and Amy Bergstrand, Management Analyst III**)

Council Action Requested: **Adopt Resolution No. 8422 – A RESOLUTION OF THE OROVILLE CITY COUNCIL AUTHORIZING AND DIRECTING THE MAYOR TO EXECUTE A LETTER OF AGREEMENT WITH DAVIS HAMMON AND COMPANY, IN AN AMOUNT NOT TO EXCEED \$4,400, FOR FINANCIAL SERVICES RELATING TO THE HOME INVESTMENT PARTNERSHIP PROGRAM (HOME) PROGRAM INCOME RECEIVED AND EXPENDED FOR THE PERIOD JULY 1, 2002 THROUGH JUNE 30, 2015 – (Agreement No. 3144).**

6. **AMENDMENT TO NORTHWEST SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS AGREEMENT – staff report**

The Council may consider an Amendment to the Northwest Society for the Prevention of Cruelty to Animals Agreement, to include the newly annexed Area B, in South Oroville. (**Bill La Grone, Director of Public Safety**)

Council Action Requested: **Adopt Resolution 8423 – A RESOLUTION OF THE OROVILLE CITY COUNCIL AUTHORIZING AND DIRECTING THE MAYOR TO EXECUTE AN AMENDMENT TO THE AGREEMENT WITH THE NORTHWEST SOCIETY FOR THE PREVENTION OF CRUELTY OF ANIMALS TO INCLUDE A \$10,000 INCREASE FOR FISCAL YEAR 2015/2016, TO INCLUDE NEWLY ANNEXED AREA B, IN SOUTH OROVILLE - (Agreement No. 2041-3).**

7. **RE-OPENING OF THE OROVILLE SAFETY MORTGAGE ASSISTANCE PROGRAM** – staff report

The Council may consider re-opening the Oroville Safety Mortgage Assistance Program. **(Donald Rust, Director of Community Development)**

Council Action Requested: **Authorize staff to re-open the Oroville Safety Mortgage Assistance Program.**

8. **AMENDED AND RESTATED PROFESSIONAL SERVICES AGREEMENT WITH CHRISTOPHER SMITH DBA: ROCKETSPOTS.TV** – staff report

The Council may consider an Amended and Restated Professional Services Agreement with Christopher Smith dba: RocketSpots.tv (formerly Musselman Pictures), in the amount of \$10,450, relating to video recording services provided for the Oroville City Council meetings. **(Donald Rust, Director of Community Development and Tyson Pardee, IT Manager)**

Council Action Requested: **Adopt Resolution No. 8424 – A RESOLUTION OF THE OROVILLE CITY COUNCIL AUTHORIZING AND DIRECTING THE MAYOR TO EXECUTE AN AMENDED AND RESTATED PROFESSIONAL SERVICES AGREEMENT WITH CHRISTOPHER SMITH DBA: ROCKETSPOTS.TV (FORMERLY MUSSELMAN PICTURES), IN THE AMOUNT OF \$10,450, RELATING TO VIDEO RECORDING SERVICES PROVIDED FOR THE OROVILLE CITY COUNCIL MEETINGS – (Agreement No. 1810-6).**

PUBLIC HEARINGS - None

REGULAR BUSINESS

9. **AMENDMENT TO PROJECT CONTRACT WITH WALBERG, INC.** – staff report

The Council may consider an Amendment to the Project Contract with Walberg, Inc., in the amount of \$63,199, for the Municipal Auditorium Storm Drain Pipe Repair Project. **(Donald Rust, Director of Community Development and Rick Walls, Interim City Engineer)**

Council Action Requested: **Adopt Resolution No. 8425 – A RESOLUTION OF THE OROVILLE CITY COUNCIL AUTHORIZING AND DIRECTING THE MAYOR TO EXECUTE AN AMENDMENT TO THE PROJECT CONTRACT WITH WALBERG, INC., IN THE AMOUNT OF \$63,199, FOR THE MUNICIPAL AUDITORIUM STORM DRAIN PIPE REPAIR PROJECT (Agreement No. 3126-1)**

10. **COMMUNITY DIVERSION FOR THE RE-DIRECTION OF THE TRANSIENT HOMELESS** – staff report

The Council may consider supporting the further implementation a community wide diversion program to address the ongoing issue of transient homelessness and the associated crime and quality of life issues associate with the transient homeless. **(Bill La Grone, Director of Public Safety)**

Council Action Requested: **Direct staff to implement a community-wide diversion program to address the ongoing issue of transient homelessness and the associated crime and quality of life issues associate with the transient homeless, as indicated in this staff report, dated September 1, 2015.**

11. **REQUESTS FOR BIDS – WESTSIDE PUBLIC SAFETY FACILITY** – staff report

The Council may consider the issuance of a Request for Bids relating to the alterations of the Advanced Technology Center building for the future location of the Westside Public Safety Facility located at the

Oroville Municipal Airport. (Bill La Grone, Director of Public Safety and Gary Layman, Chief Building Official)

Council Action Requested: **Authorize the issuance of a Request for Bids for alterations to the Advanced Technology Center building for its use as the Westside Public Safety Facility.**

12. RESPONSE TO 2014/2015 BUTTE COUNTY GRAND JURY REPORT – staff report

The Council may consider approving the response to the 2014/2015 Butte County Grand Jury Report on behalf of the City of Oroville. (Scott E. Huber, City Attorney)

Council Action Requested: **Approve the City of Oroville's response to the 2014/2015 Butte County Grand Jury Report and authorize the Mayor to sign the response on behalf of the City Council.**

SUCCESSOR AGENCY - None

MAYOR/ COUNCIL REPORTS

- (2) Council Appointments to the Health Review Committee

COUNCIL ANNOUNCEMENTS/COMMITTEE REPORTS (A verbal report may be given regarding any committee meetings attended.)

CITY ADMINISTRATOR/ ADMINISTRATION REPORTS

CORRESPONDENCE - None

HEARING OF INDIVIDUALS ON NON-AGENDA ITEMS

This is the time the Mayor will invite anyone in the audience wishing to address the Council on a matter not listed on the agenda to step to the podium, state your name for the record and make your presentation. **Presentations are limited to 3 minutes.** Under Government Code Section 54954.2, The Council is prohibited from taking action except for a brief response by the Council or staff to a statement or question relating to a non-agenda item.

CLOSED SESSION

The Council will hold a Closed Session on the following:

1. Pursuant to Government Code section 54957.6, the Council will meet with Labor Negotiators and City Attorney to discuss labor negotiations for the following represented groups: Oroville City Employees Association, Oroville Police Officers' Association – Sworn and Non-Sworn, Oroville Firefighters' Association, and Oroville Management and Confidential Association.
2. Pursuant to Government Code section 54956.9(d), the Council will meet with the Acting City Administrator and the City Attorney regarding potential litigation – two cases.
3. Pursuant to Government Code section 54956.9(a), the Council will meet with the Acting City Administrator, and the City Attorney relating to existing litigation: Diane MacMillan v. City of Oroville, et al., Butte County Superior Court, Case No. 163806.

4. Pursuant to Government Code section 54956.9(a), the Council will meet with the Acting City Administrator, and the City Attorney relating to existing litigation: Norman O. Cable v. City of Oroville, et al., Butte County Superior Court, Case No. 164706.
5. Pursuant to Government Code section 54956.9(a), the Council will meet with the Acting City Administrator and City Attorney relating to existing litigation: Americanwest Bank v. Oroville Economic and Community Development Corp., et al., Butte County Superior Court, Case No. 161808.

ADJOURNMENT

The meeting will be adjourned. A regular meeting of the Oroville City Council will be held on Tuesday, September 15, 2015 at 5:00 p.m.

Accommodating Those Individuals with Special Needs – In compliance with the Americans with Disabilities Act, the City of Oroville encourages those with disabilities to participate fully in the public meeting process. If you have a special need in order to allow you to attend or participate in our public meetings, please contact the City Clerk at (530) 538-2535, well in advance of the regular meeting you wish to attend, so that we may make every reasonable effort to accommodate you. Documents distributed for public session items, less than 72 hours prior to meeting, are available for public inspection at City Hall, 1735 Montgomery Street, Oroville, California.

**CITY COUNCIL MEETING MINUTES
AUGUST 18, 2015 – 5:00 P.M.**

The agenda for the August 18, 2015 regular meeting of the Oroville City Council was posted on the bulletin board at the front of City Hall and on the City of Oroville's website located at www.cityoforoville.org on Friday, August 14, 2015, at 3:00 p.m.

The August 18, 2015 regular meeting of the Oroville City Council was called to order by Mayor Dahlmeier at 5:05 p.m.

ROLL CALL

Present: Council Members Berry, Del Rosario, Hatley, Pittman, Simpson, Vice Mayor Wilcox,
Mayor Dahlmeier
Absent: None

Staff Present:

Donald Rust, Director of Community Development
Bill La Grone, Director of Public Safety
Rick Walls, Interim City Engineer
Ruth Wright, Director of Finance
Amy Bergstrand, Management Analyst III

Jamie Hayes, Assistant City Clerk
Karolyn Fairbanks, Treasurer
Dean Hill, Jr. Assistant Fire Chief
Rick Farley, RDA Coordinator
Tyson Pardee, IT Manager

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Mayor Dahlmeier.

PROCLAMATION / PRESENTATION

Mayor Dahlmeier read aloud a Proclamation declaring August, 2015 as "Play Ball Month". (See www.playball.org for additional information)

RECOGNITION OF INDIVIDUALS WHO WISH TO SPEAK ON AGENDA ITEMS

Cheri Bunker – Item No. 15

CONSENT CALENDAR

A motion was made by Council Member Berry, seconded by Council Member Pittman, to approve the following Consent Calendar, with exception to Item No. 2 and 3:

- 1. APPROVAL OF THE MINUTES OF AUGUST 4, 2015 REGULAR MEETING AND AUGUST 11, 2015, SPECIAL MEETING OF THE OROVILLE CITY COUNCIL – minutes attached**

2. **THIS ITEM WAS REMOVED FROM THE CONSENT CALENDAR (SEE BELOW)**
3. **THIS ITEM WAS REMOVED FROM THE CONSENT CALENDAR (SEE BELOW)**
4. **LEASE AGREEMENT WITH RAY MORGAN COMPANY – staff report**

The Council considered a sixty (60) month Lease Agreement with Ray Morgan Company for a new Canon Image Runner photocopier/scanner/fax machine, in the monthly amount of \$198.80. **(Bill La Grone, Director of Public Safety)**

Council Action Requested: **Adopt Resolution No. 8409 – A RESOLUTION OF THE OROVILLE CITY COUNCIL AUTHORIZING AND DIRECTING THE MAYOR TO EXECUTE A 60-MONTH LEASE AGREEMENT, IN THE MONTHLY AMOUNT OF \$198.80, THROUGH A PIGGYBACK BID WITH RAY MORGAN COMPANY, FOR THE LEASE OF ONE (1) CANON IMAGE RUNNER PHOTOCOPIER/SCANNER/FAX MACHINE, FOR THE POLICE DEPARTMENT – (Agreement No. 3138).**

5. **PURCHASE OF POLICE PATROL CANINES AND TRAINING – staff report**

The Council considered the purchase of two (2) Police Patrol Canines and handler certification training utilizing donations received from the community and Asset Forfeiture monies. **(Bill La Grone, Director of Public Safety)**

Council Action Requested:

1. **Authorize the purchase of two (2) Police Patrol Canines and training, in an amount not to exceed \$13,500/each, through the sole source provider, Meyer's Police Canine Training.**
 2. **Adopt Resolution No. 8410 – A RESOLUTION OF THE OROVILLE CITY COUNCIL AUTHORIZING AND DIRECTING THE MAYOR TO EXECUTE A CONTRACT WITH MEYER'S POLICE CANINE TRAINING FOR MONTHLY MAINTENANCE TRAINING OF BOTH POLICE PATROL CANINES, IN AN AMOUNT NOT TO EXCEED \$300/MONTH, PER POLICE PATROL CANINE – (Agreement No. 3139).**
6. **RESOLUTION OF SUPPORT FOR LOCAL TRANSPORTATION INFRASTRUCTURE FUNDING – staff report**

The Council considered a Resolution of Support for local transportation infrastructure funding. **(Donald Rust, Director of Community Development and Rick Walls, Interim City Engineer)**

Council Action Requested: **Adopt Resolution No. 8411 – A RESOLUTION OF THE OROVILLE CITY COUNCIL URGING THE STATE TO PROVIDE NEW SUSTAINABLE FUNDING FOR STATE AND LOCAL TRANSPORTATION INFRASTRUCTURE.**

7. **U.S. DEPARTMENT OF JUSTICE ASSET FORFEITURE PROGRAM EQUITABLE SHARING AGREEMENT AND CERTIFICATION – staff report**

The Council considered authorizing the Oroville Police Department's participation in the U.S. Department of Justice Asset Forfeiture Program. **(Bill La Grone, Director of Public Safety)**

Council Action Requested: **Adopt Resolution 8412 – A RESOLUTION OF THE OROVILLE CITY COUNCIL AUTHORIZING AND DIRECTING THE MAYOR TO EXECUTIE AN EQUITABLE SHARING AGREEMENT AND CERTIFICATION FOR THE U.S. DEPARTMENT OF JUSTICE ASSET FOREFEITURE PROGRAM - (Agreement No. 3140).**

8. ELECTRICAL SERVICE AGREEMENT WITH PACIFIC GAS AND ELECTRIC COMPANY – staff report

The Council considered an Electric Service Agreement with Pacific Gas and Electric Company for new electrical service to be installed for the City's Table Mountain Boulevard Roundabout Project. **(Donald Rust, Director of Community Development and Rick Walls, Interim City Engineer)**

Council Action Requested: **Adopt Resolution No. 8413 - A RESOLUTION OF THE OROVILLE CITY COUNCIL AUTHORIZING AND DIRECTING THE MAYOR TO EXECUTE AN ELECTRIC SERVICE AGREEMENT WITH PACIFIC GAS & ELECTRIC COMPANY FOR THE TABLE MOUNTAIN BOULEVARD ROUNDABOUT PROJECT – (Agreement No. 3141).**

9. REQUEST TO INSTALL MEMORIAL BENCH AND PLAQUE IN SANK PARK – staff report

The Council considered a the installation of a memorial bench and bronze plaque in Sank Park **(Donald Rust, Director of Community Development and Luis Topete, Associate Planner)**

Council Action Requested: **Approve the installation of a memorial bench and 3" x 5" bronze plaque with Mr. and Mrs. Ingram paying for the purchase, installation and future maintenance costs as may be needed.**

10. PURCHASE OF TWELVE (12) VIEVU LE3 BODY WORN VIDEO CAMERAS – staff report

The Council considered the purchase of twelve (12) Viewu LE3 Body worn cameras, from Viewu, the sole source provider, in an amount not to exceed \$9,780. **(Bill La Grone, Director of Public Safety)**

Council Action Requested: **Authorize the purchase twelve (12) Viewu LE3 Body Worn Cameras from Viewu, the sole source provider, in an amount not to exceed \$9,780.**

11. PURCHASE OF DELL LAPTOP COMPUTER – staff report

The Council considered the purchase of a new Dell laptop computer for the Business Assistance and Housing Development Department, in an approximate amount of \$1,342. **(Donald Rust, Director of Community Development and Amy Bergstrand, Management Analyst III)**

Council Action Requested: **Authorize the purchase of a new Dell laptop computer for the Business Assistance and Housing Development Department, in an amount not to exceed \$1,342.**

The motion was passed by the following vote:

Ayes: Council Members Berry, Del Rosario, Hatley, Pittman, Simpson, Vice Mayor Wilcox, Mayor Dahlmeier
Noes: None
Abstain: None
Absent: None

ITEMS REMOVED FROM THE CONSENT CALENDAR

2. ACCEPTANCE OF TIRE-DERIVED PRODUCT GRANT FROM CALRECYCLE – staff report

The Council considered accepting the 2014/2015 Tire Derived Product Grant from CalRecycle, in the amount of \$35,932. **(Donald Rust, Director of Community Development and Rick Farley, Interim Recycling Coordinator)**

This item was removed from the Consent Calendar at the request of Council Member Del Rosario and Council Member Hatley, for questions, which were answered by staff.

Following discussion, this item was continued to the September 15, 2015 City Council meeting for further consideration therefore; no action was taken on the following:

Adopt Resolution No. 8406 – A RESOLUTION OF THE OROVILLE CITY COUNCIL AUTHORIZING AND DIRECTING THE MAYOR TO EXECUTE A GRANT AGREEMENT WITH CALRECYCLE, FOR GRANT FUNDS, IN THE AMOUNT OF \$35,932, TO BE RECEIVED UNDER THE FISCAL YEAR 2014/2015 TIRE DERIVED PRODUCT GRANT PROGRAM.

3. UTILITY USERS TAX AGREEMENT WITH THE STATE BOARD OF EQUALIZATION – staff report

The Council considered a Utility Users Tax Agreement with the State Board of Equalization for the administration and collection of prepaid mobile telephone services, surcharges and local charges, effective January 1, 2016. **(Ruth Wright, Director of Finance)**

This item was removed from the Consent Calendar at the request of Scott Huber, City Attorney, for additional information.

Following discussion, a motion was made by Council Member Pittman, seconded by Council Member Berry, to:

1. Adopt Resolution No. 8407 – A RESOLUTION OF THE OROVILLE CITY COUNCIL AUTHORIZING THE MAYOR AND CITY ATTORNEY TO EXECUTE

CERTAIN DOCUMENTS REQUIRED BY THE STATE BOARD OF EQUALIZATION TO COLLECT THE CITY'S UTILITY USERS TAX ON PREPAID WIRELESS SERVICES; AND

- 2. Adopt Resolution No. 8408 – A RESOLUTION OF THE OROVILLE CITY COUNCIL AUTHORIZING THE EXAMINATION OF PREPAID MOBILE TELEPHONE SERVICES SURCHARGE AND LOCAL CHARGE RECORDS.**

The motion was passed by the following vote:

Ayes: Council Members Berry, Del Rosario, Hatley, Pittman, Simpson, Vice Mayor Wilcox, Mayor Dahlmeier
Noes: None
Abstain: None
Absent: None

PUBLIC HEARINGS

- 12. ANNUAL ASSESSMENTS FOR THE CITY'S CONSOLIDATED LANDSCAPE AND LIGHTING MAINTENANCE ASSESSMENT DISTRICT, ZONES 2, 3, 5 – 12, 14, 15 and 17 – staff report**

The Council conducted a public hearing to consider its intention to levy and collect assessments for the Oroville Consolidated Landscape and Lighting Maintenance Assessment District, Zones 2, 3, 5 – 12, 14, 15 and 17 for Fiscal Year 2015/2016. (**Donald Rust, Director of Community Development and Rick Walls, Interim City Engineer**)

Council Members Berry, Hatley and Vice Mayor Wilcox recused themselves from this item due to potential conflicts of interest.

Mayor Dahlmeier opened the public hearing. Hearing no comments or questions from the audience, the public hearing was closed.

A motion was made by Council Member Pittman, seconded by Council Member Simpson, to:

- 1. Adopt Resolution No. 8414 - A RESOLUTION OF THE CITY COUNCIL AUTHORIZING AND DIRECTING THE MAYOR TO APPROVE THE ANNUAL ASSESSMENT REPORT, AS SUBMITTED OR AMENDED, AND TO ORDER THE LEVY AND COLLECTION OF ASSESSMENTS FOR THE OROVILLE CONSOLIDATED LANDSCAPE AND LIGHTING MAINTENANCE ASSESSMENT DISTRICT ZONES 2, 3, 5 – 12, 14, 15 and 17 FOR FISCAL YEAR 2015/2016.**
- 2. Authorize the Mayor to sign the Proposition 218 Certificate for inclusion on the 2015/2016 Butte County Tax Roll.**

The motion was passed by the following vote:

Ayes: Council Members Del Rosario, Pittman, Simpson, Mayor Dahlmeier
Noes: None

Abstain: Council Members Berry, Hatley, Vice Mayor Wilcox
Absent: None

13. ANNUAL ASSESSMENTS FOR THE CITY'S CONSOLIDATED LANDSCAPE AND LIGHTING MAINTENANCE ASSESSMENT DISTRICT, ZONES 1, 4, 13 and 16 – staff report

The Council conducted a public hearing to consider its intention to levy and collect assessments for the Oroville Consolidated Landscape and Lighting Maintenance Assessment District, Zones 1, 4, 13 and 16 for Fiscal Year 2015/2016. **(Donald Rust, Director of Community Development and Rick Walls, Interim City Engineer)**

Council Members Berry, Hatley and Vice Mayor Wilcox recused themselves from this item due to potential conflicts of interest.

Mayor Dahlmeier opened the public hearing. Hearing no comments or questions from the audience, the public hearing was closed.

A motion was made by Council Member Simpson, seconded by Council Member Del Rosario, to:

- 1. Adopt Resolution No. 8415 - A RESOLUTION OF THE CITY COUNCIL AUTHORIZING AND DIRECTING THE MAYOR TO APPROVE THE ANNUAL ASSESSMENT REPORT, AS SUBMITTED OR AMENDED, AND TO ORDER THE LEVY AND COLLECTION OF ASSESSMENTS FOR THE OROVILLE CONSOLIDATED LANDSCAPE AND LIGHTING MAINTENANCE ASSESSMENT DISTRICT ZONES 1, 4, 13 and 16 FOR FISCAL YEAR 2015/2016.**
- 2. Authorize the Mayor to sign the Proposition 218 Certificate for inclusion on the 2015/2016 Butte County Tax Roll.**

The motion was passed by the following vote:

Ayes: Council Members Del Rosario, Pittman, Simpson, Mayor Dahlmeier
Noes: None
Abstain: Council Members Berry, Hatley, Vice Mayor Wilcox
Absent: None

14. ZC 15-01: SIGN CODE AMENDMENT – REQUIREMENTS FOR THE DOWNTOWN HISTORIC OVERLAY AND HISTORIC PRESERVATION DISTRICTS – staff report

The Council conducted a public hearing to consider amending Section 26-19.105 of the Oroville Municipal Code relating to the City's sign regulations in the Downtown Historic Overlay/Historic Preservation District. **(Donald Rust, Director of Community Development and Luis Topete, Associate Planner)**

Mayor Dahlmeier opened the public hearing. Hearing no comments or questions from the

audience, the public hearing was closed.

A motion was made by Vice Mayor Wilcox, seconded by Council Member Del Rosario, to:

Waive the first reading and introduce by title only, Ordinance No. 1809– AN ORDINANCE OF THE OROVILLE CITY COUNCIL ADOPTING THE PROPOSED AMENDMENTS TO THE OROVILLE MUNICIPAL CODE SECTION 26-19.150 RELATING TO THE CITY’S SIGN REGULATIONS IN THE DOWNTOWN HISTORIC OVERLAY / HISTORIC PRESERVATION DISTRICT.

The motion was passed by the following vote:

Ayes: Council Members Del Rosario, Pittman, Simpson, Mayor Dahlmeier
Noes: None
Abstain: Council Members Berry, Hatley, Vice Mayor Wilcox
Absent: None

REGULAR BUSINESS

15. 16TH ANNUAL ECONOMIC FORECAST CONFERENCE SPONSORSHIP – staff report

The Council considered sponsoring the 16th Annual Economic Forecast Conference. **(Donald Rust, Director of Community Development and Rick Farley, Enterprise Zone and Business Assistance Coordinator)**

Cheri Bunker spoke in support of sponsoring the 16th Annual Economic Forecast Conference.

Following discussion, a motion was made by Council Member Pittman, seconded by Vice Mayor Wilcox, to:

Approve the \$5,000 “Silver” level sponsorship in support of the 16th Annual Economic Forecast Conference, to be held January 15, 2015, at the Gold Country Event Center.

The motion was passed by the following vote:

Ayes: Council Members Berry, Del Rosario, Pittman, Simpson, Vice Mayor Wilcox, Mayor Dahlmeier
Noes: Council Member Hatley
Abstain: None
Absent: None

16. PROJECT CONTRACT WITH R&R HORN, INC. – staff report

The Council considered a Project Contract with the lowest responsible bidder, R&R Horn, Inc. in the amount of \$1,540,821, for the Table Mountain Boulevard Roundabout Project. **(Donald Rust, Director of Community Development and Rick Walls, Interim City Engineer)**

At the request of staff, this item was tabled for a future meeting of the Oroville City Council therefore; no action was taken on the following:

1. **Adopt Resolution No. 8416 – A RESOLUTION OF THE OROVILLE CITY COUNCIL AUTHORIZING AND DIRECTING THE MAYOR TO EXECUTE A PROJECT CONTRACT WITH THE LOWEST RESPONSIBLE BIDDER, R&R HORN, INC, IN THE AMOUNT OF \$1,540,821, FOR THE TABLE MOUNTAIN BOULEVARD ROUNDABOUT PROJECT – (Agreement No. 3142).**
2. **Authorize a 10% contract contingency for grant participating items only of \$124,820.**

17. PROFESSIONAL SERVICES AGREEMENT WITH HOLDREGE & KULL – staff report

The Council considered a Professional Services Agreement with the lowest responsible bidder, Holdrege & Kull, in the amount of \$23,704, for materials testing services for the Table Mountain Boulevard Roundabout and Oro Dam Boulevard Traffic Signals Projects. **(Donald Rust, Director of Community Development and Rick Walls, Interim City Engineer)**

At the request of staff, this item was tabled for a future meeting of the Oroville City Council therefore; no action was taken on the following:

1. **Adopt Resolution No. 8417 – A RESOLUTION OF THE OROVILLE CITY COUNCIL AUTHORIZING AND DIRECTING THE MAYOR TO EXECUTE A PROFESSIONAL SERVICES AGREEMENT WITH HOLDREGE & KULL, IN THE AMOUNT OF \$23,704, FOR MATERIALS TESTING SERVICES FOR THE TABLE MOUNTAIN BOULEVARD ROUNDABOUT AND ORO DAM BOULEVARD TRAFFIC SIGNALS PROJECTS – (Agreement No. 3143).**
2. **Authorize a 5% contingency, not to exceed \$1,185.**

18. ANNUAL SPECIAL TAX FOR THE CITY'S COMMUNITY FACILITIES DISTRICT NO. 2006-1 (WESTSIDE PUBLIC SAFETY FACILITIES) AND DISTRICT NO. 2006-2 (PUBLIC SAFETY SERVICES) FOR FISCAL YEAR 2015/2016 – staff report

The Council considered the annual special tax relating to the City's Community Facilities Districts. **(Donald Rust, Director of Community Development and Rick Walls, Interim City Engineer)**

Council Member Hatley and Vice Mayor Wilcox recused themselves from this item due to potential conflicts of interest.

A motion was made by Council Member Pittman, seconded by Council Member Berry, to:

1. **Adopt Resolution No. 8418 - A RESOLUTION OF THE CITY COUNCIL ESTABLISHING THE ANNUAL SPECIAL TAX FOR COMMUNITY FACILITIES**

DISTRICT NO. 2006-1, WESTSIDE PUBLIC SAFETY FACILITIES, FOR FISCAL YEAR 2015/2016.

2. **Adopt Resolution No. 8419 - A RESOLUTION OF THE CITY COUNCIL ESTABLISHING THE ANNUAL SPECIAL TAX FOR COMMUNITY FACILITIES DISTRICT NO. 2006-2, PUBLIC SAFETY SERVICES, FOR FISCAL YEAR 2015/2016**
3. **Authorize the Mayor to sign the Proposition 218 Certificate for inclusion on the 2015/2016 Butte County Tax Roll.**

The motion was passed by the following vote:

Ayes: Council Members Berry, Del Rosario, Pittman, Simpson, Mayor Dahlmeier
Noes: None
Abstain: Council Member Hatley, Vice Mayor Wilcox
Absent: None

19. AMENDMENT TO NORTHWEST SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS AGREEMENT – staff report

The Council considered an Amendment to the Northwest Society for the Prevention of Cruelty to Animals Agreement to include the newly annexed Area A, in South Oroville. **(Bill La Grone, Director of Public Safety)**

A motion was made by Council Member Del Rosario, seconded by Council Member Pittman, to:

Adopt Resolution 8420 – A RESOLUTION OF THE OROVILLE CITY COUNCIL AUTHORIZING AND DIRECTING THE MAYOR TO EXECUTE AN AMENDMENT TO THE AGREEMENT WITH THE NORTHWEST SOCIETY FOR THE PREVENTION OF CRUELTY OF ANIMALS TO INCLUDE A \$40,000 INCREASE FOR FISCAL YEAR 2015/2016 FOR NEWLY ANNEXED AREA A, IN SOUTH OROVILLE, AND TO REMOVE THE CAP ON AFTERHOURS CALLS FOR SERVICE REIMBURSEMENT- (Agreement No. 2041-2).

The motion was passed by the following vote:

Ayes: Council Members Berry, Del Rosario, Hatley, Pittman, Simpson, Vice Mayor Wilcox, Mayor Dahlmeier
Noes: None
Abstain: None
Absent: None

20. PURCHASE OF UPGRADE FOR THE CITY'S WEBSITE – staff report

The Council considered the purchase of an upgrade for the City's website, www.cityoforoville.org, in the amount of \$26,500 plus the first year's maintenance fees of \$5,500 for a total of \$32,000. **(Donald Rust, Director of Community Development and Tyson Pardee, IT Manager)**

A motion was made by Vice Mayor Wilcox, seconded by Council Member Del Rosario, to:

Authorize the purchase of an upgrade for the City's website, in the amount of \$26,500 plus the first year's maintenance fees of \$5,500 for a total of \$32,000.

The motion was passed by the following vote:

Ayes: Council Members Berry, Del Rosario, Hatley, Pittman, Simpson, Vice Mayor Wilcox, Mayor Dahlmeier
Noes: None
Abstain: None
Absent: None

21. RE-INSTATEMENT OF ASSOCIATE ENGINEER POSITION – staff report

The Council considered the re-instatement of an Associate Engineer for the Community Development Department. **(Donald Rust, Director of Community Development and Rick Walls, Interim City Engineer)**

A motion was made by Council Member Pittman, seconded by Council Member Berry, to:

- 1. Approve the re-instatement of the Associate Engineer position at \$108,000 (Step D).**
- 2. Authorize the recruitment for a new Associate Engineer.**

The motion was passed by the following vote:

Ayes: Council Members Berry, Del Rosario, Hatley, Pittman, Simpson, Vice Mayor Wilcox, Mayor Dahlmeier
Noes: None
Abstain: None
Absent: None

22. NEW HIRES – SEWER DIVISION PUBLIC WORKS OPERATOR 1 – staff report

The Council considered the recruitment for two new Public Works Operator I's for the Sewer Division. **(Donald Rust, Director of Community Development and Rick Walls, Interim City Engineer)**

A motion was made by Council Member Pittman, seconded by Council Member Berry, to:

Authorize the recruitment for two (2) new Public Works Operator I's.

The motion was passed by the following vote:

Ayes: Council Members Berry, Del Rosario, Hatley, Pittman, Simpson, Vice Mayor Wilcox, Mayor Dahlmeier
Noes: None
Abstain: None
Absent: None

23. PURCHASE AND SALE AGREEMENTS OF FORMER REDEVELOPMENT AGENCY PROPERTIES – staff report

The Council considered recommending approval of the Sale and Purchase Agreements to the Oversight Board for the Successor Agency of the City of Oroville of four (4) of the former Oroville Redevelopment Agency properties pursuant to the Long-Range Property Management Plan, as authorized by the State Department of Finance. **(Donald Rust, Director of Community Development and Rick Farley, RDA Coordinator)**

At the request of staff, properties identified as 750 Montgomery Street and 1330 Downer Street, Oroville, were removed from the staff report to be returned to Council on September 15, 2015, for consideration.

Following discussion, a motion was made by Council Member Del Rosario, seconded by Council Member Hatley, to:

Adopt Resolution No. 8421 - A RESOLUTION OF THE OROVILLE CITY COUNCIL RECOMMENDING TO THE OVERSIGHT BOARD THAT FOUR (4) PROPERTIES, 2044, 2060 and 2062 MONTGOMERY STREET AND 1305 MYERS STREET, BE SOLD FOR THE APPRAISED VALUE PURSUANT TO THE RESPECTIVE PROPERTY PURCHASE AGREEMENTS.

The motion was passed by the following vote:

Ayes: Council Members Berry, Del Rosario, Hatley, Pittman, Simpson, Vice Mayor Wilcox, Mayor Dahlmeier
Noes: None
Abstain: None
Absent: None

24. WAIVER OF ADMISSION FEES FOR THE GRAND RE-OPENING OF THE CHINESE TEMPLE AND MUSEUM COMPLEX – staff report

The Council considered waiving the admission fees for the Grand Re-opening of the Chinese Temple and Museum Complex, to be held Thursday, August 27, 2015, from 3:00 p.m. – 7:00 p.m. **(Donald Rust, Director of Community Development and Luis Topete, Associate Planner)**

A motion was made by Council Member Simpson, seconded by Council Member Pittman, to:

Approve the waiver of admission fees for the Grand Re-opening of the Chinese Temple and Museum Complex.

The motion was passed by the following vote:

Ayes: Council Members Berry, Del Rosario, Hatley, Pittman, Simpson, Vice Mayor Wilcox, Mayor Dahlmeier
Noes: None
Abstain: None
Absent: None

25. MONTHLY SUMMARY OF INVESTMENTS FOR JULY 2015 – report attached

The Council received a copy of the Monthly Summary of Investments for July 2015. (**Ruth Wright, Director of Finance**)

The Council acknowledged receipt of the July 2015 Monthly Summary of Investments.

SUCCESSOR AGENCY - None

MAYOR/ COUNCIL REPORTS - None

CITY ADMINISTRATOR/ ADMINISTRATION REPORTS

- Finance Department – activity report
- Public Safety Department – activity report

Donald Rust, Director of Community Development, reported the following:

- Historic State Theatre Roof Repair
- Potential Air Quality Management Issue – Pacific Coast Producers
- Oroville Ford Ribbon Cutting Ceremony to be held August 20, 2015 at 3:00 p.m.
- Staff attendance to League of California Cities Conference – September 30, 2015 – October 2, 2015
- Attendance to California Chapter - American Planning Association Conference – October 1 – 6, 2015
- Staff attendance to California Public Employees Labor Relations Association Conference – October 19 -23, 2015

CORRESPONDENCE

- Public Utilities Commission of the State of California, received August 10, 2015

RECOGNITION OF INDIVIDUALS WHO WISH TO SPEAK ON NON-AGENDA ITEMS

Natalie Carter, Oroville Farmer's Market, spoke to the Council regarding safety concerns relating to the Saturday Farmer's Market along Montgomery Street (Elizabeth "Mike" Isch Parking Lot). Following discussion, the Council directed staff to return the Market to its original layout along Montgomery Street.

CLOSED SESSION

Due to a potential conflict of interest, Council Member Berry recused himself from Item No. 3.

The Council held a Closed Session on the following:

1. Pursuant to Government Code section 54957.6, the Council met with Labor Negotiators and City Attorney to discuss labor negotiations for the following represented groups: Oroville City Employees Association, Oroville Police Officers' Association – Sworn and Non-Sworn, Oroville Firefighters' Association, and Oroville Management and Confidential Association.
2. Pursuant to Government Code section 54956.9(d), the Council met with the Acting City Administrator and the City Attorney regarding potential litigation – two cases.
3. Pursuant to Government Code section 54956.9(a), the Council met with the Acting City Administrator and City Attorney relating to existing litigation: Americanwest Bank v. Oroville Economic and Community Development Corp., et al., Butte County Superior Court, Case No. 161808.

Mayor Dahlmeier announced that there were no reportable actions taken in Closed Session and direction had been given to staff.

ADJOURNMENT

The meeting was adjourned at 7:34 p.m. A regular meeting of the Oroville City Council will be held on Tuesday, September 1, 2015, at 5:00 p.m.

Jamie Hayes, Assistant City Clerk

Linda L. Dahlmeier, Mayor

**OROVILLE CITY COUNCIL
STAFF REPORT**

TO: MAYOR AND COUNCIL MEMBERS

**FROM: DONALD RUST, DIRECTOR (530) 538-2433
WADE ATTEBERRY, PUBLIC WORKS SUPERVISOR
GARY LAYMAN, CHIEF BUILDING OFFICIAL
COMMUNITY DEVELOPMENT DEPARTMENT**

RE: DOWNTOWN CITY TREE REMOVAL WORK PROJECT

DATE: SEPTEMBER 1, 2015

SUMMARY

The Council will consider approving three tree removals in downtown Oroville area to be considered in this Work Project (Project).

BACKGROUND

Oro Gold is putting up a solar project and is concerned with the shade the panels will get because of the Chinese Pistache tree on Oak Street next to Miners Alley. The Chinese Pistache is on the removal list in the Draft Urban Forest Management Plan. Attachment "A" shows photo no. 1 and no. 2, depicting the current damage that the tree is doing to the sidewalk and the sun blockage to the new solar structure. The curb is in relatively good shape. Staff recommends taking the tree out before it can do anymore damage to the curb, gutter and sidewalk, saving the City money in infrastructure repair. The tree is only about half the size it will get. The sidewalk will have to be replaced. Staff feels a tree can be replace with an appropriate species.

Butte County Office of Education (BCOE) has obtained a building permit (B1507-036) for an alteration to 1876 Bird Street which will require the existing sidewalk to be replaced to allow for the installation of an accessible route and entrance for this project. BCOE is concerned that the Raywood Ash tree in front of the site will damage the new sidewalk. The Raywood Ash is also on the removal list in the Draft Urban Forest Management Plan. Attachment "B" shows photo no. 3 and no. 4, depicting the current damage that the tree is doing to the curb, gutter, and sidewalk. Staff recommends taking the tree out when the existing sidewalk is replaced to prevent damage to the new curb, gutter and sidewalk. The tree is only about half the size it will get. The sidewalk will have to be replaced. Staff feels a tree can be replace with an appropriate species.

There are numerous locations of curb, gutter, and sidewalk damage all stemming from the Raywood Ash trees that were planted from Lincoln Blvd to Oak St on the North side of Bird St. All these trees are relatively immature and are only about half as big as they will get. Sidewalk has been replaced within the last 10 years and is already being lifted up by the roots.

Staff's recommendations for this project are as follows:

- The city Public Works crew will remove the existing trees during normal business hours creating no additional cost to the city for tree removal.
- Removal of the existing immature Raywood Ash trees prior to further damage to the existing sidewalks and prepare the soils for the replacement trees as referenced in the City tree replacement plan.
- The existing sidewalk in front of 1876 Bird Street is being replaced by BCOE in their permit scope of work creating no additional cost to the city for the tree removal or replacement of the sidewalk.

FISCAL IMPACT

The fiscal impact to the General Fund will be staff time to remove the subject trees, and the replacement trees will come from the City's current tree inventory located at the Corporation Yard (Corp Yard).

Parks & Trees Operational Budget: 001-5010-5005

RECOMMENDATIONS

Authorize the City's Parks & Trees staff to remove the subject trees, and replace the trees from the City's current tree inventory, located at the Corporation Yard, to eliminate several deficiencies along Bird Street, from Oak Street to Huntoon Street.

ATTACHMENTS

- A – Photographs no. 1 and 2 of the subject trees
- B – Photographs no. 3 and 4 of the subject trees

ATTACHMENT "A"



PHOTO #1



PHOTO #2

ATTACHMENT "B"



Photo #3



Photo #4

**OROVILLE CITY COUNCIL
STAFF REPORT**

TO: MAYOR AND COUNCIL MEMBERS

**FROM: DONALD L. RUST, DIRECTOR (530) 538-2433
LUIS A. TOPETE, ASSOCIATE PLANNER (530) 538-2408
COMMUNITY DEVELOPMENT DEPARTMENT**

**RE: ZC 15-01: SIGN CODE AMENDMENT – REQUIREMENTS FOR THE
DOWNTOWN HISTORIC OVERLAY AND HISTORIC PRESERVATION
DISTRICTS (2nd Reading)**

DATE: SEPTEMBER 1, 2015

SUMMARY

The Council may consider the adoption of Ordinance No. 1809 amending Section 26-19.150 of the Oroville Municipal Code relating to the City's sign regulations in the Downtown Historic Overlay / Historic Preservation District.

BACKGROUND

It has been brought to the attention of the City that members of the community are collaborating with the owner of the property at 1474 Myers Street, located at the northwest corner of Robinson Street and Myers Street in the historic downtown, to restore the "City of Paris" sign and its neon lights. As currently written, the City of Oroville Municipal Code (OMC) Section 26-19.150, prohibits internally illuminated signs in the Downtown Historic Overlay (DH-O) district and is silent on the use of neon lights.

At the May 27, 2015 Planning Commission meeting, Mr. Alan Young spoke to the Planning Commission requesting the current sign code be amended to allow neon lights and internal illumination of historic signs in the DH-O. Mr. Young also commented that the current operator of the Oroville Inn has discovered a photo of the original building signage and is considering reproducing the sign for the Oroville Inn which could include internal illumination and/or neon lights. On June 22, 2015, the Planning Commission adopted Resolution No. P2015-07, a resolution of intention recommending the City Council adopt the proposed sign code amendments as specified in the ordinance (**Attachment D**) and as shown below.

DISCUSSION

The current requirements for the installation of signs in the DH-O are shown below, with proposed deletions shown in a ~~strikethrough~~ format and proposed additions shown in an underlined format.

CC-3

26-19.150 Requirements for Downtown Historic Overlay (DH-O) / Historic Preservation Districts

- A. **Development Review.** In any case where a sign permit is required in a ~~DH-O~~ the Historic Preservation district within the DH-O, development review of the sign shall also be required.
- B. **Types of Signs.** ~~Freestanding signs and monument signs shall be prohibited in DH-O districts.~~
- C. **Lighting.** Internally illuminated and neon lighted signs shall ~~be prohibited~~ require the approval of the Historic Advisory Commission in the DH-O districts. Any sign reviewed by the Historic Advisory Commission shall not require development review. Externally illuminated signs shall be allowed, subject to the requirements found in Section 26-19.060(F) (Location, Placement, and Design of Signs, Lighting).
- D. **Exemption for Historic Signs.** Any sign that is a contributing feature of a DH-O district, as determined by the Historic Advisory Commission, and that does not advertise a business that is currently in operation, ~~shall not require a sign permit.~~ In addition, any such sign shall not be counted towards the allowable sign area or number of signs for a building or use.

ENVIRONMENTAL REVIEW

This action has been determined to be exempt from the California Environmental Quality Act review pursuant to the California Code of Regulations, Title 14, §15061(b)(3), commonly known as the General Rule. The General Rule exemption applies in circumstances where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. It has determined that there is no possibility that the proposed Zoning Code amendment will have a significant effect on the environment. Thus, this action is exempt from CEQA.

FISCAL IMPACT

Pursuant to Public Resources Code Section 21089, and as defined by the Fish and Wildlife Code Section 711.4, fees (\$50) are payable by the project applicant (City of Oroville) to file the Notice of Exemption with Butte County within five working days of approval of this project:

Account No. 001-7010-1600 (Planning)

RECOMMENDATION

Waive the second reading and adopt by title only, Ordinance No. 1809 – AN ORDINANCE OF THE OROVILLE CITY COUNCIL ADOPTING THE PROPOSED AMENDMENTS TO THE OROVILLE MUNICIPAL CODE SECTION 26-19.150 RELATING TO THE CITY'S SIGN REGULATIONS IN THE DOWNTOWN HISTORIC OVERLAY / HISTORIC PRESERVATION DISTRICT

ATTACHMENTS

- A – Downtown Historic Overlay Map
- B – Notice of Exemption
- C – Ordinance No. 1809
- D – Planning Commission Resolution No. P2015-07
- E – Newspaper Notice

EXHIBIT - C

CITY OF OROVILLE ORDINANCE NO. 1809

AN ORDINANCE OF THE OROVILLE CITY COUNCIL ADOPTING THE PROPOSED AMENDMENTS TO THE OROVILLE MUNICIPAL CODE SECTION 26-19.150 RELATING TO THE CITY'S SIGN REGULATIONS IN THE DOWNTOWN HISTORIC OVERLAY / HISTORIC PRESERVATION DISTRICT

WHEREAS, pursuant to Section 26-56.090(A) of the Oroville Municipal Code, whenever the public health, safety and welfare warrant it, the City Council may by ordinance amend, supplement or change the regulations that this chapter establishes for the zoning of property, provided that the Zoning Code shall be consistent with the General Plan;

WHEREAS, pursuant to Section 26-56.090(B) of the Oroville Municipal Code, an amendment to the Zoning Code may be initiated by a resolution of intention by the Planning Commission; and

WHEREAS, on June 22, 2015, the Planning Commission adopted Resolution No. P2015-07, a resolution of intention recommending the City Council adopt the proposed sign code amendments as specified in this ordinance; and

WHEREAS, at a duly noticed public hearing, the City Council considered the comments and concerns of public agencies, property owners, and members of the public who are potentially affected by the approval of the Zoning Code amendment described herein, and also considered City staff's report regarding the project.

NOW, THEREFORE, THE COUNCIL OF THE CITY OF OROVILLE DO ORDAIN AS FOLLOWS:

1. The proposed code amendments, with all deletions shown in a ~~strikethrough~~ format and all additions shown in an underlined format, are as follows:

26-19.150 Requirements for Downtown Historic Overlay (DH-O) / Historic Preservation Districts

- A. **Development Review.** In any case where a sign permit is required in ~~a DH-O~~ the Historic Preservation district within the DH-O, development review of the sign shall also be required.
- B. ~~Types of Signs.~~ ~~Freestanding signs and monument signs shall be prohibited in DH-O districts.~~

C. **Lighting.** Internally illuminated and neon lighted signs shall be ~~prohibited~~ require the approval of the Historic Advisory Commission in the DH-O districts. Any sign reviewed by the Historic Advisory Commission shall not require development review. Externally illuminated signs shall be allowed, subject to the requirements found in Section 26-19.060(F) (Location, Placement, and Design of Signs, Lighting).

D. **Exemption for Historic Signs.** Any sign that is a contributing feature of a DH-O district, as determined by the Historic Advisory Commission, and that does not advertise a business that is currently in operation, ~~shall not require a sign permit. In addition, any such sign shall not be~~ counted towards the allowable sign area or number of signs for a building or use.

2. The City Council hereby finds this proposed Zoning Code amendment to be consistent with the City of Oroville 2030 General Plan.
3. This action has been determined to be exempt from the California Environmental Quality Act (CEQA) review under the General Rule Exemption; Title 14, CCR, §15061(b)(3).
4. The City Clerk shall attest to the adoption of this Ordinance.

PASSED AND ADOPTED by the Oroville City Council at a regular meeting on September 1, 2015, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Linda L. Dahlmeier, Mayor

APPROVED AS TO FORM:

ATTEST:

Scott E. Huber, City Attorney

Jamie Hayes, Assistant City Clerk

EXHIBIT - A

Figure 26-42.040-1: "Historic Preservation District" and Downtown Historic Overlay (DH-O)

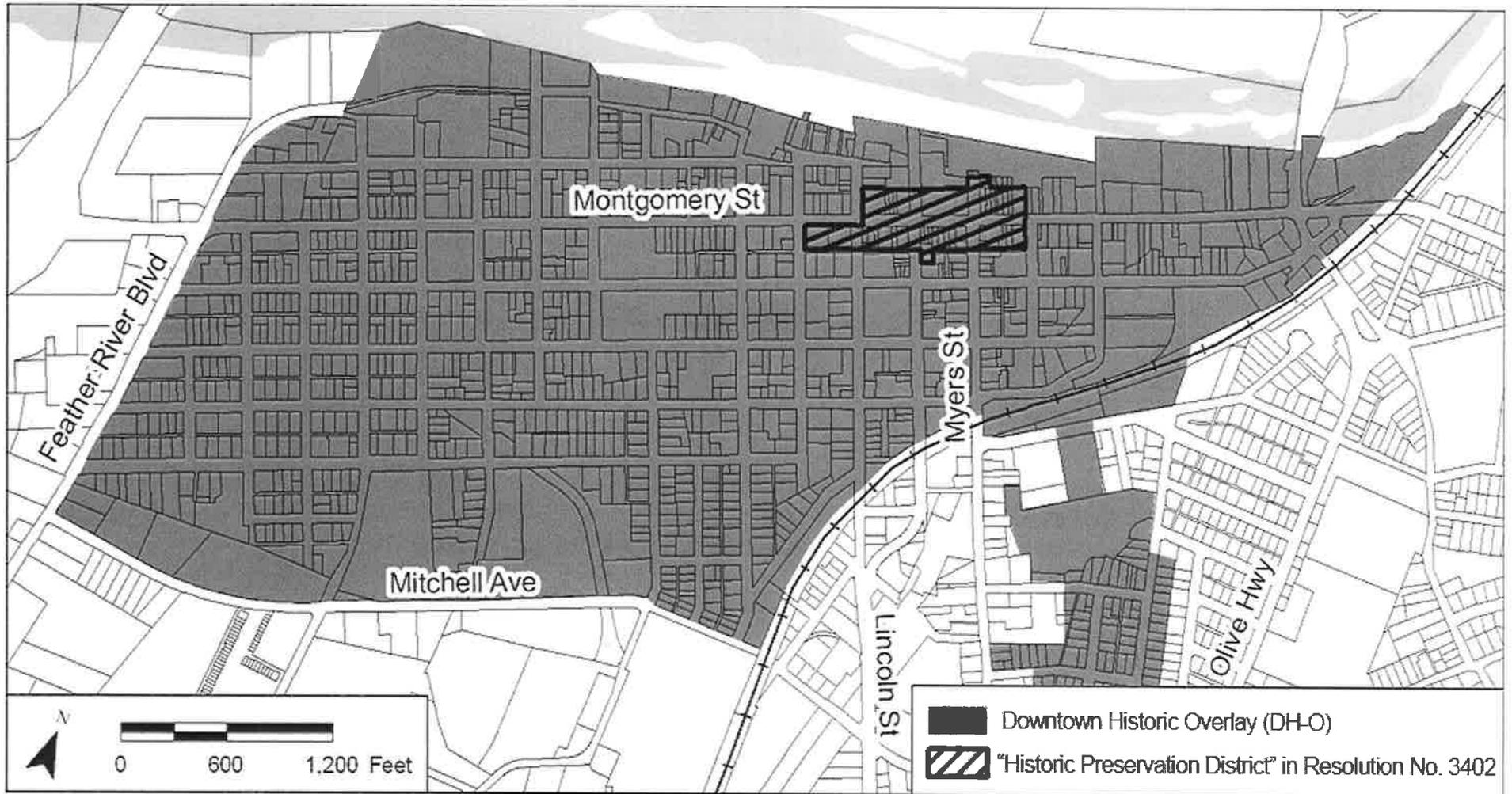




EXHIBIT - B

City of Oroville

COMMUNITY DEVELOPMENT DEPARTMENT

Donald Rust
DIRECTOR

1735 Montgomery Street
Oroville, CA 95965-4897
(530) 538-2430 FAX (530) 538-2426
www.cityoforoville.org

NOTICE OF EXEMPTION

TO: Butte County Clerk
25 County Center Drive
Oroville CA, 95965

FROM: City of Oroville
1735 Montgomery Street
Oroville, CA, 95965

Project Title: ZC 15-01: Sign Code Amendments

Project Location – Specific: Downtown Historic Overlay / Historic Preservation District

Project Location – City: City of Oroville

Project Location – County: Butte

Description of Nature, Purpose, and beneficiaries of project: It has been brought to the attention of the City that members of the community are looking to restore and reproduce signs in the historic downtown which will include internal illumination of the signs with neon lights. As currently written, the City of Oroville Municipal Code (OMC) Section 26-19.150 prohibits internally illuminated signs in the Downtown Historic Overlay (DH-O) district and is silent on the use of neon lights. At the May 27, 2015 Planning Commission meeting, the Planning Commission directed staff to return with an amendment to the sign code for the lighting of historic signs in the DH-O district.

Name of Public Agency Approving Project: City of Oroville

Name of Person or Agency Carrying out Project: City of Oroville – Community Development Department

Exempt Status (Check One):

- Ministerial (Sec. 21080(b)(1); 15268)
 Declared Emergency (Sec. 21080(b)(3); 15269(a))
 Emergency Project (Sec. 21080(b)(4); 15269(b)(c))
 Categorical Exemption: State type & section number:
• General Rule Exemption; Title 14, CCR, §15061(b)(3)
 Statutory Exemption: State code number:

Reasons why project is exempt: This action has been determined to be exempt from the California Environmental Quality Act review pursuant to the California Code of Regulations, Title 14, §15061(b)(3), commonly known as the General Rule. The General Rule exemption applies where if it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. It has determined that there is no possibility that the proposed Zoning Code amendment will have a significant effect on the environment. Thus, this action is exempt from CEQA.

If filed by applicant:

1. Attach certified document of exemption finding.
2. Has a notice of exemption been filed by the public agency approving the project? Yes No

Lead Agency Contact Person: Luis A. Topete

Telephone: (530) 538-2408

Signature: _____

Date: _____

- Signed by Lead Agency
 Signed by Applicant

Exhibit D

RESOLUTION NO. P2015-07

A RESOLUTION OF INTENTION BY THE OROVILLE PLANNING COMMISSION RECOMMENDING THE CITY COUNCIL ADOPT THE PROPOSED AMENDMENTS TO THE OROVILLE MUNICIPAL CODE SECTION 26-19.150 RELATING TO THE CITY'S SIGN REGULATIONS IN THE DOWNTOWN HISTORIC OVERLAY / HISTORIC PRESERVATION DISTRICT

WHEREAS, pursuant to Section 26-56.090(A) of the Oroville Municipal Code, whenever the public health, safety and welfare warrant it, the City Council may by ordinance amend, supplement or change the regulations that this chapter establishes for the zoning of property, provided that the Zoning Code shall be consistent with the General Plan;

WHEREAS, pursuant to Section 26-56.090(B) of the Oroville Municipal Code, an amendment to the Zoning Code may be initiated by a resolution of intention by the Planning Commission; and

WHEREAS, at a duly noticed public hearing, the Planning Commission considered the comments and concerns of public agencies, property owners, and members of the public who are potentially affected by the approval of the Zoning Code amendment described herein, and also considered City staff's report regarding the project.

NOW, THEREFORE, BE IT RESOLVED BY THE OROVILLE PLANNING COMMISSION as follows:

1. The proposed code amendments, with all deletions shown in a strikethrough format and all additions shown in an underlined format, are as follows:

26-19.150 Requirements for Downtown Historic Overlay (DH-O) / Historic Preservation Districts

- A. **Development Review.** In any case where a sign permit is required in a ~~DH-O~~ the Historic Preservation district within the DH-O, development review of the sign shall also be required.
- B. **~~Types of Signs.~~** ~~Freestanding signs and monument signs shall be prohibited in DH-O districts.~~
- C. **Lighting.** Internally illuminated and neon lighted signs shall ~~be prohibited~~ require the approval of the Historic Advisory Commission in the DH-O districts. Any sign reviewed by the Historic Advisory Commission shall not require development review. Externally illuminated signs shall be allowed, subject to the requirements found in Section 26-19.060(F) (Location, Placement, and Design of Signs, Lighting).

D. **Exemption for Historic Signs.** Any sign that is a contributing feature of a DH-O district, as determined by the Historic Advisory Commission, and that does not advertise a business that is currently in operation, ~~shall not require a sign permit.~~ In addition, any such sign shall not be counted towards the allowable sign area or number of signs for a building or use.

2. The Planning Commission hereby finds this proposed Zoning Code amendment to be consistent with the City of Oroville 2030 General Plan.
3. This action has been determined to be exempt from the California Environmental Quality Act (CEQA) review under the General Rule Exemption; Title 14, CCR, §15061(b)(3).

I HEREBY CERTIFY that the foregoing resolution was duly introduced and passed at a regular meeting of the Planning Commission of the City of Oroville held on the 22nd of June, 2015 by the following vote:

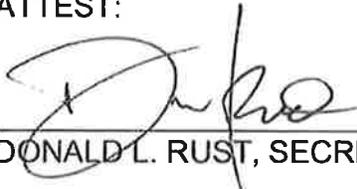
AYES: COMMISSIONERS BRITTON, BRAND, CHAPMAN, JENKINS, VICE
CHAIRPERSON DURLING, CHAIRPERSON ROBISON

NOES: NONE

ABSTAIN: NONE

ABSENT: COMMISSIONER VANG

ATTEST:



DONALD L. RUST, SECRETARY

APPROVE:



DAMON ROBISON, CHAIRPERSON

Exhibit E



CITY OF OROVILLE
OFFICE OF THE CITY ATTORNEY
1735 MONTGOMERY STREET • OROVILLE, CA 95965-4897

530-538-2533
Fax 530-538-2468

PUBLIC NOTICE
CITY OF OROVILLE
ORDINANCE NO. 1809
ORDINANCE AMENDMENT (OROVILLE MUNICIPAL CODE CHAPTER 26-19.150)

NOTICE IS HEREBY GIVEN that on Tuesday, September 1, 2015, the City of Oroville City Council will consider adopting amendments to Section 26-19.150 of the Oroville Municipal Code relating to the City's sign regulations in the Downtown Historic Overlay and Historic Preservation District.

The amendment to Section 26-19.150 allows neon lights and internal illumination of historic signs in the Downtown Historic Overlay and Historic Preservation District.

**CITY OF OROVILLE
STAFF REPORT**

TO: MAYOR AND COUNCIL MEMBERS

FROM: RUTH WRIGHT, FINANCE DIRECTOR

**RE: REINSTATEMENT OF FULL-TIME SWORN POLICE OFFICER
POSITION**

DATE: SEPTEMBER 1, 2015

SUMMARY

The Council may consider a correction to the Police Department Position Control List to include the reinstatement of a full-time Sworn Police Officer position.

DISCUSSION

The Council may consider the formal reinstatement of a Sworn Officer position that was erroneously eliminated in 2012. In 2012, the position for a full-time Detective was eliminated as the intent was to have the position filled by a rotation of various Police Officers, as available. While the intent was to no longer have the position assigned to a single person, somehow the position was eliminated altogether from the Position Control List that Finance and Human Resources reconcile to.

Funding for this position has been included in subsequent budgets as well as in the most recent Adopted Budget. However, funding is lumped into the same category with Reserve Officers.

Staff is asking Council to reinstate a full-time position for a Sworn Officer and separate funding for this position from the Reserve Officer funding.

FISCAL IMPACT

No fiscal impact to the General Fund as the position was funded in the 2015/2016 Adopted Annual Budget.

RECOMMENDATION

Approve the correction to the Police Department Position Control List to include the reinstatement of a full-time Sworn Police Officer position.

CC-4

ATTACHMENT (S)

Salary schedule used for budgeting

**OROVILLE CITY COUNCIL
STAFF REPORT**

TO: MAYOR AND COUNCIL MEMBERS

**FROM: DONALD L. RUST, DIRECTOR;
COMMUNITY DEVELOPMENT DEPARTMENT
AMY BERGSTRAND, MANAGEMENT ANALYST III;
BUSINESS ASSISTANCE AND HOUSING DEVELOPMENT DEPARTMENT**

RE: LETTER OF AGREEMENT WITH DAVIS HAMMON AND COMPANY

DATE: SEPTEMBER 1, 2015

SUMMARY

The Council may consider a Letter of Agreement with Davis Hammon & Company to review the City's financial information and recap Home Investment Partnership Program's (HOME) Program Income received and expended for the period July 1, 2002 through June 30, 2015.

DISCUSSION

In 2013, staff discovered an error on a spreadsheet in the Finance Department that dictated what Program Income fund repayments should be placed. After additional research, it was discovered that the error began in 2002, and had placed Community Development Block Grant (CDBG) Program Income in the HOME Program Income Account, totaling \$244,796.54. Since 2013, staff has been working with both the HOME and CDBG Program staff to correct this error.

Staff is requesting the assistance of Davis Hammon and Company to review the financial system and to track and recap the HOME Program Income received and expended for the period July 1, 2002 through June 30, 2015. Secondly, Davis Hammon and Company will determine the amount of unexpended HOME Program Income as of June 30, 2015. Lastly, Davis Hammon and Company will develop adjusting journal entries to correct any errors discovered to reconcile the MOM System's General Ledger accounts to reports submitted to the HOME and CDBG Programs.

Davis Hammon and Company have agreed to provide this service to the City for an hourly rate of \$110. They anticipate a maximum of 40 hours will be needed to perform the work.

FISCAL IMPACT

Funding in the amount of approximately \$4,400 is available in the Community
BAHD 1 09.01.2015

CC-5

Development Block Grant (CDBG) Program Income General Administration Account:
453-7000-8453 (GEN).

There is no impact to the General Fund.

RECOMMENDATIONS

Adopt Resolution No. 8422 – A RESOLUTION OF THE OROVILLE CITY COUNCIL AUTHORIZING AND DIRECTING THE MAYOR TO EXECUTE A LETTER OF AGREEMENT WITH DAVIS HAMMON AND COMPANY, IN AN AMOUNT NOT TO EXCEED \$4,400, FOR FINANCIAL SERVICES RELATING TO THE HOME INVESTMENT PARTNERSHIP PROGRAM (HOME) PROGRAM INCOME RECEIVED AND EXPENDED FOR THE PERIOD JULY 1, 2002 THROUGH JUNE 30, 2015 – (Agreement No. 3144).

ATTACHMENTS

Resolution No. 8422
Agreement No. 3144

**CITY OF OROVILLE
RESOLUTION NO. 8422**

A RESOLUTION OF THE OROVILLE CITY COUNCIL AUTHORIZING AND DIRECTING THE MAYOR TO EXECUTE A LETTER OF AGREEMENT WITH DAVIS HAMMON AND COMPANY, IN AN AMOUNT NOT TO EXCEED \$4,400, FOR FINANCIAL SERVICES RELATING TO THE HOME INVESTMENT PARTNERSHIP PROGRAM (HOME) PROGRAM INCOME RECEIVED AND EXPENDED FOR THE PERIOD JULY 1, 2002 THROUGH JUNE 30, 2015

(Agreement No. 3144)

Be it hereby resolved by the Oroville City Council as follows:

1. The Mayor is hereby authorized and directed to execute a Letter of Agreement with Davis Hammon and Company for financial services relating to the HOME Investment Partnership Program. A copy of the Agreement is attached as Exhibit A.
2. The City Clerk shall attest to the adoption of this Resolution.

PASSED AND ADOPTED by the Oroville City Council at a regular meeting on September 1, 2015, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Linda L. Dahlmeier, Mayor

APPROVED AS TO FORM:

ATTEST:

Scott E. Huber, City Attorney

Jamie Hayes, Assistant City Clerk



Davis W. Hammon, Jr., CPA
(1924-1989)

Stephen B. Norman, CPA • PFS
Stephen J. Herr, CPA
James L. Duckett, CPA

August 17, 2015

Members of the City Council
City of Oroville
Oroville, CA 95965

We are pleased to confirm our understanding of the nature and limitations of the services we are to provide for the City of Oroville.

We will apply the agreed-upon procedures which Management of the City of Oroville ("Management") has specified as listed in the attached schedule, to City's HOME program income receipts and expenditures, and HOME Program Income Reports prepared by the City's Business Assistance & Housing Development Department and Finance Department for the period July 1, 2002 through June 30, 2015 prepared in accordance with guidelines established by the California Department of Housing & Community Development ("HCD"). This engagement is solely to assist Management in properly reporting HOME program income activities in compliance with HCD guidelines. Our engagement to apply agreed-upon procedures will be conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of those parties specified in the report. Consequently, we make no representation regarding the sufficiency of the procedures described in the attached schedule either for the purpose for which this report has been requested or for any other purpose. If, for any reason, we are unable to complete the procedures, we will describe any restrictions on the performance of the procedures in our report, or will not issue a report as a result of this engagement.

Because the agreed-upon procedures listed in the attached schedule do not constitute an examination, we will not express an opinion on HOME program income and expenses, or HOME Program Income Reports. In addition, we have no obligation to perform any procedures beyond those listed in the attached schedule.

We will submit a report listing the procedures performed and our findings. This report is intended solely for the use of Management, and should not be used by anyone other than these specified parties. Our report will contain a paragraph



indicating that had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

You are responsible for the presentation of HOME Program Income Reports in accordance with HCD guidelines; and for selecting the criteria and determining that such criteria are appropriate for your purposes. You are responsible for assuming all management responsibilities and for overseeing the services we provide by designating an individual, preferably within senior management, who possesses suitable skill, knowledge, and/or experience. In addition, you are responsible for evaluating the adequacy and results of the services performed and accepting responsibility for the results of such services.

Stephen J. Herr is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it.

We plan to begin our procedures on approximately September 7, 2015 and, unless unforeseeable problems are encountered, the engagement should be completed by September 25, 2015. At the conclusion of our engagement, we will require a representation letter from management that, among other things, will confirm management's responsibility for the presentation of the HOME Program Income Reports in accordance with HCD guidelines.

Our hourly fees will be charged at a rate of \$110. We estimate a maximum of 40 hours will be needed to perform the procedures. The fee estimate is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the engagement. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 45 days or more overdue and will not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket expenditures through the date of termination.

We appreciate the opportunity to assist you and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us. If the need for additional procedures arises, our agreement with you will need to be revised. It is



DAVIS HAMMON & CO.
Certified Public Accountants

customary for us to enumerate these revisions in an addendum to this letter. If additional specified parties of the report are added, we will require that they acknowledge in writing their responsibility for the sufficiency of procedures.

RESPONSE:

This letter correctly sets forth the understanding of the City of Oroville.

By: _____

Title: _____

Date: _____



DAVIS HAMMON & CO.
Certified Public Accountants

AGREED-UPON PROCEDURES

- 1) We will review the City of Oroville's MOM system to track and recap HOME program income received and expended for the period July 1, 2002 through June 30, 2015.
- 2) We will determine the amount of unexpended HOME program income as of June 30, 2015, included amounts miss-posted as CDBG program income in account 150-8337
- 3) We will develop adjusting journal entries to correct any errors discovered to reconcile the MOM system general ledger accounts to reports submitted for the HOME program.

**CITY OF OROVILLE
STAFF REPORT**

TO: MAYOR AND COUNCIL MEMBERS

FROM: BILL LA GRONE, DIRECTOR OF PUBLIC SAFETY

**RE: AMENDMENT TO NORTHWEST SOCIETY FOR THE PREVENTION OF
CRUELTY TO ANIMALS AGREEMENT**

DATE: SEPTEMBER 1, 2015

SUMMARY

The Council may consider an Amendment to the Northwest Society for the Prevention of Cruelty to Animals Agreement, to include the newly annexed Area B, in South Oroville.

DISCUSSION

Due to the Annexation of Area B in South Oroville, it has become necessary to provide Animal Control Services to the new part of the City. Staff has meet with the Northwest Society for the Prevention of Cruelty to Animals (NW SPCA) our current provider of Animal Control Services regarding this additional work.

The current Agreement is in effect through June 30, 2016. It began with a three year term starting in December 2011 through June 2014, and it contained two (2) one-year extensions that were automatically effective if neither party objected. Since neither party objected, both one-year extensions were automatically approved. As a result of the fiscal issues suffered by the City in 2012 and 2013, the NW SPCA agreed to waive the 2% annual increase provided for in the Agreement to assist the City in balancing its budget. After the City's finances recovered, the Agreement was amended on November 18, 2014 to increase the compensation by 3% to adjust the Agreement such that the payments would approximate the original Agreement.

The NW SPCA is compensated \$310,955 per year (increased by \$40,000 on August 18, 2015 for Area A) for Animal Control Services. Since neither party to the Agreement raised an objection or request for change to the current Agreement it is assumed both parties are satisfied and have willingly entered in the first of two extensions contained within this Agreement.

The Agreement contains the following provisions:

1. The City provides NW SPCA with 345 gallons of fuel per month
2. 2% cost escalator per year
3. After hours call out pay not to exceed \$6,300 per year
4. NW SPCA credits the City (\$19,329) per year for fees collected by NW SPCA

CC-6

The annexation has resulted in the need to amend the current Agreement. Due to the extra workload related to this area, the NW SPCA is requesting additional compensation for their services.

If approved, the Amendment will take effect on October 1, 2015, and will sunset on June 30, 2016. At the end of this Amendment it will be necessary to again negotiate with the NW SPCA for the 2016/17 Fiscal Year.

The relatively short time frame of this Amendment is to allow the NW SPCA and the City to gather mutually agreeable numbers related to calls for service in the newly annexed area.

The proposed Amendments are:

1. Increase compensation in the Agreement by \$10,000 bring the annual amount of the Agreement to \$320,955;
2. Effective date of the Amendment to the Agreement from October 1, 2015 to June 30, 2016, at which time the City and the NW SPCA agree to renegotiate this Agreement.

A copy of the proposed Amendment to the Agreement is attached.

FISCAL IMPACT

A General Fund impact of \$10,000 to cover services through June 30, 2016 will come from Account No. 001-7600-2500 (Police). This amount is included in the 2015/2016 budget.

RECOMMENDATION

Adopt Resolution 8423 – A RESOLUTION OF THE OROVILLE CITY COUNCIL AUTHORIZING AND DIRECTING THE MAYOR TO EXECUTE AN AMENDMENT TO THE AGREEMENT WITH THE NORTHWEST SOCIETY FOR THE PREVENTION OF CRUELTY OF ANIMALS TO INCLUDE A \$10,000 INCREASE FOR FISCAL YEAR 2015/2016, TO INCLUDE NEWLY ANNEXED AREA B, IN SOUTH OROVILLE - (Agreement No. 2041-3).

ATTACHMENTS

Resolution No. 8423
Agreement No. 2041-3
Letter from SPCA

**CITY OF OROVILLE
RESOLUTION NO. 8423**

A RESOLUTION OF THE OROVILLE CITY COUNCIL AUTHORIZING AND DIRECTING THE MAYOR TO EXECUTE AN AMENDMENT TO THE AGREEMENT WITH THE NORTHWEST SOCIETY FOR THE PREVENTION OF CRUELTY OF ANIMALS TO INCLUDE A \$10,000 INCREASE FOR FISCAL YEAR 2015/2016 FOR NEWLY ANNEXED AREA B, IN SOUTH OROVILLE

(Agreement No. 2041-3)

NOW THEREFORE, be it hereby resolved by the Oroville City Council as follows:

1. The Mayor is hereby authorized and directed to execute an Amendment to the Agreement with the Northwest Society for the Prevention of Cruelty to Animals as attached hereto as Attachment A; and
2. The City Clerk shall attest to the adoption of this Resolution.

PASSED AND ADOPTED by the Oroville City Council at a regular meeting on September 1, 2015, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Linda L. Dahlmeier, Mayor

APPROVED AS TO FORM:

ATTEST:

Scott E. Huber, City Attorney

Jamie Hayes, Assistant City Clerk

CITY OF OROVILLE

**NORTHWEST SOCIETY FOR THE
PREVENTION OF CRUELTY TO
ANIMALS**

By: _____
Linda L. Dahlmeier, Mayor

By: _____

Title: _____

Business License# _____

Tax ID No.: _____

APPROVED AS TO FORM:

ATTEST:

By: _____
Scott E. Huber, City Attorney

By: _____
Jamie Hayes, Assistant City Clerk



NORTHWEST S.P.C.A.

NORTHWEST SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS
2787 SOUTH 5TH AVE OROVILLE, CA 95965
PHONE (530) 533-7636
FAX (530) 533-7684

Spay or Neuter Your Pet

August 25, 2015

City of Oroville
Public Safety Department
ATTN: Bill LaGrone

RE: Newly annexed area B

Dear Director LaGrone,

This letter and proposal is in reference to the newly annexed area commonly know as area "B". to provide animal control and animal housing services.

Your proposal of \$10,000 for animal control services from October 1, 2015 through June 30, 2016 will be forwarded to my board and I will recommend for approval.

As discussed at our last meeting, July 1, 2015, we will keep detailed records of calls for service and animals housed in the newly annexed area "B" as a basis for the new contract beginning July 1, 2016.

Sincerely,

Lorraine Green
Executive Director

**OROVILLE CITY COUNCIL
STAFF REPORT**

TO: MAYOR AND CITY COUNCIL MEMBERS

FROM: DONALD RUST, DIRECTOR OF COMMUNITY DEVELOPMENT

RE: RE-OPENING OF THE OROVILLE SAFETY MORTGAGE ASSISTANCE PROGRAM

DATE: SEPTEMBER 1, 2015

SUMMARY

The Council may consider re-opening the Oroville Safety Mortgage Assistance Program (OSMAP).

DISCUSISON

On May 15, 2007, Council authorized staff to develop an Oroville Police Officer Housing Assistance Program (OPOHAP) that included a program funding allocation from the City/CDBG Revolving Loan Fund.

The primary purpose of the OPOHAP is to serve as a recruitment tool that would attract and retain sworn police officers for the City of Oroville while facilitating homeownership opportunities within the City limits.

In March of 2011, Council approved the addition of firefighters and renamed the program to Oroville Safety Mortgage Assistance Program.

On June 4, 2013, Council directed staff to suspend the OSMAP due to budgetary shortfalls and the fact that monies that previously funded the program were identified by a previous administrator for an internal soft loan to the General Fund for cash flow.

Staff is currently requesting Council authorization to reopen the OSMAP on a first-come first-serve basis. The program would provide a silent second mortgage subsidy loan equaling \$25,000 to aid the Oroville police and fire with the purchase of a home in the City of Oroville. The interest rate would accrue at 5% per annum for the first 10 years and be forgiven at 10% per annum from years 11 through 20. The loan would be due and payable if the borrower is no longer employed by the City , or title is transferred, or the borrower no longer occupied the property as his/her principal residence.

No more than five loans will be funded per fiscal year. Loans will be approved by the Housing Loan Advisory Committee as long as adequate funds remain available. Staff is proposing the allocation of \$125,000 using City/CDBG Revolving Loan Funds.

FISCAL IMPACT

There are funds available in the "Loans Made" line item of City/CDBG Revolving Loan Fund account number 453-7960-8453.

RECOMMENDATION

Authorize staff to re-open the Oroville Safety Mortgage Assistance Program.

ATTACHMENTS

OSMAP Program Guidelines

City of Oroville

**OROVILLE SAFETY
MORTGAGE ASSISTANCE PROGRAM
(OSMAP)**

PROGRAM GUIDELINES

7/5/20149/1/15

CITY OF OROVILLE

OROVILLE SAFETY
MORTGAGE ASSISTANCE PROGRAM

(OSMAP)

PROGRAM GUIDELINES

TABLE OF CONTENTS

I. PROGRAM PURPOSE	1
II. CONFLICT OF INTEREST	1
III. GOVERNING DOCUMENTS.....	1
IV. POLICY	1
A. ELIGIBILITY.....	1
1. LOCATION	1
2. TYPES OF HOUSING	2
3. PROPERTY STANDARDS	2

4.	MAXIMUM LOAN AMOUNT	3
5.	FLOOD PLAN RESTRICTIONS	3
6.	LEAD BASED PAINT REQUIREMENTS	3
7.	ACQUISITION NOTICE	4
8.	RELOCATION REQUIREMENTS	4
9.	APPLICANT QUALIFICATIONS	4
B. MORTGAGE SUBSIDY LOAN AMOUNT.....		4
C. HOUSING EXPENSE & OVERALL FIXED DEBT RATIOS.....		5
D. PRIORITIES.....		5
E. TERMS AND MORTGAGE SUBSIDY ASSISTANCE.....		5
1. LOAN TERM.....		5
2. SECURITY.....		5
3. PAYMENTS.....		6
4. IMPOUND ACCOUNT		6
F. SUBORDINATION, ASSUMPTION, & TRANSFER		6
V. PROCEDURES.....		8
 APPLICANT PROCESSING		8
1. PURCHASE AND PRIMARY FINANCING.....		8

2. PRIVATE LENDERS	9
3. PROPERTY INSPECTION	10
4. LOAN APPROVAL	11
5. LOAN CLOSING.....	12
6. LOAN SERVICING	12
7. LOAN SERVICES	12
8. LOAN PAY-OFF	12
9. DEFAULTS AND FORECLOSURES	12
10. EQUAL OPPORTUNITY AND FAIR HOUSING	13

ATTACHMENTS

EXHIBIT "A": LOAN AGREEMENT

EXHIBIT "B ": PROMISSORY NOTE

EXHIBIT "C": DEED OF TRUST

I. PURPOSE

The OSMAP is a program designed to serve as a recruitment incentive and provide mortgage assistance to sworn officers of the Oroville Police Department and firefighters of the Oroville Fire Department in the form of secondary loans, for the purchase of a principal residence.

The purpose of the Oroville Safety Mortgage Assistance Program (OSMAP) is to encourage employment longevity of sworn police officers in the Oroville Police Department as well as Firefighters, Fire Engineers and Fire Captains that are full-time, permanent employees for the City of Oroville Fire Department. The borrower's primary residence must be the home assisted through the OSMAP.

II. CONFLICT OF INTEREST

Any person who is an employee, agent, consultant, officer, or elected official or appointed official of the City of Oroville who exercises or exercised any functions or responsibilities with respect to activities assisted with city of Oroville funds or who are in a position to participate in a decision-making process or gain inside information with respect to these activities, may not obtain financial interest or benefit from a City of Oroville-assisted activity, or who have an interest in any contract, subcontract or agreement with respect thereto, or the proceeds thereunder, either for themselves or those with whom they have family or business ties during their tenure and for one year thereafter.

III. GOVERNING DOCUMENTS

All covenants, conditions, and stipulations contained within the OPOHAP OSMAP Deed of Trust, Promissory Note, and Loan Agreement are incorporated by this reference and made part of these OSMAP guidelines. The referenced loan documents are attached hereto as Exhibits "A", "B", and "C".

Information contained within the referenced loan documents is to be interpreted in conjunction with these program guidelines.

IV. POLICY

A. ELIGIBILITY

1. Location

Loans will be made only for property located in residentially zoned areas within the Oroville city limits.

2. Types of Housing

The OSMAP was designed to provide mortgage subsidies to borrowers purchasing existing homes or homes that will be completely constructed upon close of escrow (new construction) and are located within the Oroville City limits.

The OSMAP assistance shall not be used as a construction loan; however, an OSMAP applicant may enter into contract on a home not yet constructed as long as the home construction is completed, and the house is ready to occupy, before any OSMAP assistance shall be provided (before any funds are released).

- a. Existing single-family home or newly constructed home completed prior to close of escrow
- b. A single-family manufactured home (including a mobile home) that was manufactured no more than ten (10) years prior to the date of the application for the issuance of a permit to install the manufactured home (in accordance with Government Code §65852.3(a)), provided it is placed on a permanent foundation and siding extended to the foundation in a manner consistent with conventional homes.
- c. Existing multi-family units or newly constructed multi-family units completed prior to close of escrow which provides for individual ownership of the units, (i.e., condominiums or town houses).

3. Property Standards for Existing Units/Eligible Acquisition

- a. All housing units must meet all applicable State and Local codes and ordinances, and zoning ordinances by the close of escrow.
- b. Requirements for home or newly constructed home ownership of existing property prior to transfer of the ownership interest:
 1. Before transfer, the Housing Development

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Supervisor or Building Inspector will inspect the property for any defects that pose a danger to health and will notify the prospective purchaser of work needed to cure defects, the time by which defects must be cured and applicable property standards met as follows:

- i. Housing must be free from all noted health and safety defects before occupying.
 - ii. Housing must meet all applicable local codes and Housing Rehabilitation Standards prior to transfer of the ownership interest.
- c. Property must be used as principal residence of applicant.
 - d. The house must have a reasonable number of bedrooms to accommodate for the household size.

4. Maximum Loan Amount

An amount that, when added to the outstanding indebtedness (the primary loan and OSMAP loan subsidy) on the property, creates a total indebtedness that does not exceed 100% of the appraised value or market value estimate, unless special LAC approval is given to exceed appraised value.

All out-of-pocket costs such as appraisal, credit report, private lender fees and points, title costs, recordation fees, building permits, legal fees, etcetera shall be borne by the borrower unless special LAC approval is given to include some non-reoccurring closing costs into the loan.

5. Floodplain Restrictions

Housing located in a 100-year floodplain will not be eligible for OSMAP assistance.

6. Lead-Based Paint Requirements

-OSMAP-assisted properties constructed in or prior to 1978 will meet lead-based paint requirements prior to purchase as follows:

- a. Lead-based paint notifications are given to

purchasers;

- b. Properties will be inspected for defective paint surfaces; and
- c. If defective paint surfaces are found, they will be properly abated in accordance with State Regulations.
- d. Should the appraisal note any chipped and/or peeling paint, the City will require further review that will include testing by a certified specialist, abatement and subsequent clearance before any OSMAP funding can be provided.

7. Acquisition Notice

Acquisition notice containing the items listed below will be provided to the seller prior to making the purchase offer:

- a. The purchaser has no power of eminent domain and, therefore, will not acquire the property if negotiations fail to result in an amicable agreement;
- b. An estimate of the fair market value of the property.

If an acquisition notice is not provided prior to the purchase offer, a provision that the seller may withdraw from the agreement after this information is provided.

8. Relocation Requirements

Tenant-occupied properties will not be eligible for City of Oroville OSMAP assistance.

9. Applicant Qualifications

Applicant must be employed as a sworn officer with the Oroville Police Department or as a Firefighter, Fire Engineer or Fire Captain that are permanent, full-time employees for the City of Oroville Fire Department at the time of application or provide documentation of impending hire.

Applicant must have a positive credit profile and qualify for a fully-amortized fixed rate prime loan with a private lender.

B. MORTGAGE SUBSIDY LOAN AMOUNT

The amount of OSMAP mortgage subsidy assistance will be a flat amount of \$25,000.

C. HOUSING EXPENSE and OVERALL FIXED DEBT RATIOS

The qualifying housing expense ratio and overall fixed debt ratio shall be determined by the borrower's primary lender.

The primary lender shall base the applicant's qualifying housing expense and overall fixed debt ratios on a prime rate loan that is fully-amortized.

D. PRIORITIES

1. The initial funding for the program shall be allocated on a first-come first-serve basis. A maximum of five (5) OSMAP loans will be funded per year.
2. Priority shall be named on the date of the OSMAP receipt of written notification of a completed loan package from the primary lender.

E. TERMS OF MORTGAGE SUBSIDY ASSISTANCE

1. Loan Terms

The loan amount shall be \$25,000 with simple interest thereon, at the rate of five percent (5%) per annum for each year for the first ten (10) years, commencing on the date of the Promissory Note. All principal and interest to be due and payable at the time and in the manner as provided for by the Promissory Note.

The loan term of the OSMAP loan is deferred until termination of employment with the City of Oroville as a sworn officer of the Oroville Police Department or as a Firefighter, Fire Engineer or Fire Captain that are permanent, full-time employees for the City of Oroville Fire Department with a minimum 5-year deferment from the date of the Deed of Trust.

The loan shall become immediately due and payable

through the occurrence of one of the following events:

- Property is sold,
- Title is transferred~~transferred~~,transferred,
- Any portion of the property is rented or leased,
- Property is no longer the borrower's primary residence,
- Or as otherwise stipulated in the OPOHAP-OSMAP loan documents.

The OSMAP loan documents detail all loan terms in their entirety. Please reference Exhibits "A", "B", and "C" attached to these program guidelines.

2. Security

The OSMAP loan is secured by a Deed of Trust and shall be subordinated only to a first Deed of Trust from the primary lender.

3. Payments

Payments of principal and interest are deferred until the borrower is terminated from employment with the City of Oroville as a sworn officer of the Oroville Police Department or as a Firefighter, Fire Engineer or Fire Captain that are permanent, full-time employees for the City of Oroville Fire Department with a minimum 5-year deferment from the date of the Deed of Trust.

Payments of principal and interest shall become due and payable upon sale, lease, or transfer of the property, or when the homeowner ceases to occupy the property as their principal residence.

4. Impound Account

An impound account will be set up for all primary mortgage loans. Impound accounts will include funding for property taxes, assessment fees, and insurance for the life of the silent OSMAP loan.

F. SUBORDINATION, ASSUMPTION & TRANSFER

The purpose of the Oroville Safety Housing Assistance Program (OSHAP) is to serve as a recruitment incentive and encourage the longevity of sworn officers in the Oroville Police Department or as a Firefighter, Fire Engineer or Fire Captain that are permanent, full-

time employees for the City of Oroville Fire Department. The officer's primary residence shall be in the Oroville City limits.

The Promissory Note is not automatically assumable, but is subject to Section 711.5 of the California Civil Code which allows the City to accelerate all amounts due under the Note if one of the Borrowers is no longer a sworn officer with Oroville Police Department or ~~or~~ as a Firefighter, Fire Engineer or Fire Captain that are permanent, full-time employees for the City of Oroville Fire Department with a minimum 5-year deferment from the date of the Deed of Trust.

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Although Borrower may sell or transfer the Property without causing the principal and any outstanding interest which hereafter accrues under the Promissory Note, to become immediately due and payable, provided Borrower has obtained written consent from the City of Oroville prior to such sale or transfer.

Complete property transfer and loan assumption parameters and specifics are outlined in the OSMAP loan documents that are attached hereto as Exhibits "A", "B", and "C".

At the sole option of the City of Oroville, the City may require the execution of a new Oroville Police Officer Housing Assistance Program Loan Agreement, Promissory Note, and new Deed of Trust securing the Promissory Note with any loan modification(s).

In the event a loan recipient requests the City of Oroville to subordinate its OSMAP loan to a new Deed of Trust, ~~the Director of~~ Business Assistance and Housing Development will prepare a report for the City Administrator which contains the following information:

1. The primary lender, requesting the subordination, shall provide the City with a summary of the proposed primary loan that includes, but is not limited to the following:
 - a. Loan amount;
 - b. Interest rate;
 - c. Proposed housing expense ratio and overall fixed debt ratio;
 - d. Current appraised value
2. The primary lender, shall also provide the City with a summary of the original loan terms that includes, but is not limited to the following:
 - a. Original loan amount;

- b. Original interest rate;
 - c. Original housing expense ratio and overall fixed debt ratio;
 - d. Original appraised value
3. Primary lender shall provide a statement indicating whether the owner is receiving cash or paying off other debts from the funds received through the refinancing of the loan.
 4. The City Administrator will evaluate the report and determine the effect of the request on the City original loan security.
 - a. If the City's position is enhanced, the City Administrator may approve the subordination agreement.
 - b. If the City's position is reduced or the City Administrator does not recommend approval, and an appeal is requested by the applicant, the City Administrator shall forward the request to the Loan Advisory Committee (LAC).

The LAC may approve or deny a request for subordination or may recommend consideration by the City Council.

5. Applicants denied OSMAP assistance, or are otherwise dissatisfied with financing decisions, may request a review hearing with the three member Housing Appeals Board) consisting of two members of the City Council and the Mayor.

A request for review must be submitted, within fifteen (15) days following the notification to the applicant, of the City Administrator's decision, to deny the request for subordination, assumption, or transfer. The appeal must be made writing to the Director of Business Assistance and Housing Development.

V PROCEDURES

A. APPLICANT PROCESSING

1. Purchase and Primary Financing

- a. It is suggested that the applicant first find a lender and become pre-qualified for the loan, then look for a home to purchase.
- b. Applicants are not required to use any particular bank or brokerage and are encouraged to seek competitive market financing. The Business Assistance and Housing development staff will assist with any questions or concerns that applicants may have.
- c. The primary lender shall provide applicant with a fully amortized prime rate loan. Further, the lender shall determine qualifying housing expense and overall fixed debt ratios in accordance with the terms of the prime rate loan.

Upon securing a lender and providing an address for the purchase, an escrow account shall be opened and a tentative date for closing shall be established.

The purchase agreement should be written in such a way that if the sale of the home does not come to completion, any deposit made by the borrower will be returned in full.

The lender shall provide a copy of a preliminary title report, a copy of escrow instructions, a copy of an appraisal, complete lender's package, and a copy of the lender's Letter of Commitment, which shall include the terms of the loan, to the City. These documents must be provided to the City before the LAC can be called. At a minimum, a full sixty-day (60) escrow is required for all OPHAP-OSMAP loans.

It is the responsibility of the borrower/lender to notify the Business Assistance and Housing Development staff that escrow has opened.

- d. When all items have been received, the Business Assistance and Housing Development staff will prepare the loan request and present a summary of information to the LAC. Full lender packets (excluding appraisal information only) will be required by the agenda cut-off date in order to be scheduled for the meeting. Lender packets not received by agenda cut-off dates will be held until the next scheduled meeting date. Lender packets will be returned if incomplete.

A Deed of Trust, Promissory Note, Loan Agreement, Truth in Lending, Request for Notice and any other

documents the Business Assistance and Housing Development staff may request, will be signed in escrow by the buyers. This transaction shall be concurrent with the signing of the first mortgage lender's loan documents.

- e. Before incurring appraisal costs, the Department of Business Assistance and Housing Development must be called to verify that the loan has been approved by the City's LAC and that loan funding is still available. Verification will be the responsibility of the borrower/lender.
- f. Upon close of escrow a policy of title insurance will be issued and a certified copy of closing statements shall be required for the file.
- g. All properties selected must be inspected by the City Building Department and/or Housing Development Supervisor two weeks prior to the scheduled LAC review dates. It is the responsibility of the borrower/lender/real estate agent to call the Building Department and schedule an appointment.

2. Private Lenders

- a. Lender will determine the loan eligibility of the applicant. Business Assistance and Housing Development staff will verify subsidy eligibility based on City OSMAP policies. Stated loans are not eligible primary financing for the OSMAP subsidy.

- b. Lender performs all underwriting criteria on the loan.

The qualifying housing expense ratio and the overall fixed debt ratio shall be determined by the primary lender.

The primary lender shall base the applicant's qualifying housing expense and overall fixed debt ratios on a fully amortized fixed rate prime loan.

- c. Lender performs all credit analysis on applicant. All costs, up-front and closing, shall be paid by the borrower. The borrower shall not be reimbursed for these costs at any time.

Closing costs may not be included in the primary mortgage or the City OSMAP loan.

- d. Lender transmits to Business Assistance and Housing Development staff a current (within 90 days) title report and appraisal. In the event the lender does not require either document, the applicant will provide them.
- e. Lender advises the Business Assistance and Housing Development staff of preliminary loan approval and the applicant's request for an an OSMAP mortgage subsidy.
- f. All loans must be FHA approved (or equivalent i.e.: Cal Vet, Fannie Mae, Freddie Mac, USDA Rural Development, etcetera).

3. Property Inspection

- a. All properties selected must be inspected by the City Building Department and/or Housing Development Supervisor two weeks prior to the scheduled LAC review dates. It is the responsibility of the borrower/lender/real estate agent to call the Building Department and schedule an appointment.
- b. The property will also be inspected for lead-based paint hazards. A list of corrections or deficiencies that will need to be made will be submitted to the seller, real estate agents, and/or lenders. It will be the responsibility of the parties involved to make the necessary corrections prior to the close of escrow.

It is the responsibility of the lender or real estate agent to call the Department of Business Assistance and Housing Development at 530-538-2495 to schedule the property inspections, and re-inspection to clear any possible deficiencies.

- c. The City of Oroville, however, is under no obligation to make or supervise the repairs and improvements. Inspections by the Business Assistance and Housing Development staff and/or City of Oroville is for the sole purpose of protecting the City's security and is not to be construed as a representation that the repairs and improvements will be free from faulty material or work.

The owner has the right to, and may make or cause to be made, other independent inspections as desired for his/her own protection.

Prior to initial occupancy after transfer of ownership, property must be free from health and safety defects.

The unit must meet all property standards prior to the close of escrow.

4. Loan Approval

- a. Loans will be approved by the Loan Advisory Committee (LAC) established by the Oroville City Council.
- b. Loan requests requiring exceptions to these guidelines shall be considered by the LAC. The LAC shall have the authority to approve a loan-to-value (LTV) ratio (primary loan plus the city loan) exceeding 100% appraised value on a case by case basis. An example where this might occur would be in the event the appraised value is exceeded to allow the upfront financed mortgage insurance or a portion of the non-reoccurring closing costs to be included within the City's \$25,000 loan amount. A more extensive circumstance than above may require City Council consideration.
- c. Loans that have been approved by LAC, including the information from the primary lender, must remain the same as approved by LAC upon close of escrow.
- d. Any changes to the loan amount, term, rate, etc. on the primary loan shall have to be approved by LAC. The only exception to this rule is if the interest rate should change before escrow closes due to an unforeseen reason. If this should occur, the ~~Director of the Business Assistance and Housing Development Department~~ shall have the authority to accept minor fluctuations in the interest rate on the primary loan and everything else complies with Program Guidelines.

5. Loan Closing

- a. City deposits an OSMAP mortgage subsidy with loan documents and appropriate instructions in escrow. The City Administrator is authorized to execute loan documents on behalf of the City of Oroville loans approved in accordance with these guidelines and other loan criteria as stipulated in the OSMAP loan documents.
- b. Loan documents are signed by the applicant and recorded concurrently with loan documents from a primary lender.

6. Loan Servicing

- a. Loan repayments will be processed by the Finance Department.
- b. Annual monitoring to confirm program compliance will be performed by the Business Assistance and Housing Development staff.

7. Loan Services

Loan repayment documents will be processed by the Business Assistance and Housing Development Department staff.

8. Loan Pay-Off

Loan pay-off specifics are outlined in the OPQHAP-OSMAP loan documents that are attached hereto as Exhibits "A", "B", and "C".

9. Defaults and Foreclosure

When a first mortgage loan goes into default, every effort will be made by the Business Assistance and Housing Development Department staff to work with the borrower to resolve the problem, and attempts will be made to work out viable solutions.

10. Equal Opportunity and Fair Housing

No person shall, on the grounds of race, color, national origin, religion, or sex be excluded from participation; denied benefits; or be subjected to discrimination relating to program benefits, employment, contracting, and/or fair housing under any City of Oroville Program.

Approval:

05/20/08
03/15/11
09/1/15

**CITY OF OROVILLE
BUSINESS ASSISTANCE/HOUSING DEVELOPMENT
OROVILLE SAFETY MORTGAGE ASSISTANCE PROGRAM
PROMISSORY NOTE**

**CITY OF OROVILLE/"[Applicant First Last Name(s)]"
[Address] , Oroville, CA [Zip]**

This Promissory Note made and executed this "[Month, Day, Year]" , by and between the City of Oroville), a municipal corporation of the State of California (hereinafter referred to as "CITY"), and "[Applicant First Last Name(s)]" , a "[VESTING]" , (hereinafter referred to as "Borrower").

WITNESSETH:

Whereas, in accordance with the terms and conditions of that certain agreement between CITY and Borrower dated "[Month, Day, Year]" , and entitled "Loan Agreement – Oroville Safety Mortgage Assistance Program" (hereinafter referred to as the "Loan Agreement"), CITY has agreed to lend to Borrower the sum of [Dollars] and 00/100 DOLLARS (\$[Amount]) for the purpose of facilitating Borrower's acquisition of that certain real property, improved with a single family residence, situated in the City of Oroville, County of Butte, State of California, located at [Address] , Oroville, California [Zip] and described in the Loan Agreement (hereinafter referred to as the "Property"); and

Whereas, by this Promissory Note pursuant to the Oroville Safety Mortgage Assistance Program (hereinafter referred to as the "Promissory Note"), CITY and Borrower desire to set forth the terms and conditions under which the loan made by CITY to Borrower will be repaid by Borrower or otherwise discharged; and

Whereas, this Promissory Note and Borrower's obligation to repay the loan made by CITY to Borrower in the manner and within the time provided herein shall be secured by a Deed of Trust which shall be a lien on the Property and executed and recorded on even date herewith

(hereinafter referred to as the "Deed of Trust").

Now, therefore, in consideration of the provisions of this Note, CITY and Borrower agree as follows:

1. CITY shall lend Borrower the principal sum of [Dollars] and 00/100 DOLLARS (\$[Amount]) (Loan). Borrower promises to repay the Loan to CITY together with simple interest thereon accrued at the rate of five percent (5%) per annum each year for the first ten (10) years of this Loan commencing on the date of this Promissory Note, with all such principal and interest to be due and payable at that time and in the manner hereinafter provided for by this Promissory Note.
2. The principal and any outstanding interest which hereafter accrues under this Promissory Note shall be due and payable in full upon the occurrence of any of the following events:
 - (a) Excepting the terms set forth in Section 4 of the Deed of Trust, titled "Occupancy", in the event that Borrower ceases to occupy the Property as the principal place of residence, or in the event the Property known as [Address] , Oroville, California [Zip] , is no longer the principal place of residence of Borrower (Borrower shall be considered as occupying the Residence as Borrower's principal place of residence if Owner is living in the Residence for at least ten (10) months out of each calendar year.);
 - (b) In the event of any sale or transfer of the Property or any interest therein, without the prior written consent of CITY whether such sale or transfer be voluntary or not; or
 - (c) In the event that Borrower ceases to be an Oroville Police Department sworn officer, or an Oroville Fire Department Fire Fighter or Engineer, as this Note is given in connection with the purchase of the Property as part

of a program of the City to assist current Oroville Police Department sworn officer, or an Oroville Fire Department Fire Fighter or Engineer in the purchase of homes and to continue only so long as one of the Borrowers remains an Oroville Police Department sworn officer; and consequently, this Note is not automatically assumable, but is subject to Section 711.5 of the California Civil Code which allows the City to accelerate all amounts due under this Note if one of the Borrowers is no longer an Oroville Police Department sworn officer, or an Oroville Fire Department Fire Fighter or Engineer but only after a minimum 5-year deferment from the date of the Deed of Trust has been met; or

(d) In the event of a default by Borrower in any of the covenants, terms and conditions of the Loan Agreement, this Promissory Note, and/or the Deed of Trust; or

(e) To comply with the covenants and conditions of the Deed of Trust even dated with this Promissory Note.

3. The Loan principal and interest, when due, shall be payable at the City of Oroville Finance Department which, at present, is located at 1735 Montgomery Street, Oroville, California, 95965 or at such other place as CITY may specify in writing.

4. Although Borrower may sell or transfer the Property without causing the principal and any outstanding interest which hereafter accrues under this Promissory Note to become immediately due and payable provided Borrower has obtained from CITY its written consent to such sale or transfer, Borrower nevertheless understands and agrees that Borrower will not be entitled to such consent unless such sale or other transfer is made to a person or family as set forth in sections 6 and 23 of the corresponding Deed of Trust and the person or family agrees to occupy the Property as his/her/their principal residence, and which agrees to assume, in writing, all of Borrower's duties and obligations under the Loan

Agreement, this Promissory Note, and the Deed of Trust, or, in the alternative and at the sole option of CITY, executes a new OROVILLE SAFETY MORTGAGE ASSISTANCE PROGRAM Loan Agreement, Promissory Note, and a new Deed of Trust securing the Promissory Note.

5. Commencing on the last day of the 10th year following the date of this Promissory Note and on the last day of each year thereafter through and including the last day of the 20th year following the date of this Promissory Note, CITY agrees to forgive the repayment of 10 percent (10%) of the accrued interest then due under this Promissory Note; provided Borrower, on such date, remains the owner of the Property, is then occupying the Property as Borrower's principal place of residence, and is not otherwise in default of the Loan Agreement, this Promissory Note, or the Deed of Trust. Accordingly, at the end of the 20th year following the date of this Agreement, Borrower will have no obligation to pay to CITY any interest on the principal then due under this Promissory Note if, at such time, Borrower is still the owner of the Property, is occupying the Property as Borrower's principal place of residence, and is not otherwise in default of the Loan Agreement, this Promissory Note, and/or the Deed of Trust.
6. Repayment of principal shall be deferred until the occurrence of any event set forth in Section 2 above.
7. The prepayment of the principal or any accrued interest which hereafter accrues under this Promissory Note may be made by Borrower at any time, in whole or in part, without penalty for such prepayment.
8. The waiver by CITY of any default by Borrower shall not be considered a waiver of any subsequent default or defaults, nor shall the CITY'S failure to enforce any of the terms or conditions of the Promissory Note, Deed of Trust, or Loan Agreement be considered a waiver of CITY'S right to enforce such terms or conditions.

IN WITNESS WHEREOF the parties have executed this Promissory Note in Oroville, California, on the dates set forth below.

BORROWER

By: "[Applicant First Last Name]"

Date:

BORROWER

By: "[Applicant First Last Name]"

Date:

APPROVED AS TO FORM:
/S/ Dwight L. Moore
City Attorne

**FREE RECORDING REQUESTED PURSUANT TO
GOVERNMENT CODE SECTIONS 6103 & 27383**

WHEN RECORDED MAIL TO:

**City of Oroville
Business Assistance and Housing Development
1735 Montgomery Street
Oroville, CA 95965**

**CITY OF OROVILLE SAFETY MORTGAGE ASSISTANCE PROGRAM ("OSMAP")
DEED OF TRUST**

THIS DEED OF TRUST is made this ___ day of _____, 200_, among the Trustor, _____ ("Borrower"), and _____ **TITLE COMPANY** (the "Trustee"), and the Beneficiary, **CITY OF OROVILLE** ("Lender"). The loan which is secured by this Deed of Trust was made pursuant to the City of Oroville Safety Mortgage Assistance Program ("OSMAP").

Borrower, in consideration of the indebtedness recited and the trust created in this Deed of Trust, irrevocably grants and conveys to Trustee, in trust, with power of sale, the following described property located in the County of Butte, City of Oroville, State of California:

See Attached Exhibit A which has the address of _____, Oroville, California (the "Property Address");

Together with all the improvements now or hereafter erected on the property and all easements, rights, appurtenances, rents (subject however to the rights and authorities given in this Deed of Trust to Lender to collect and apply such rents), royalties, mineral, oil and gas rights and profits, water, water rights, and water stock, and all fixtures now or hereafter attached to the property, all of which including replacements and additions thereto, shall be deemed to be and remain a part of the property covered by this Deed of Trust; and all of the foregoing, together with said property are referred to in this Deed of Trust as the "Property";

To secure to Lender (a) the repayment of the indebtedness evidenced by Borrower's Promissory Note ("the Note") dated _____, 200_ and incorporated by reference in this Deed of Trust in the principal sum of TWENTY-FIVE THOUSAND and 00/100 DOLLARS (\$25,000.00), plus any appropriate charges on the principal sum in the amount and on the terms described in Section 1 of the Note; the payment of all other sums, with interest thereon, advanced to protect the security of this Deed of Trust; and the performance of the covenants and agreements of the Borrower contained in this Deed of Trust and in the Note; (b) Borrower's performance of its obligations under the Agreement (i.e. herein after defined); and (c) the repayment of any future advances, with interest thereon, made to Borrower by Lender pursuant to Section 25 of this Deed of Trust ("Future Advances").

Borrower covenants that Borrower is lawfully seized of the estate conveyed by this Deed of Trust and has the right to grant and convey the Property, that with the exception of a prior deed of trust securing a loan in the principal amount of \$25,000.00, the Property is unencumbered, and that Borrower will warrant and defend generally the title to the Property against all claims and demands, subject to any declarations, easements or restrictions listed in a schedule of exceptions to coverage in any title insurance policy insuring Lender's interest of the Property.

Borrower and Lender covenant and agree as follows:

1. Payment of Principal and Interest. Borrower shall promptly pay when due the principal of and interest on the indebtedness evidenced by the Note, and late charges as provided in the Note, and the principal of and interest on any Future Advances secured by this Deed of Trust.

The Note contains provisions concerning repayment of the loan under certain conditions, as set forth in Section 2 of the Note, even dated with this Deed of Trust as follows:

- a) Borrower(s) acknowledges that in signing the Note even dated with this Deed of Trust, that the Note is given in connection with the purchase of the Property as part of a program of the City to assist current Oroville Police Department sworn officer, or an Oroville Fire Department Fire Fighter or Engineer in the purchase of homes and to continue as long as one of the Borrowers remains an Oroville Police Department sworn officer, or an Oroville Fire Department Fire Fighter or Engineer. Consequently, this Note is not automatically assumable, but is subject to Section 711.5 of the California Civil Code which allows the City to accelerate all amounts due under the Note if one of the Borrowers is no longer an Oroville Police Department sworn officer, or an Oroville Fire Department Fire Fighter or Engineer once a minimum 5-year deferment from the date of the Deed of Trust has been met.
- (b) That the loan is due and payable by Borrower if Borrower ceases to occupy the Property as the principal place residence for a continuous period of sixty (60) calendar days, or in the event the Property is no longer the principal place of

residence of Borrower. With the exception of the terms outlined in Section 4 of this Deed of Trust, titled "Occupancy."

2. Funds for Taxes and Insurance. Subject to applicable law, a written waiver by Lender, or the requirements of a deed of trust prior to this Deed of Trust, Borrower shall pay to the holder of the prior deed of trust in a timely fashion and as required by the holder of the prior deed of trust all yearly taxes and assessments which may attain priority over this Deed of Trust, plus all yearly premium installments for hazard insurance and mortgage insurance, if any, all as reasonably estimated initially and from time to time by Lender on the basis of assessments and bills and reasonable estimates of these amounts.

Any funds so collected in advance of payment by the Holder of the prior deed shall be held in an institution the deposits or accounts of which are insured or guaranteed by a Federal or State agency. All funds so held shall be used to pay taxes, assessments and insurance premiums. Borrower shall provide to Lender, without charge, a copy of the annual accounting of the funds provided by the holder of the prior deed of trust showing credits and debits to the funds and the purpose for which each debit to the funds was made.

If the amount of funds held by the holder of the prior deed of trust becomes insufficient to pay taxes, assessments and insurance premiums as they fall due, Borrower shall pay to the holder of the prior deed of trust any amount necessary to make up the deficiency within thirty (30) days from the date notice is mailed by such holder to Borrower requesting payment on these amounts.

3. Application of Payments. Unless applicable law provides otherwise, all payments received by Lender under the Note and Sections 1 and 2 hereof shall be applied by Lender in the following order to amounts owed by Borrower:

a. First, in payment of interest on any Future Advances made pursuant to Section 25 of this Deed of Trust.

b. Second, in payment of principal on any Future Advances made pursuant to Section 25 of this Deed of Trust.

c. Third, in payment of that portion of the outstanding principal balance and accrued but unpaid interest related thereon which as provided in the Note.

4. Occupancy. Borrower and his or her immediate family shall be the sole occupants of the property conveyed by this Deed of Trust, subject to Section 23. Borrower or his or her immediate family shall not lease the Residence for more than two months during any calendar year and shall not lease the Residence without providing the City with a copy of the lease. Any lease in violation of this Agreement is prohibited. Notwithstanding the above, if preapproved by the City, Owner may lease the Residence if necessitated by medical emergencies, sabbaticals, or temporary transfers, provided that the lease not exceed twelve months during a ten year period.

5. Program Eligibility. The Borrower's continuing eligibility for assistance under the Program will be reviewed at a continuous basis by the Lender as specified in the Note, subject to Section 23. If as a result of any such review it is determined that the Borrower is required to pay all principal, interest, and other charges provided in this Note and Deed of Trust, said payments shall be in accordance with Section 1 and Sections 4.0, 4.1, and 4.2 of the Note. The Note and Deed of Trust shall become immediately due and payable without notice or demand by Lender if the Borrower is no longer employed by the Oroville Police Department sworn officer, or an Oroville Fire Department Fire Fighter or Engineer and the minimum 5-year deferment from the date of the Deed of Trust has been met. Borrower shall have no longer than sixty (60) days after Borrower is no longer eligible for assistance under the Program, or after the minimum 5-year deferment from the date of the Deed of Trust, to either refinance the outstanding principle plus any other required payments under this Note or pay all amounts due and payable under this Note. If as a result of any such review it is determined that the Borrower must begin to repay that portion of the Loan provided by the City, any failure of the Borrower to repay the portion of the Loan by the method and in the amount(s) provided for in the Note shall constitute a default under this Deed of Trust.

6. Sale or Transfer of Property. Before sale or transfer of title of the Property, the Borrower, or the Borrower's representative, shall notify the Lender of his or her intention to sell or otherwise transfer title. Except as otherwise provided in Section 23 of this Deed of Trust, when Borrower transfers title, the entire Loan which is evidenced by the Note shall be immediately due and payable, except as noted in the Note. Where title is transferred to, or otherwise altered to include or favor, a spouse or person signing the Note and such spouse or person resides on the Property conveyed in this Deed of Trust and is independently eligible for assistance under the Program, the transfer or alteration in title shall not result in acceleration of the Loan evidenced by the Note. Similarly, when a spouse or person signing the Note takes title to the Property which secures this Deed of Trust by devise, descent or by operation of law upon the death of a joint tenant and such spouse or person resided on the Property and provided only if the spouse or joint tenant is also independently eligible as a Oroville Police Department sworn officer, or an Oroville Fire Department Fire Fighter or Engineer, the transfer of title shall not result in acceleration of the Loan evidenced by the Note.

Upon sale of the Property, Lender shall be paid the amounts described in Section 1 of the Note. If the Borrower determines to sell the Property, he or she has the affirmative duty to protect the interest of the City of Oroville.

7. Charges; Liens. Borrower shall pay all taxes, assessments and other charges, fines and impositions attributable to the Property which may attain a priority over this Deed of Trust, in the manner provided under Section 2 hereof or, if not paid in such manner, by Borrower making payment, when due, directly to the payee thereof. Borrower shall promptly furnish to Lender all notices of amounts due under this Section, and in the event Borrower shall make payment directly, Borrower shall promptly furnish to Lender receipts evidencing such payments. Borrower shall promptly discharge any lien which has priority over this Deed of Trust; provided, that Borrower shall not be required to discharge any such lien so long as Borrower shall agree in writing to the payment of the obligation secured by such lien in a manner acceptable to Lender, or shall in good faith contest such lien by, or defend enforcement of such lien in, legal

proceedings which operate to prevent the enforcement of the lien or forfeiture of the Property or any part thereof.

Borrower shall not allow the attachment of any subordinate lien or other encumbrance on the Property without the prior written consent of the Lender.

Borrower shall promptly pay when due all installments or payments required by and comply with all obligations of any deed of trust that is prior to this Deed of Trust.

8. Insurance. Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage," and such other hazards as Lender may require and in such amounts and for such periods as Lender may require.

The insurance carrier providing the insurance shall be chosen by Borrower subject to approval by Lender; provided that such approval shall not be unreasonably withheld. All premiums on insurance policies shall be paid in the manner provided under Section 2 hereof or, if not paid in such manner, by Borrower making payment when due directly to the insurance carrier.

All insurance policies and renewals thereof shall be in a form acceptable to Lender and shall include a standard mortgagee clause in favor of and in a form acceptable to Lender and will contain a provision requiring 30 days written notice be provided to the Lender before cancellation or termination. Subject to the rights of the holder of a prior deed of trust, Lender shall have the right to hold the policies and renewals thereof, and Borrower shall promptly furnish to Lender all renewal notices and all receipts of paid premiums. In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower.

Unless Lender and Borrower otherwise agree in writing, insurance proceeds shall be applied to restoration or repair of the Property damaged, provided such restoration or repair is economically feasible and the security of this Deed of Trust is not thereby impaired. If such restoration or repair is not economically feasible or if the security of this Deed of Trust would be impaired, the insurance proceeds shall be treated as if received from a sale of the Property, or, of that part of the Property damaged and shall be applied, in the manner described in Section 12 herein below, to the sums secured by this Deed of Trust. If the Property is abandoned by Borrower, or if Borrower fails to respond to Lender within 30 days from the date notice is mailed by Lender to Borrower that the insurance carrier offers to settle a claim for insurance benefits, Lender is authorized to collect and apply the insurance proceeds at Lender's option either to restoration or repair of the Property or to the sums secured by this Deed of Trust.

Unless Lender and Borrower otherwise agree in writing, any such application of proceeds to principal shall not extend or postpone the due date of the monthly installments of taxes and insurance referred to in Section 2 hereof or change the amount of such installments. If under Section 21 hereof the Property is acquired by Lender, all right, title and interest of Borrower in and to any insurance policies and in and to the proceeds thereof resulting from damage to the

Property prior to the sale or acquisition shall pass to Lender to the extent of the sums secured by this Deed of Trust immediately prior to such sale or acquisition.

9. Preservation and Maintenance of Property; Condominiums; Planned Unit Developments; Cooperatives. Borrower shall keep the Property in good repair and shall not commit waste or permit impairment or deterioration of the Property. If this Deed of Trust is on a unit in a condominium or a planned unit development, or on a share in a cooperative housing corporation, Borrower shall perform all of Borrower's obligations under the declaration of covenants creating or governing the condominium or planned unit development, the bylaws and regulations of the condominium or planned unit development, and constituent documents, or, the articles and bylaws and constituent documents creating and governing a cooperative housing corporation. If a condominium, or planned unit development, rider is executed by Borrower and recorded together with this Deed of Trust, the covenants and agreements of such rider shall be incorporated into and shall amend and supplement the covenants and agreements of this Deed of Trust as if the rider were a part of this Deed of Trust.

10. Protection of Lender's Security. If Borrower fails to perform the covenants and agreements contained in this Deed of Trust, or if any action or proceeding is commenced which materially affect Lender's interest in the Property, including, but not limited to, default on or foreclosure of a prior deed of trust, eminent domain, insolvency, code enforcement, or arrangements or proceedings involving a bankrupt or decedent, then Lender at Lender's option, upon notice to Borrower may make such appearances, disburse such sums and take such action as is necessary to protect Lender's interest, including, but not limited to, disbursement of reasonable attorneys' fees and entry upon the Property to make repairs. If Lender required mortgage insurance as a condition of making the Loan secured by this Deed of Trust, Borrower shall pay the premiums required to maintain such insurance in effect until such time as the requirement for such insurance terminates in accordance with Borrower's and Lender's written agreement or applicable law. Borrower shall pay the amount of all mortgage insurance premiums in the manner provided under Section 2 hereof.

Any amounts disbursed by Lender pursuant to this Section 10, with interest thereon, shall become additional indebtedness of Borrower secured by this Deed of Trust. Unless Borrower and Lender agree to other terms of payment, such amounts shall be payable upon notice from Lender to Borrower requesting payment thereof, and shall bear interest from the date of disbursement at the Interest Rate as defined in the Note.

11. Inspection. Lender may make or cause to be made reasonable entries upon and inspection of the Property, provided that Lender shall give Borrower notice prior to any such inspection specifying reasonable cause therefore related to Lender's interest in the Property. Such inspections shall include, without limitation, those made by Lender as part of the periodic recertification of eligibility of Borrower for assistance under the Program.

12. Condemnation. Subject to the rights of the holder of a prior deed of trust, the proceeds of any award claim for damages, direct or consequential, in connection with any condemnation or other taking of the Property, or part thereof, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender.

In the event of a total taking of the Property the proceeds shall be treated as if received from a sale of the Property. The proceeds shall be applied to the sums to be repaid in the amount and manner described in Section 1 of the Note. Any part of the proceeds remaining after these amounts have been paid shall be paid to the Borrower. In the event the proceeds are less than needed to fully repay these sums, the proceeds shall be allocated first to the holder of the prior deed and the remainder to that portion of the sums owed which are described in Section 1 of the Note. In the event of a partial taking of the Property, unless Borrower and Lender otherwise agree in writing, the proceeds shall be treated as if received from a sale of that portion of the Property which is taken in the condemnation. The percentage value of the portion taken, as compared to the full value of the entire Property, shall be determined by dividing the condemnation proceeds by the fair market value of the entire Property just prior to the taking. This percentage value, once determined, shall be used for calculations in c. below. Condemnation proceeds from a partial taking shall be allocated in the following manner:

a. First, in payment of interest on any Future Advances made pursuant to Section 25 of this Deed of Trust.

b. Second, in payment of principal on any Future Advances made pursuant to Section 25 of this Deed of Trust.

c. Third, to the outstanding principal balance under the Note in an amount equal to the percentage value determined above multiplied by the principal then outstanding under the Note.

d. Fourth, to the Borrower. Following the making of the above allocations of an award in partial condemnation, the principal amount owing under Section 1 of the Note shall be reduced for all purposes by the percentage value determined above. The schedule of principal amounts to be forgiven under Section 1 of the Note shall not be affected by any allocation of an award in partial condemnation.

If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the condemnor offers to make an award or settle a claim for damages, Borrower fails to respond to Lender within 30 days after the date such notice is mailed, Lender is authorized to collect and apply the proceeds, at Lender's option, either to restoration or repair of the Property or to the sums secured by this Deed of Trust.

Unless Lender and Borrower otherwise agree in writing, any such application of proceeds to principal shall not extend or postpone the due date of the payment of taxes and insurance referred to in Section 2 hereof or change the amount of such installments.

13. Borrower Not Released. Extension of the time for payment or modification of amortization of the sums secured by this Deed of Trust granted by Lender to Borrower shall not operate to release, in any manner, the liability of the original Borrower and Borrower's successors in interest. Lender shall not be required to commence proceedings against such successor or refuse to extend time for payment or otherwise modify amortization of the sums

secured by this Deed of Trust by reason of any demand made by the original Borrower and Borrower's successors in interest.

14. Forbearance by Lender Not a Waiver. Any forbearance by Lender in exercising any right or remedy hereunder, or otherwise afforded by applicable law, shall not be a waiver of or preclude the exercise of any such right or remedy. The procurement of insurance or the payment of taxes or other liens or charges by Lender shall not be a waiver of the Lender's right to accelerate the maturity of the indebtedness secured by this Deed of Trust.

15. Remedies Cumulative. All remedies provided in this Deed of Trust are distinct and cumulative to any other right or remedy under this Deed of Trust or afforded by law or equity, and may be exercised concurrently, independently or successively.

16. Successors and Assigns Bound; Joint and Several Liability; Captions. The covenants and agreements contained in this Deed of Trust shall bind, and the rights hereunder shall inure to, the respective successors and assigns of Lender and Borrower, subject to the provisions of Section 20 hereof. All covenants and agreements of Borrower shall be joint and several. The captions and headings of the paragraphs of this Deed of Trust are for convenience only and are not to be used to interpret or define the provisions hereof.

17. Notice. Except for any notice required under applicable law to be given in another manner, (a) any notice to Borrower provided for in this Deed of Trust shall be given by the mailing of such notice by certified mail addressed to Borrower at the Property Address or at such other address as Borrower may designate by notice to Lender as provided in this Section 17; and (b) any notice to Lender shall be given by certified mail, return receipt requested, to Lender's address stated in this Deed of Trust or to such other address as Lender may designate by notice to Borrower as provided in this Section 17. Any notice provided for in this Deed of Trust shall be deemed to have been given to Borrower or Lender when given in the manner designated herein.

18. Governing Law; Severability. This Deed of Trust shall be governed by the law of California. In the event that any provision or clause of this Deed of Trust or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Deed of Trust or the Note which can be given effect without the conflicting provision, and to this end the provisions of the Deed of Trust and the Note are declared to be severable.

19. Borrower's Copy. Borrower should be furnished a conformed copy of the Note and of this Deed of Trust at the time of execution or after recordation.

20. Transfer of the Property or Cessation of Employment. Subject to Section 23, if all or any of the Property or an interest in it is sold, all the sums secured by this Deed of Trust shall be immediately due and payable without notice or demand. If Lender terminates Borrower's employment or Borrower terminates his/her employment with Lender or transferred by Borrower, excluding permitted transfers to a Borrower who remains Oroville Police Department sworn officer, or an Oroville Fire Department Fire Fighter or Engineer in the manner described in Section 6 above, and the minimum 5-year deferment from the date of the Deed of Trust has

been met, all the sums secured by this Deed of Trust shall be immediately due and payable without notice or demand. If Borrower fails to pay such sums prior to the expiration of such period, Lender may, without further notice of demand on Borrower, invoke any remedies permitted by Section 21 hereof.

21. Acceleration; Remedies. Except as provided in Section 20 hereof and subject to Section 23, upon Borrower's breach of any other covenant or agreement of Borrower's in this Deed of Trust or the Note incorporated by reference in this Deed of Trust, Lender prior to acceleration shall mail notice to Borrower as provided in Section 17 hereof specifying: (1) the breach; (2) the action required to cure such breach; (3) a date, not fewer than thirty (30) days from the date the notice is mailed to Borrower, by which such breach specified in the notice may result in acceleration of the sums secured by this Deed of Trust and sale of the Property. The notice shall further inform Borrower of his or her right to a fair hearing on the existence of default, of the right to reinstate after acceleration and of the right to bring a court action, after exhaustion of administrative remedies, to assert the non-existence of a default or any other defense of Borrower to acceleration and sale. If the breach is not cured on or before the date specified in the notice, Lender at Lender's option may declare all of the sums secured by this Deed of Trust to be immediately due and payable without further demand and may invoke the power of sale and any other remedies permitted by applicable law. Lender shall be entitled to collect all reasonable costs and expenses incurred in pursuing the remedies provided in this Section 21, including, but not limited to, reasonable attorneys' fees.

Lender shall execute or cause Trustee to execute a written notice of the occurrence of an event of default and of Lender's election to cause the Property to be sold and shall cause such notice to be recorded in which the Property or some part thereof is located. Lender or Trustee shall mail copies of such notice in the manner prescribed by applicable law to Borrower and to the other persons prescribed by applicable law. Trustee shall give public notice of sale to the persons and in the manner prescribed by applicable law. After the lapse of such time as may be required by applicable law, Trustee, without demand on Borrower, shall sell the Property at public auction to the highest bidder at the time and place and under the terms designated in the notice of sale in one or more parcels in such order as Trustee may determine. Trustee may postpone sale of all or any parcel of the Property by public announcement at the time and place of any previously scheduled sale. Lender or Lender's designee may purchase the Property at any sale.

Trustee shall deliver to the purchaser Trustee's deed conveying the Property so sold without any covenant or warranty, expressed or implied. The recitals in the Trustee's deed shall be prima facie evidence of the truth of the statements made therein. Trustee shall apply the proceeds of the sale in the following order: (a) to all reasonable costs and expenses of the sale, including, but not limited to, reasonable Trustee's and attorneys' fees and costs of title evidence; (b) to all sums secured by this Deed of Trust, as evidenced by the Note. As to the indebtedness evidenced by the Note, such sums secured by this Deed of Trust shall include the outstanding principal balance together with accrued interest thereon, determined as provided in Section 1 of the Note.

22. Purposely Omitted.

23. Termination of Restraints on Alienation. Notwithstanding any other provisions of the Note and Deed of Trust, any restrictions on alienability of the property such as those contained in Sections 4, 5, 6 and 20 of this Deed of Trust, or elsewhere, shall terminate and have no further force or effect upon the happening of the following circumstances:

a. The Department of Housing and Urban Development, a mortgagee or another party acquires title through foreclosure of a senior lien; or a deed in lieu of foreclosure of a senior lien;

b. Assignment of the prior and senior mortgage to the Department of Housing and Urban Development.

This Deed of Trust is subordinate to any deed of trust or mortgage on the Property made by or held by an institutional lender or investor. Any party, and its successors and assigns, receiving title to the Property through a trustee's sale, a judicial foreclosure sale or deed in lieu of foreclosure, of such deed of trust or mortgage, and any conveyance or transfer thereafter, shall receive title free and clear of the provisions of this Deed of Trust.

24. Appointment of Receiver; Lender in Possession. Upon the occurrence of any events described in Section 20 or acceleration under Section 21 hereof or abandonment of the Property, Lender, in person, by agent or by judicially appointed receiver shall be entitled to enter upon, take possession of, rent and manage the Property and to collect the rents of the Property. All rents collected by Lender or the receiver shall be applied first to payment of cost of management of the Property and collection of rents, including, but not limited to, receiver's fees, premiums on receiver's bonds and reasonable attorneys' fees, and then to the sums secured by this Deed of Trust. Lender and the receiver shall be liable to account only for those rents actually received.

25. Future Advances. Upon request of Borrower, Lender, at Lender's option prior to full reconveyance of the Property by Trustee to Borrower, may make Future Advances to Borrower. Such Future Advances, with interest thereon, shall be secured by this Deed of Trust when evidenced by promissory notes stating that said notes are secured by this Deed of Trust.

26. Reconveyance. Upon payment of all sums secured by this Deed of Trust, Lender shall request Trustee to reconvey the Property and shall surrender this Deed of Trust and all notes evidencing indebtedness secured by this Deed of Trust to Trustee. Trustee shall reconvey the Property without warranty and without charge to the person or persons legally entitled thereto. Such person or persons shall pay all costs of recordation, if any.

27. Substitute Trustee. Lender, at Lender's option, may from time to time remove Trustee and appoint a successor trustee to any Trustee appointed under this Deed of Trust. Without conveyance of the Property, the successor trustee shall succeed to all the title, power and duties conferred upon the Trustee in this Deed of Trust and by applicable law.

28. Request for Notices. Borrower requests that copies of the notice of default and notice of sale be sent to Borrower's address which is the Property Address. Lender requests that any Notice of Default and/or Sale be sent to:

CITY OF OROVILLE
Director of Business Assistance and Housing Development
1735 Montgomery Street
Oroville, CA 95965

29. Statement of Obligation. Lender may collect a fee not to exceed \$30.00 for furnishing the statement of obligation as provided by Section 2943 of the Civil Code of California.

IN WITNESS WHEREOF, Borrower has executed this Deed of Trust on or as of the date first written above.

BORROWER:

**FREE RECORDING REQUESTED PURSUANT TO
GOVERNMENT CODE SECTIONS 6103 & 27383**

WHEN RECORDED MAIL TO:

**City of Oroville
Business Assistance and Housing Development
1735 Montgomery Street
Oroville, CA 95965**

**AGREEMENT
OROVILLE SAFETY MORTGAGE ASSISTANCE
PROGRAM**

Table of Contents

Page No.

Recitals.....	1
1. Loan Amount	1
2. Loan Shall be Due.....	1
3. Description of Property.....	2
4. Owner Certifications.....	2
5. Leasing of Residence	2
6. Maintenance and Inspection of Property	2
7. Payment of Home Owner's Association Dues	3
8. Restrictions on Transfer.....	3
9. Notice of Intended Transfer or Vacation	3
10. Defaults and Remedies	3
11. Binding on Successor and Assigns	4
12. Superiority of Agreement	4
13. Rights of Mortgagees.....	4
14. Invalid Provisions	5
15. Controlling Law.....	5
16. Notices	5
17. Interpretation of Agreement.....	5

**AGREEMENT
OROVILLE SAFETY MORTGAGE ASSISTANCE PROGRAM**

BORROWER: _____

RESIDENCE: _____
Oroville, California _____

This Agreement is entered into as of this ___ day of _____, 20__, by and between the City of Oroville, including any nominee of the City of Oroville ("City"), and _____ ("Borrower").

RECITALS

WHEREAS, one of the components of the City of Oroville Safety Mortgage Assistance Program ("OSMAP") developed by the City is to provide housing assistance to Oroville Police Department sworn officer, or an Oroville Fire Department Fire Fighter or Engineer for secondary loans for the purchase of their principal residences; and

WHEREAS, the purpose of the OSMAP is to encourage Oroville Police Department sworn officer, or an Oroville Fire Department Fire Fighter or Engineer to reside in the City of Oroville as the officer's primary residence.

NOW THEREFORE, the City and Borrower agree as follows:

1. Under the OSMAP, the City will lend \$ _____ (Loan) to Borrower, evidenced by a promissory note (the "Note") which is secured by a second deed of trust (the "Deed of Trust") in favor of the City.

2. The Loan shall be due (i) when the Borrower is no longer employed as an Oroville Police Department sworn officer, or an Oroville Fire Department Fire Fighter or Engineer but with a minimum 5-year deferment from the date of the Deed of Trust; (ii) if the Borrower is no longer employed by the City of Oroville as a sworn police officer, then the Loan principal and interest shall be due and payable immediately upon a minimum 5-year deferment from the date of the Deed of Trust.

3. Description of Property. This Agreement concerns the purchase of real property commonly known as _____, Oroville, California, which is more fully described in Exhibit A attached hereto and incorporated herein by reference (the "Residence").

4. Borrower Certifications. Borrower has certified that (i) the financial and other information previously provided to the City in order to enable Borrower to qualify to purchase the Residence and receive financing secured by the Deed of Trust is true and correct as of the date first written above, and (ii) the Borrower shall occupy the Residence as the Borrower's principal place of residence. Borrower shall be considered as occupying the Residence as Borrower's principal place of residence if Owner is living in the Residence for at least ten (10) months out of each calendar year.

5. Leasing of Residence. Borrower shall not lease the Residence for more than two (2) months during any calendar year and shall not lease the Residence without providing the City with a copy of the lease. Any lease in violation of this Agreement is prohibited and shall be voidable by the City. Notwithstanding the above, if preapproved by the City, Owner may lease the Residence if necessitated by medical emergencies, sabbaticals, or temporary transfers, provided that the lease not exceed twelve (12) months during a ten-year period.

6. Maintenance and Inspection of Property. Borrower shall maintain the Residence in good condition and repair throughout Borrower's period of ownership of the Residence. In addition, upon its receipt of notice of Borrower's intent to transfer the Residence (pursuant to Section 7, below), the City shall be entitled to inspect the Residence to determine whether any violations of applicable building, plumbing, electric, fire, housing or other applicable codes exist and whether the Residence has been maintained in good condition. The City shall notify Borrower with regard to any identified City Code violations and maintenance deficiencies (collectively, the "Deficiencies"), and Borrower shall cure the Deficiencies in a reasonable manner acceptable to the City within sixty (60) days of being notified in writing of the results of the inspections, but in no event later than close of escrow. Should Borrower fail to cure all the Deficiencies prior to the scheduled date of close of escrow, at the option of the City or its designated Eligible Purchaser ("Designee"), escrow may be closed, title passed and money paid to Borrower subject to the condition that such funds as are necessary to pay for curing the Deficiencies, based upon written estimates obtained by the City, shall be withheld from the money due Borrower and held by the escrow holder for the purpose of curing the Deficiencies.

A copy of this Agreement certified by the City as being in full force and effect shall constitute Borrower's irrevocable instructions to the escrow holder to comply with any and all demands by the City in connection with such funds. The City and/or its Designee shall cause the Deficiencies to be cured and, upon certification of completion of work by the City, the escrow holder shall utilize such funds to pay for said work. Any remaining funds shall be paid to Borrower, and any deficits shall be paid by Borrower.

7. Payment of Home Owner's Association Dues. Borrower shall pay all applicable dues and assessments levied on the Residence by the homeowner's association in which Owner, through Owner's ownership of the Residence, is a member. If Borrower fails to pay applicable dues and assessments levied on the Residence by homeowner's association, Borrower shall be in violation of this Agreement.

8. Restrictions on Transfer. Any transfer of the Residence shall be subject to the provisions of this Agreement. "Transfer" shall mean any voluntary or involuntary sale, assignment or transfer of ownership of the Residence or of any interest in the Residence, (including, but not limited to, a fee simple interest, a joint-tenancy interest, a life estate, a leasehold interest, or an interest evidenced by a land contract by which possession of the Residence is transferred and Borrower retains title), except transfers by gift, devise or inheritance to an existing spouse, surviving joint tenant, or a spouse as part of a dissolution proceeding or in connection with marriage who is a Oroville Police Department sworn officer, or an Oroville Fire Department Fire Fighter or Engineer.

9. Notice of Intended Transfer or Vacation. In the event Borrower intends to Transfer or vacate the Residence, Borrower shall promptly notify the City in writing of such intent. Said notice from Borrower shall be sent by certified mail, return receipt requested, to the Director of Business Assistance and Housing Development, City of Oroville, 1735 Montgomery Street, Oroville, CA 95965.

10. Defaults and Remedies. Upon a violation of any of the provisions of this Agreement or the Note by Borrower, the City shall give written notice to Borrower by certified mail, return-receipt requested, specifying the nature of the violation. If the violation is not corrected to the satisfaction of the City within a reasonable period of time, not longer than thirty (30) days after the date the notice is mailed, or within such further time as the City determines is necessary to correct the violation, the City may declare a default under this Agreement and/or the Note. Upon the declaration of a default, the City may apply to a court of competent jurisdiction

for specific performance of the obligations of this Agreement and/or the Note, for an injunction prohibiting a proposed transfer in violation of this Agreement and/or the Note, for a declaration that a transfer in violation of the provisions of this Agreement and/or the Note is void, or for any such other relief at law or in equity as may be appropriate. Upon the occurrence of a default, the City shall also be entitled to file a notice of default and a notice of sale under the Deed of Trust which provides security for the Note. In the event of default and foreclosure, the City or its Designee shall have the same right as Borrower to cure defaults and redeem the Residence prior to foreclosure sale. Borrower, and/or Borrower's purchaser or transferee in those circumstances where a transfer has occurred in violation of this Agreement, shall hold the City and its employees or other agents harmless and reimburse the expenses, legal fees and costs for any action the City or its employees or other agents take in enforcing the provisions of this Agreement including legal fees and costs in connection with any bankruptcy proceedings, appellate proceedings and post-judgment enforcement proceedings.

11. Binding on Successor and Assigns. This Agreement shall bind, and the benefit hereof shall inure to, Borrower, his or her heirs, legal representatives, executors, successors-in-interest and assigns, and to the City and its successors.

12. Superiority of Agreement. Borrower covenants that the Borrower has not, and will not, execute any other agreement with provisions contradictory to, or in opposition to, the provisions hereof, and that, in any event, the Owner understands and agrees that this Agreement shall control the rights and obligations between the parties. This Agreement is subordinate to any deed of trust or mortgage approved by the City on the Property made by or held by an institutional lender or investor. Any party, and its successors and assigns, receiving title to the Property through a trustee's sale, a judicial foreclosure sale or deed in lieu of foreclosure, of such deed of trust or mortgage, and any conveyance or transfer thereafter, shall receive title free and clear of the provisions of this Agreement.

13. Rights of Mortgagees. This Agreement shall not diminish or affect the rights of the City under the Note and the Deed of Trust.

14. Invalid Provisions. If any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, then such provision or provisions shall be deemed severable from the remaining provisions contained in this Agreement, and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

15. Controlling Law. The terms of this Agreement shall be interpreted under the laws of the State of California.

16. Notices. All notices required herein shall be sent by certified mail, return- receipt requested, as follows:

To the City or Oroville:

Director of Business Assistance
and Housing Development
1735 Montgomery Street
Oroville, CA 95965

To the Owner:

Oroville, CA _____

or such other address that the City or Owner may subsequently request in writing.

17. Interpretation of Agreement. The terms of this Agreement shall be interpreted to encourage to the extent possible that the sales price and debt payments of the Residence remain affordable to moderate income households. All recitals of this Agreement are hereby incorporated by this reference as true and correct.

IN WITNESS WHEREOF, the parties have executed this Agreement on or as of the date first written above.

CITY OF OROVILLE

BORROWER

BY: _____
Mayor

BY: _____

**OROVILLE CITY COUNCIL
STAFF REPORT**

TO: MAYOR AND COUNCIL MEMBERS

**FROM: DONALD RUST, DIRECTOR OF COMMUNITY DEVELOPMENT;
TYSON PARDEE, IT MANAGER**

**RE: AMENDED AND RESTATED PROFESSIONAL SERVICES AGREEMENT
WITH CHRISTOPHER SMITH DBA ROCKETSPOTS.TV**

DATE: SEPTEMBER 1, 2015

SUMMARY

The Council may consider an Amended and Restated Professional Services Agreement with Christopher Smith dba: RocketSpots.tv (formerly Musselman Pictures), in the amount of \$10,450, relating to video recording services provided for the Oroville City Council meetings.

DISCUSSION

Musselman Pictures was awarded an Agreement in March, 2008, to provide video recording services for the City Council and Redevelopment Agency meetings. In June 2011, the Council approved an amended and restated Agreement with Musselman Pictures for two years, and again in June 2013 for an additional year. The current agreement expired on June 30, 2014, and has been ongoing under a month-to-month basis.

RocketSpots.tv will be charging the City \$405 per meeting, plus 7.50% sales tax for a total amount of \$435.38, which would include:

- Recording the meetings in a stable, reliable format
- Allow full resolution between two (2) high definition cameras, giving greater clarity/visibility to Council Members
- Delivery of a high definition MP4 video file to the City via Dropbox or FTP

Staff is requesting that a two (2) year Amended and Restated Agreement with RocketSpots.tv be approved for the video recording of the City Council meetings from September 1, 2015 to August 31, 2017 for an amount not to exceed \$10,450.

FISCAL IMPACT

Funding is available in the 2015/16 budget in the following accounts:

General Fund	001-7000-1000	\$6,792.00	(65%)
General Fund	001-7000-1450	\$3,658.00	(35%)

RECOMMENDATION

Adopt Resolution No. 8424 – A RESOLUTION OF THE OROVILLE CITY COUNCIL AUTHORIZING AND DIRECTING THE MAYOR TO EXECUTE AN AMENDED AND RESTATED PROFESSIONAL SERVICES AGREEMENT WITH CHRISTOPHER SMITH DBA: ROCKETSPOTS.TV (FORMERLY MUSSELMAN PICTURES), IN THE AMOUNT OF \$10,450, RELATING TO VIDEO RECORDING SERVICES PROVIDED FOR THE OROVILLE CITY COUNCIL MEETINGS – (Agreement No. 1810-6).

ATTACHMENTS

Resolution No. 8424
Agreement No. 1810-6

**CITY OF OROVILLE
RESOLUTION NO. 8424**

A RESOLUTION OF THE OROVILLE CITY COUNCIL AUTHORIZING AND DIRECTING THE MAYOR TO EXECUTE AN AMENDED AND RESTATED AGREEMENT WITH CHRISTOPHER SMITH DBA: ROCKETSPOTS.TV (FORMERLY MUSSELMAN PICTURES), IN THE AMOUNT OF \$10,450, RELATING TO VIDEO RECORDING SERVICES PROVIDED FOR THE OROVILLE CITY COUNCIL MEETINGS

(Agreement No. 1810-6)

BE IT HEREBY RESOLVED by the Oroville City Council as follows:

1. The Mayor is hereby authorized and directed to execute an Amended and Restated Agreement with Christopher Smith dba: RocketSpots.tv (formerly Musselman Pictures) to video record the Oroville City Council meetings. A copy of the Agreement is attached as Exhibit "A".
2. The City Clerk shall attest to the adoption of this Resolution.

PASSED AND ADOPTED by the Oroville City Council at a regular meeting on September 1, 2015, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Linda L. Dahlmeier, Mayor

APPROVED AS TO FORM:

ATTEST:

Scott E. Huber, City Attorney

Jamie Hayes, Assistant City Clerk

AMENDED AND RESTATED AGREEMENT FOR PROFESSIONAL SERVICES

This Agreement is made and entered into as of **September 1, 2015**, by and between the **City of Oroville**, a municipal corporation ("City") and Christopher Smith, dba: **RocketSpots.tv** ("Consultant").

RECITALS

- A. Consultant is specially trained, experienced and competent to film and produce recordings of City Council meetings for the City of Oroville as required by this Agreement; and
- B. Consultant possesses the skill, experience, ability, background, license, certification, and knowledge to provide the services described in this Agreement on the terms and conditions described herein; and
- C. City desires to retain Consultant to render professional services as set forth in this Agreement.

AGREEMENT

1. Scope of Services. The Consultant shall furnish the following services in a professional manner:

Consultant shall perform the services described in Exhibit "A" which is attached hereto and incorporated herein by reference. Consultant shall video record the Oroville City Council meetings, and provide a copy of each video recording to the City of Oroville in the manner specified in Exhibit "A", subject to the direction of the City or the City Administrator.
2. Time of Performance. The services of Consultant shall commence upon execution of this **Agreement and shall continue until August 31, 2017.**

3. Compensation. Compensation to be paid to Consultant shall be in accordance with the Schedule of Charges set forth in Exhibit "A", which is attached hereto and incorporated herein by reference. **In no event shall Consultant's compensation exceed the amounts of \$ 10,450 per year at a rate of \$435.38 per Oroville City Council meeting without additional written authorization from the City.** Payment by City under this Agreement shall not be deemed a waiver of defects in Consultant's services, even if such defects were known to the City at the time of payment.
4. Method of Payment. Consultant shall submit monthly billings to City describing the work performed during the preceding month. Consultant's bills shall include a brief description of the services performed, the date the services were performed, the number of hours spent and by whom, and a description of any reimbursable expenditures. City shall pay Consultant no later than 30 days after approval of the monthly invoice by City staff.
5. Extra Work. At any time during the term of this Agreement, City may request that Consultant perform Extra Work. As used herein, "Extra Work" means any work which is determined by City to be necessary for the proper completion of Consultant's services, but which the parties did not reasonably anticipate would be necessary at the execution of this Agreement. Consultant shall not perform, nor be compensated for, Extra Work without prior written authorization from City.
6. Termination. This Agreement may be terminated by the City immediately for cause or by either party without cause upon fifteen days' written notice of termination. Upon termination, Consultant shall be entitled to compensation for

services properly performed up to the effective date of termination.

7. Ownership of Documents. All plans, studies, documents and other writings prepared by and for Consultant, its officers, employees and agents and subcontractors in the course of implementing this Agreement, except working notes and internal documents, shall become the property of the City upon payment to Consultant for such work, and the City shall have the sole right to use such materials in its discretion without further compensation to Consultant or to any other party. Consultant shall, at Consultant's expense, provide such reports, plans, studies, documents, and other writings to City within three (3) days after written request.

- Licensing of Intellectual Property. This Agreement creates a nonexclusive and perpetual license for City to copy, use, modify, reuse, or sublicense any and all copyrights, designs, and other intellectual property embodied in documents or works of authorship fixed in any tangible medium of expression, including but not limited to, data magnetically or otherwise recorded on computer diskettes, which are prepared or caused to be prepared by Consultant under this Agreement ("Documents and Data"). Consultant shall require all subcontractors to agree in writing that City is granted a nonexclusive and perpetual license for any Documents and Data the subcontractor prepares under this Agreement. Consultant represents and warrants that Consultant has the legal right to license any and all Documents and Data. Consultant makes no such representation and warranty in regard to Documents and Data which may be provided to

Consultant by City. City shall not be limited in any way in its use of the Documents and Data at any time, provided that any such use not within the purposes intended by this Agreement shall be at City's sole risk.

- Confidentiality. All ideas, memoranda, specifications, plans, procedures, drawings, descriptions, computer program data, input record data, written information, and other Documents and Data either created by or provided to Consultant in connection with the performance of this Agreement shall be held confidential by Consultant. Such materials shall not, without the prior written consent of City, be used by Consultant for any purposes other than the performance of the services under this Agreement. Nor shall such materials be disclosed to any person or entity not connected with the performance of the services under this Agreement. Nothing furnished to Consultant which is otherwise known to Consultant or is generally known, or has become known, to the related industry shall be deemed confidential. Consultant shall not use City's name or insignia, photographs relating to project for which Consultant's services are rendered, or any publicity pertaining to the Consultant's services under this Agreement in any magazine, trade paper, newspaper, television or radio production or other similar medium without the prior written consent of City.

8. Consultant's Books and Records.

- a. Consultant shall maintain any and all ledgers, books of account, invoices, vouchers, canceled checks, and other records or documents evidencing or

relating to charges for services, expenditures and disbursements charged to City for a minimum period of three (3) years, or for any longer period required by law, from the date of final payment to Consultant to this Agreement.

- b. Consultant shall maintain all documents and records which demonstrate performance under this Agreement for a minimum of three (3) years, or for any longer period required by law, from the date of termination or completion of this Agreement.
 - c. Any records or documents required to be maintained pursuant to this Agreement shall be made available for inspection or audit, at any time during regular business hours, upon written request by the City Administrator, City Attorney, City Finance Director, or a designated representative of these officers. Copies of such documents shall be provided to the City for inspection at City Hall when its practical to do so. Otherwise, unless an alternative is mutually agreed upon, the records shall be available at Consultant's address indicated for receipt of notices in this Agreement.
 - d. Where City has reason to believe that such records or documents may be lost or discarded due to dissolution, disbandment or termination of Consultant's business, City may, by written request by any of the above named officers, require that custody of the records be given to the City and that the records and documents be maintained by City Hall.
9. Independent Contractor. It is understood that Consultant, in the performance of

the work and services agreed to be performed, shall act as and be an independent contractor and shall not act as an agent or employee of the City. Consultant shall obtain no rights to retirement benefits or other benefits which accrue to City's employees, and Consultant hereby expressly waives any claim it may have to any such rights.

10. Interest of Consultant. Consultant (including principals, associates, and professional employees) covenants and represents that it does not now have any investment or interest in real property and shall not acquire any interest, direct or indirect, in the area covered by this Agreement or any other source of income, interest in real property or investment which would be affected in any manner or degree by the performance of Consultant's services hereunder. Consultant further covenants and represents that in the performance of its duties hereunder no person having any such interest shall perform any services under this Agreement.

Consultant is not a designated employee within the meaning of the Political Reform Act because Consultant:

- a. will conduct research and arrive at conclusions with respect to its rendition of information, advice, recommendation, or counsel independent of the control and direction of the City or any City official, other than normal agreement monitoring; and
- b. possesses no authority with respect to any City decision beyond rendition of information, advice, recommendation or counsel. (FPPC Reg. 18700(a)(2).)

11. Professional Ability of Consultant. City has relied upon the professional training and ability of Consultant to perform the services hereunder as a material inducement to enter into this Agreement. All work performed by Consultant under this Agreement shall be in accordance with applicable legal requirements and shall meet the standard of quality ordinarily to be expected of competent professionals in Consultant's field of expertise.
12. Compliance with Laws. Consultant shall use the standard of care in its profession to comply with all applicable federal, state and local laws, codes, ordinances and regulations.
13. Licenses. Consultant represents and warrants to City that it has all licenses, permits, qualifications, insurance and approvals of whatsoever nature which are legally required of Consultant to practice its profession. Consultant represents and warrants to City that Consultant shall, at its sole cost and expense, keep in effect or obtain at all times during the term of this Agreement, any licenses, permits, insurance and approvals which are required by the City for its business.
14. Indemnity. Consultant agrees to defend, indemnify and hold harmless the City, its officers, officials, agents, employees and volunteers from and against any and all claims, demands, actions, losses, damages, injuries, and liability, direct or indirect (including any and all costs and expenses in connection therein), arising from its performance of this Agreement or its failure to comply with any of its obligations contained in this Agreement, except for any such claim arising from the sole negligence or willful misconduct of the City, its officers, agents, employees or volunteers.

15. Insurance Requirements.

a. Consultant, at Consultant's own cost and expense, shall procure and maintain, for the duration of the Agreement, the insurance coverage and policies as set forth in Exhibit "B" attached hereto.

16. Notices. Any notice required to be given under this Agreement shall be in writing and either served personally or sent prepaid, first class mail. Any such notice shall be addressed to the other party at the address set forth below. Notice shall be deemed communicated within 48 hours from the time of mailing if mailed as provided in this section.

If to City: **City Administrator
City of Oroville
1735 Montgomery Street
Oroville, CA 95965-4897**

If to Consultant: **Christopher Smith
dba: RocketSpots.tv
5275 Scottwood Road
Paradise, Ca 95969**

17. Entire Agreement. This Agreement constitutes the complete and exclusive statement of Agreement between the City and Consultant. All prior written and oral communications, including correspondence, drafts, memoranda, and representations are superseded in total by this Agreement.

18. Amendments. This Agreement may be modified or amended only by a written document executed by both Consultant and City and approved as to form by the City Attorney.

19. Assignment and Subcontracting. The parties recognize that a substantial inducement to City for entering into this Agreement is the professional reputation,

experience and competence of Consultant. Assignments of any or all rights, duties or obligations of the Consultant under this Agreement will be permitted only with the express prior written consent of the City. Consultant shall not subcontract any portion of the work to be performed under this Agreement without the prior written authorization of the City. If City consents to such subcontract, Consultant shall be fully responsible to City for all acts or omissions of the subcontractor. Nothing in this Agreement shall create any contractual relationship between City and subcontractor nor shall it create any obligation on the part of the City to pay or to see to the payment of any monies due to any such subcontractor other than as otherwise required by law.

20. Waiver. Waiver of a breach or default under this Agreement shall not constitute a continuing waiver of a subsequent breach of the same or any other provision under this Agreement.
21. Severability. If any term or portion of this Agreement is held to be invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions of this Agreement shall continue in full force and effect.
22. Controlling Law Venue. This Agreement and all matters relating to it shall be governed by the laws of the State of California and any action brought relating to this Agreement shall be held exclusively in a state court in the County of Butte or in the United States District Court, Eastern District of California.
23. Litigation Expenses and Attorneys' Fees. If either party to this Agreement commences any legal action against the other part arising out of this Agreement, the prevailing party shall be entitled to recover its reasonable litigation expenses,

including court costs, expert witness fees, discovery expenses, and attorneys' fees.

24. Mediation. The parties agree to make a good faith attempt to resolve any disputes arising out of this Agreement through mediation prior to commencing litigation. The parties shall mutually agree upon the mediator and shall divide the costs of mediation equally. If the parties are unable to agree upon a mediator, the dispute shall be submitted to American Arbitration Association (AAA) or its successor in interest. AAA shall provide the parties with the names of five qualified mediators. Each party shall have the option to strike two of the five mediators selected by AAA and thereafter the mediator remaining shall hear the dispute. If the dispute remains unresolved after mediation, either party may commence litigation.
25. Execution. This Agreement may be executed in several counterparts, each of which shall constitute one and the same instrument and shall become binding upon the parties when at least one copy hereof shall have been signed by both parties hereto. In approving this Agreement, it shall not be necessary to produce or account for more than one such counterpart.
26. Authority to Enter Agreement. Consultant has all requisite power and authority to conduct its business and to execute, deliver, and perform the Agreement. Each party warrants that the individuals who have signed this Agreement have the legal power, right, and authority to make this Agreement and to bind each respective party.
27. Prohibited Interests. Consultant maintains and warrants that it has not employed

nor retained any company or person, other than a bona fide employee working solely for Consultant, to solicit or secure this Agreement. Further, Consultant warrants that it has not paid nor has it agreed to pay any company or person, other than a bona fide employee working solely for Consultant, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Agreement. For breach or violation of this warranty, City shall have the right to rescind this Agreement without liability. For the term of this Agreement, no member, officer or employee of City, during the term of his or her service with City, shall have any direct interest in this Agreement, or obtain any present or anticipated material benefit arising therefrom.

28. Equal Opportunity Employment. Consultant represents that it is an equal opportunity employer and it shall not discriminate against any subcontractor, employee or applicant for employment because of race, religion, color, national origin, disability, ancestry, sex or age. Such non-discrimination shall include, but not be limited to, all activities related to initial employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination.

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IN WITNESS WHEREOF, the parties have caused this Agreement to be executed on the date first written above.

CITY OF OROVILLE

ROCKETSPOTS.TV

By: _____
Linda L. Dahlmeier, Mayor

By: _____
Christopher Smith, Owner

Business License #: _____

APPROVED AS TO FORM:

ATTEST:

By: _____
Scott E. Huber, City Attorney

By: _____
Jamie Hayes, Assistant City Clerk

Attachments: Exhibit A– Scope of Services and Schedule of Charges
Exhibit B– Insurance Requirements

Hello friends in Oroville,

At the request of Tyson Pardee, I have prepared an estimate of what the costs would be for recording the twice monthly Oroville City Council Meetings as well as potentially broadcast them live via YouTube.

There are two options below, one to simply record in HD a version of the meeting which could be uploaded to the city's YouTube channel at a later date, and the other would be to both record the meeting in HD and also broadcast it LIVE on YouTube.

Option 1 – Record but not live broadcast 720p HD

\$405 per meeting (base options)

\$445 per meeting (with added options)

1. This choice would allow RocketSpots.tv to record the meetings in a stable, reliable HD format (1280x720, typically called 720p).
2. We would be able to cut in full resolution between two HD cameras, giving greater clarity/visibility to council members.
3. We would be able to have broadcast-style on-screen identifiers of council members and regular staff including name, email, contact info, and other information (at an added cost of \$20 per meeting, if desired).
4. RocketSpots.tv could deliver a full 720p HD MP4 video file to the city via DropBox or FTP (whichever the city prefers). This would allow city personnel to upload the meeting to whatever online source the city desires (Vimeo.com/ YouTube/etc.) An alternative could be RocketSpots.tv uploading the video directly online and deliver an archive data DVD to the city (for a nominal fee of \$20 per meeting).

Option 2 – Record and live broadcast 720p HD

\$515 per meeting (base options)

\$555 per meeting (with added options)

Option 2 would allow for everything in Option 1, as well as live broadcasting to YouTube. There are a few added costs here in terms of training, set-up, coordination and expertise, which is why the per-meeting price is higher.

Once the system is set up and functioning, members of the public would be able to sign onto Oroville's YouTube page, watch the broadcasts as the meeting goes on, then have the meeting online at YouTube to view at any later date.

rocketspots.tv

To get Oroville set up for Live Broadcasting on YouTube, Rocketspots.tv would work with city personnel to create or retrofit an Oroville City Council (or city government) YouTube channel with live broadcasting privileges. This would probably take between 5 and 12 hours billed at our consulting rate of \$60 per hour. These hours would also cover the initial set-up and testing for the live broadcasting system.

Delivering via the internet rather than DVDs (as is the current case) has the added benefit of not requiring sales tax for the delivered DVD.

One Final Note

The wiring system and adaptors in the City Council chambers currently are set for SD broadcasting (bringing the SD signal back from the front camera to the connections in the Press Room). In order to fully move to HD, a new HD adaptor would be required to send the HD signal from the front camera to the Press Room connections. Further discussions/checks can create a solution. It's probable the new adaptor would be in the same price-range as the old one.

As this adaptor is city property and part of the chambers' equipment, I figured a heads-up about this minor added cost was in order.

EXHIBIT B

INSURANCE REQUIREMENTS FOR CONSULTANTS

Consultant shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Consultant, his agents, representatives, or employees.

Minimum Scope of Insurance

Coverage shall be at least as broad as:

1. Insurance Services Office Commercial General Liability coverage (occurrence Form CG 0001).
2. Insurance Services Office Form Number CA 0001 covering Automobile Liability, Code 1 (any auto).
3. Workers' Compensation insurance as required by the State of California and Employee's Liability Insurance.
4. Errors and Omissions Liability insurance appropriate to the consultant's profession. Architects' and engineers' coverage is to be endorsed to include contractual liability.

Minimum Limits of Insurance

Consultant shall maintain limits no less than:

1. General Liability: \$1,000,000 per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with a general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.
2. Automobile Liability: \$1,000,000 per accident for bodily injury and property damage.
3. Employer's Liability: \$1,000,000 per accident for bodily injury or disease.
4. Errors and Omissions Liability: \$1,000,000 per occurrence.

Deductibles and Self-Insured Retentions

Any deductibles or self-insured retentions must be declared to and approved by the City. At the option of the City, either: the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the City, its officers, officials, employees and volunteers; or the Consultant shall provide a financial guarantee

satisfactory to the City guaranteeing payment of losses and related investigations, claim administration and defense expenses.

Other Insurance Provisions

The commercial general liability and automobile liability policies are to contain, or be endorsed to contain, the following provisions:

1. The City, its officers, officials, employees and volunteers are to be covered as additional insured's as respects: liability arising out of work or operations performed by or on behalf of the Consultant; or automobiles owned, leased, hired or borrowed by the Consultant.
2. For any claims related to this project, the Consultant's insurance coverage shall be primary insurance as respects the City, its officers, officials, employees and volunteers. Any insurance or self-insurance maintained by the City, its officers, officials, employees or volunteers shall be excess of the Consultant's insurance and shall not contribute with it.
3. Each insurance policy required by this clause shall be endorsed to state that coverage shall not be canceled by either party, except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to the City.
4. Coverage shall not extend to any indemnity coverage for the active negligence of the additional insured in any case where an agreement to indemnify the additional insured would be invalid under Subdivision (b) of Section 2782 of the Civil Code.

Acceptability of Insurers

Insurance is to be placed with insurers with a current A. M. Best's rating of no less than A:VII, unless otherwise acceptable to the City.

Verification of Coverage

Consultant shall furnish the City with original certificates and amendatory endorsements effecting coverage required by this clause. The endorsements should be on forms provided by the City or on other than the City's forms provided those endorsements conform to City requirements. All certificates and endorsements are to be received and approved by the City before work commences. The City reserves the right to require complete, certified copies of all required insurance policies, including endorsements affecting the coverage required by these specifications at any time.

**OROVILLE CITY COUNCIL
STAFF REPORT**

TO: MAYOR AND COUNCIL MEMBERS

**FROM: DONALD RUST, DIRECTOR (530) 538-2433
RICK WALLS, INTERIM CITY ENGINEER
COMMUNITY DEVELOPMENT DEPARTMENT**

RE: AMENDMENT TO PROJECT CONTRACT WITH WALBERG, INC.

DATE: SEPTEMBER 1, 2015

SUMMARY

The Council may consider an Amendment to the Project Contract with Walberg, Inc., in the amount of \$63,199, for the Municipal Auditorium Storm Drain Pipe Repair Project (Project).

DISCUSSION

On June 2, 2015, the Council authorized Agreement No. 3126, in the amount of \$55,544 (plus a 20% contingency), with Walberg, Inc. for the Project. The Project involves the repair of a City storm drain pipe damaged during drilling operation for PG&E's manufactured gas plant investigation. The repair of the pipe is subject to a reimbursement agreement between the City and PG&E. When the Project was advertised for bid, the excavation volume necessary to complete the pipe repair was estimated at 50 cubic yards. Work to repair the pipe has been completed, with final field verified work quantities and costs summarized below.

Final Project Costs – Municipal Auditorium Storm Drain Pipe Repair							
Bid Item	Item	Bid Qty.	Final Qty.	Bid Units	Unit Price	Bid Price	Final Price
1	Mobilization	1	1	LS	\$1,725	\$1,725.00	\$1,725.00
2	H&S Plan	1	1	LS	\$7,590	\$7,590.00	\$7,590.00
3	Tree Removals	1	1	LS	\$2,875	\$2,875.00	\$2,875.00
4	R&R Sidewalk	100	62	SF	\$37.44	\$3,744.00	\$2,321.28
5	R&R Concrete Curb	15	58	LF	\$181.00	\$2,715.00	\$10,498.00
6	R&R Parking Sign	1	1	LS	\$1,231.00	\$1,231.00	\$1,231.00
7	R&R Asphaltic Concrete	100	164	SF	\$41.58	\$4,158.00	\$6,819.12
8	Excavation	50	116	CY	\$195.50	\$9,775.00	\$22,678.00
9	Storm Drain Pipe Repair	25	26	LF	\$268.64	\$6,716.00	\$6,984.64
10	Soil Analytical	1	2	EA	\$1,475.00	\$1,475.00	\$2,950.00
11	Hazardous Soil Transport & Disposal at Kettleman Hills	80	200 (Est.)	TON	\$181.00	\$4,860.00	\$36,200.00
12	Backfill Material Analytical	1	1	EA	\$2,475.00	\$2,475.00	\$2,475.00
13	Backfill & Compact	50	116	CY	\$124.10	\$6,205.00	\$14,395.60
						\$55,544.00	\$118,742.64

cc-9

The final volume of excavation necessary to expose the storm drain pipe for repair was 116 cubic yards (CY), versus the 50 CY estimated when the project was bid. The increased volume was due to unstable soil collapsing into the excavation, necessitating a larger excavation to complete the work. The larger than anticipated amount of excavation increased the compensation for bid items 8, 11 and 13 regarding final payment. Other bid items that exceeded the original bid quantity due to the larger excavation were 5, 7, 9 and 10. The difference between the original contract amount and the final pay quantity is \$63,199.

The final quantity for bid item 11, disposal of the hazardous soil, is currently estimated at 200 tons, and is based on an assumed unit weight of 125 pounds per cubic foot. Staff believes that this is an overestimate of the actual weight of the excavation soil. Disposal of the soil, which remains stockpiled, will not occur until this change order request is approved by the City Council and PG&E.

FISCAL IMPACT

The additional change order cost of \$63,199 for the Project is subject to a reimbursement agreement between the City and PG&E. Approval of the additional change order will replace the previously approved 20% contract contingency:

Account No. 001-6850-3100 - Streets

RECOMMENDATION

Adopt Resolution No. 8425 – A RESOLUTION OF THE OROVILLE CITY COUNCIL AUTHORIZING AND DIRECTING THE MAYOR TO EXECUTE AN AMENDMENT TO THE PROJECT CONTRACT WITH WALBERG, INC., IN THE AMOUNT OF \$63,199, FOR THE MUNICIPAL AUDITORIUM STORM DRAIN PIPE REPAIR PROJECT (Agreement No. 3126-1)

ATTACHMENTS

Resolution No. 8425
Amendment No. 3126-1

**CITY OF OROVILLE
RESOLUTION NO. 8425**

A RESOLUTION OF THE OROVILLE CITY COUNCIL AUTHORIZING AND DIRECTING THE MAYOR TO EXECUTE AN AMENDMENT TO THE PROJECT CONTRACT WITH WALBERG, INC., IN THE AMOUNT OF \$63,199, FOR THE MUNICIPAL AUDITORIUM STORM DRAIN PIPE REPAIR PROJECT

(Agreement No. 3126-1)

Be it hereby resolved by the Oroville City Council as follows:

1. The Mayor is hereby authorized and directed to execute an Amendment to the Project Contract with Walberg, Inc. for the Municipal Auditorium Storm Drain Repair Project (Project). A copy of the Amendment is attached as Exhibit A.
2. The City Clerk shall attest to the adoption of this Resolution.

PASSED AND ADOPTED by the Oroville City Council at a regular meeting on September 1, 2015, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Linda L. Dahlmeier, Mayor

APPROVED AS TO FORM:

ATTEST:

Scott E. Huber, City Attorney

Jamie Hayes, Assistant City Clerk

AMENDMENT TO AGREEMENT NO. 3126 BETWEEN WALBERG, INC. AND THE CITY OF OROVILLE FOR THE MUNICIPAL AUDITORIUM STORM DRAIN PIPE REPAIR PROJECT

(Agreement No. 3126-1)

This First Amendment (Amendment) dated September 1, 2015, is to Agreement No. 3126 between the City of Oroville ("City") and Walberg, Inc. ("Contractor").

In consideration of the terms and conditions herein, the City and the Consultant agree that Agreement No. 3126 shall be amended as follows:

1. The City shall pay a maximum of an additional \$63,199 for the Project.
2. The actual final payment amount shall be based on the actual tonnage for Project Bid Item No. 11.
3. The actual final payment shall be based also on the final pay quantities summarized in the September 1, 2015 staff report for the Project.
4. Conflicts between the Agreement and this First Amendment shall be controlled by this Amendment. All other provisions within Agreement No. 3126 shall remain in full force and effect.

CITY OF OROVILLE

WALBERG, INC.

By: _____
Linda L. Dahlmeier, Mayor

By: _____
Rick Clark, Principal

APPROVED AS TO FORM:

ATTEST:

By: _____
Scott E. Huber, City Attorney

By: _____
Jamie Hayes, Assistant City Clerk

**CITY OF OROVILLE
STAFF REPORT**

TO: MAYOR AND COUNCIL MEMBERS

FROM: BILL LA GRONE, DIRECTOR OF PUBLIC SAFETY

**RE: COMMUNITY DIVERSION FOR THE RE-DIRECTION OF THE
TRANSIENT HOMELESS**

DATE: SEPTEMBER 1, 2015

SUMMARY

The Council may consider supporting the further implementation a community wide diversion program to address the ongoing issue of transient homelessness and the associated crime and quality of life issues associate with the transient homeless.

DISCUSSION

Most communities have recently seen an increase in the transient homeless population. There are many factors to which these increases can be attributed. These factors include substance addiction, mental health issues, character issues, life skills issues, educational issues and many other issues that cannot be generalized. Each homeless person is unique and struggles with their personal circumstances. No one solution will solve all of the issues that surround why a person would be homeless.

Not every homeless person is in that situation by choice. Some are from circumstance, but it is becoming increasingly apparent that some are choosing the lifestyle. These homeless are creating issues for many within our community. Those issues include habitual inebriation, drug abuse, aggressive panhandling, unlawful camping, trespassing, theft of recyclables and many other low level crimes. Most crimes are property type crimes and are very disruptive to the quality of life for many of our citizens.

The current penal system is not equipped to deal with these types of low level offenses. The individuals committing these types of crimes are aware of this hole in the penal system, and commit the crimes with little concern of consequence.

It has become apparent that another level of enforcement must be developed to combat this type of community problem. If this problem remains unchecked, it will continue to grow and worsen. This type of problem cannot be punished away. The penal system has been attempting to punish problems away for many years; the results have not been remarkable, or reportable as a success. This type of problem is only going to be solved with life changing adjustments to the individual committing the crimes.

The individual must be given direction, education, training, treatment, counseling, housing

(Tiny Houses) and job skills to truly effect change. If we continue to “force the square peg into the round hole” we will continue to get the same result. It is time for change and utilization of all available resources to address the problem.

The utilization of the Butte County Sheriff’s Department Day Reporting Center would be the starting point for most individuals. A thorough assessment of the individual would be made and a plan would be developed for that person. Community Diversion would take the individual through the process from arrest to either successful completion of a program or incarceration with a pre-determined and guaranteed jail sentence.

The Day Reporting Center does not run for free. It would be necessary to buy into this program to ensure space at the Day Reporting Center and in the Butte County Jail. This could potentially be funded with grant monies for homelessness advocacy and treatment.

Community Diversion would require the development of a partnership with the Butte County Sheriff, Butte County District Attorney, Butte County Superior Court and Butte County Behavioral Health, to name just a few partners. It would also require the partnership of many local charities, shelters, and advocacy groups.

In order to ensure the success of this program, it must be well funded. The front line of intake and identification of subjects that are candidates for this program is Public Safety, whether it is Police, Fire or Municipal Law Enforcement, they will be the ones that most readily identify and deal with these issues on a regular basis. It is necessary to make this issue a priority and not an ancillary function. In order for this to occur it will be necessary to staff the Departments at a level that allows for this type of activity. Currently staffing is still at 1972 levels. In addition, it is necessary for the 1% public safety sales tax to move forward to the community for their approval. The first step in this program is going to our community, explaining our funding problem and then asking their permission for a 1% public safety sales tax.

The Public Safety Department has developed an excellent working relationship with many community partners and would like the approval and support from the Oroville City Council for the Community Diversion concept to include all of the previously mentioned components.

FISCAL IMPACT

None at this time

RECOMMENDATION

Direct staff to implement a community-wide diversion program to address the ongoing issue of transient homelessness and the associated crime and quality of life issues associate with the transient homeless, as indicated in this staff report, dated September 1, 2015.

**OROVILLE CITY COUNCIL
STAFF REPORT**

TO: MAYOR AND COUNCIL MEMBERS

**FROM: BILL LAGRONE, DIRECTOR OF PUBLIC SAFETY
GARY LAYMAN, CHIEF BUILDING OFFICIAL**

RE: REQUEST FOR BIDS - WESTSIDE PUBLIC SAFETY FACILITY

DATE: SEPTEMBER 1, 2015

SUMMARY

The Council may consider the issuance of a Request for Bids (RFB) relating to the alterations of the Advanced Technology Center (ATC) building for the future location of the Westside Public Safety Facility located at the Oroville Municipal Airport.

DISCUSSION

The City currently collects funds for a Westside Public Safety Facility via a Mello-Roos District. A Mello-Roos is an area where a special tax is assessed against real property owners within a Community Facilities District (CFD). This district is taxed for certain public improvements and services. This particular district includes the new subdivisions on the Westside of the City that surround the Airport area.

The City is the current owner of the ATC building located at the Oroville Municipal Airport. At the March 17, 2015 Council meeting, the Council authorized and directed staff to prepare and release an RFB for the first phase of construction at the ATC building to convert one half of the building to a fire station. The City has completed a full set of drawings for the needed alterations to house both fire and police services as the Westside Public Safety Facility. By converting the a portion of the ATC building into the a public safety facility and staffing the facility with the existing public safety personnel, the funds being collected by the CFD can be used to help fund the facility and public safety staff to the extent the facility and services provided benefit the CFD.

Staff has completed a set of construction drawings for alterations to the ATC building to house both police and fire services. It is the intent to complete the alterations for both fire and police jointly to move forward with the establishment of the Westside Public Safety Facility.

FISCAL IMPACT

The cost to complete the proposed building alterations will not be known until formal bids are received. Staff will bring back a staff report to the Council with bid amounts and identified funding sources for completion of the proposed project.

CC-11

RECOMMENDATIONS

Authorize the issuance of a Request for Bids for alterations to the Advanced Technology Center building for its use as the Westside Public Safety Facility.

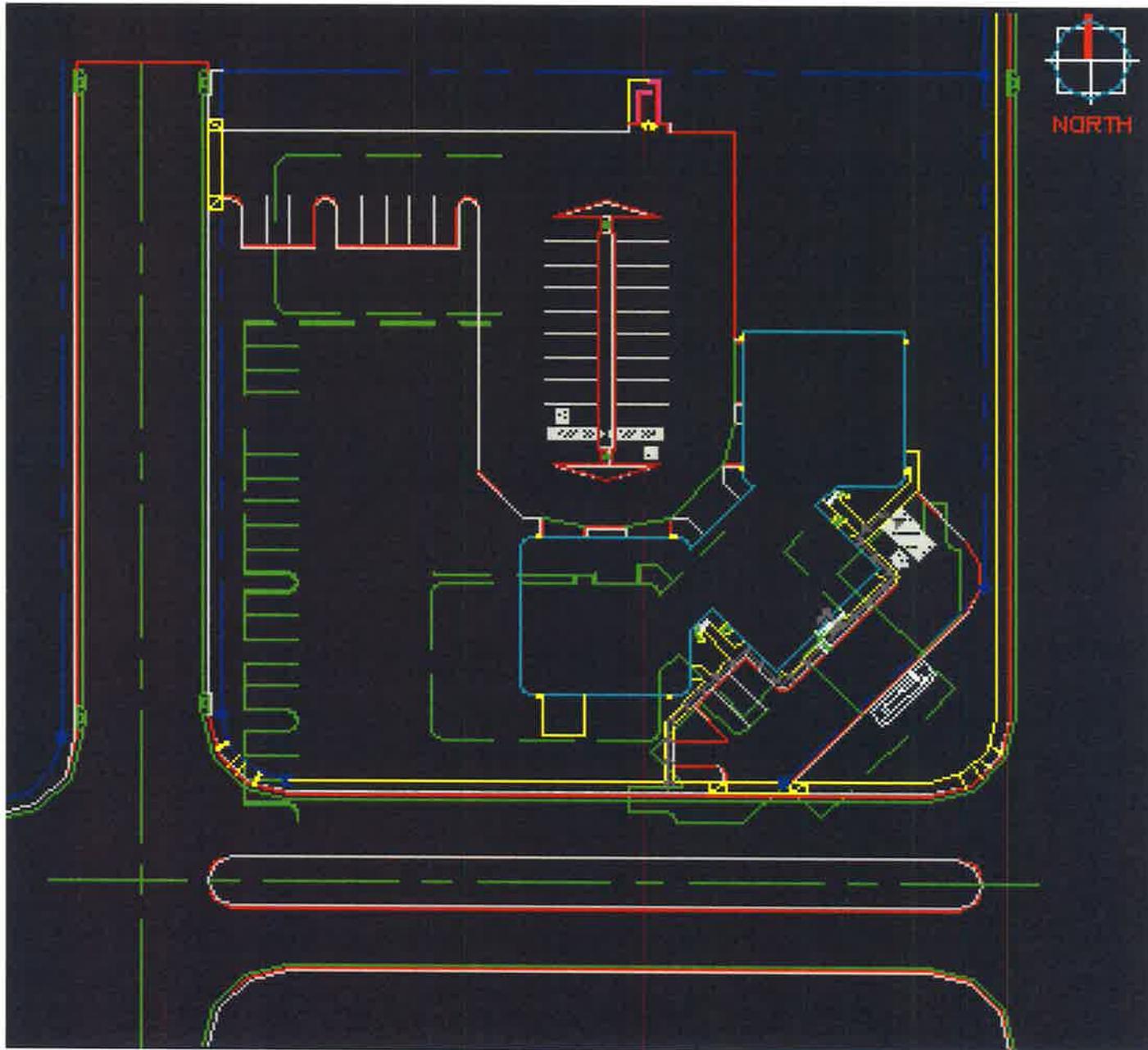
ATTACHMENTS

Draft Building Plans – Westside Public Safety Facility

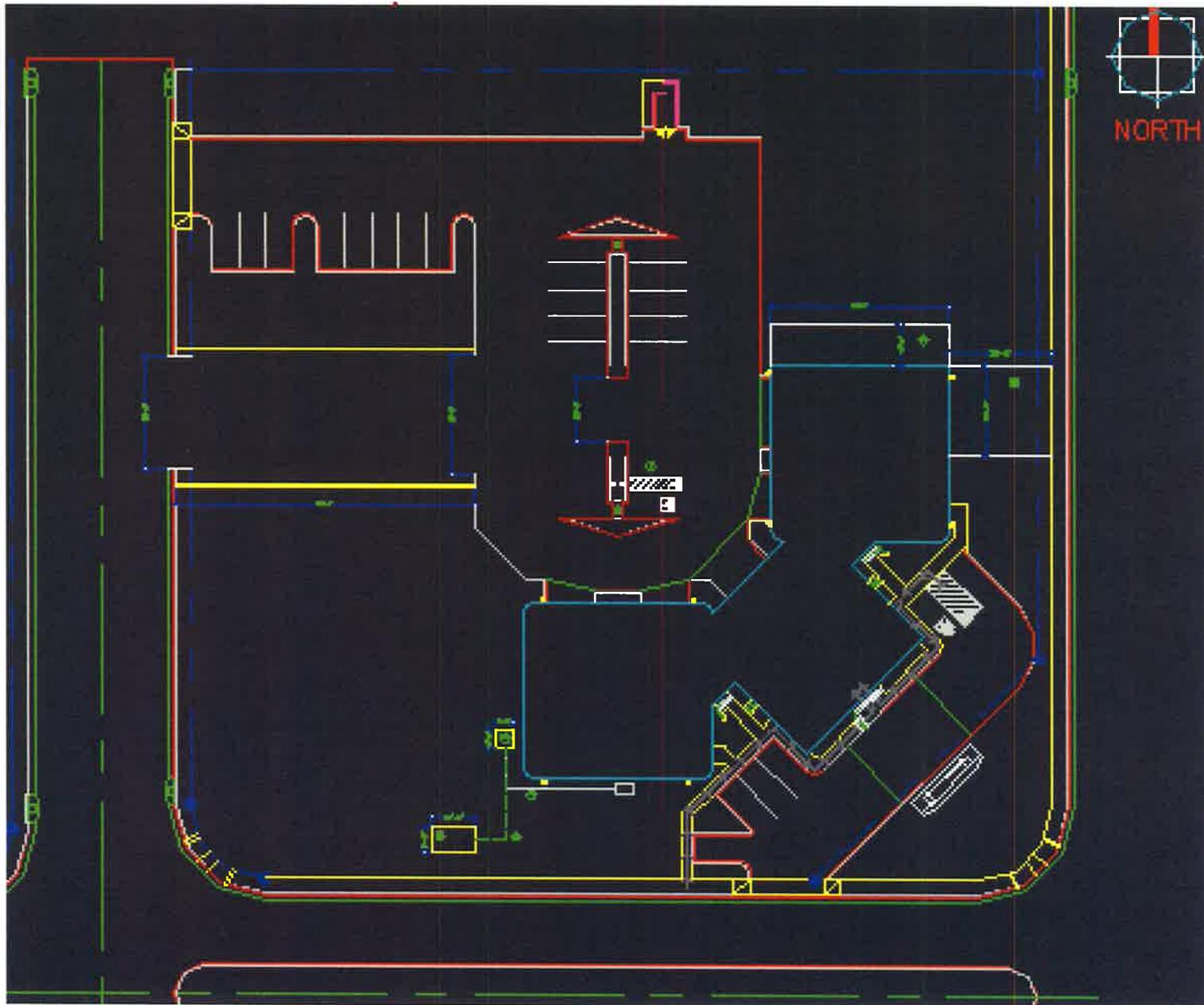
Bill LaGrone
FIRE CHIEF
CITY OF OROVILLE



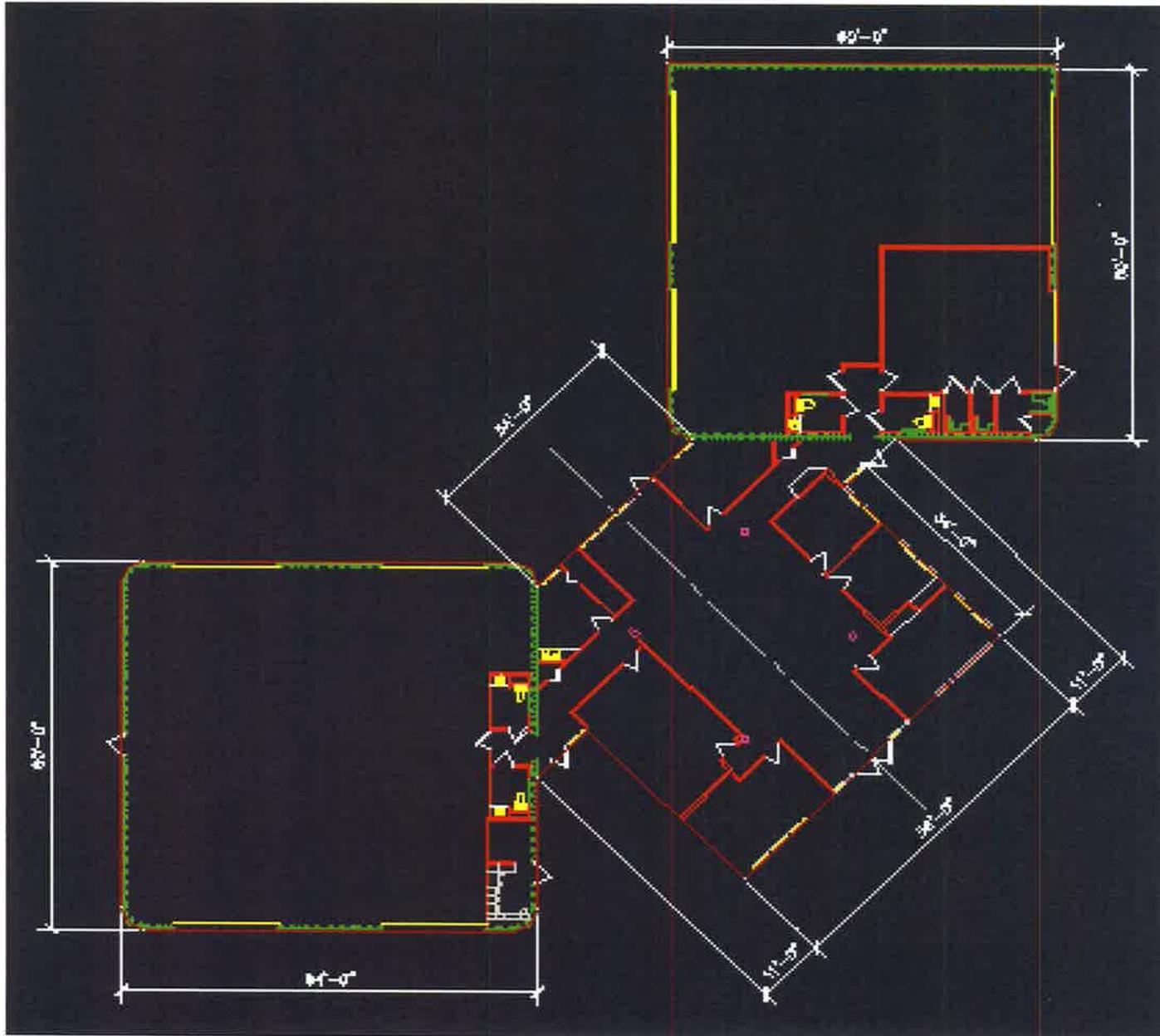
EXISTING SITE PLAN



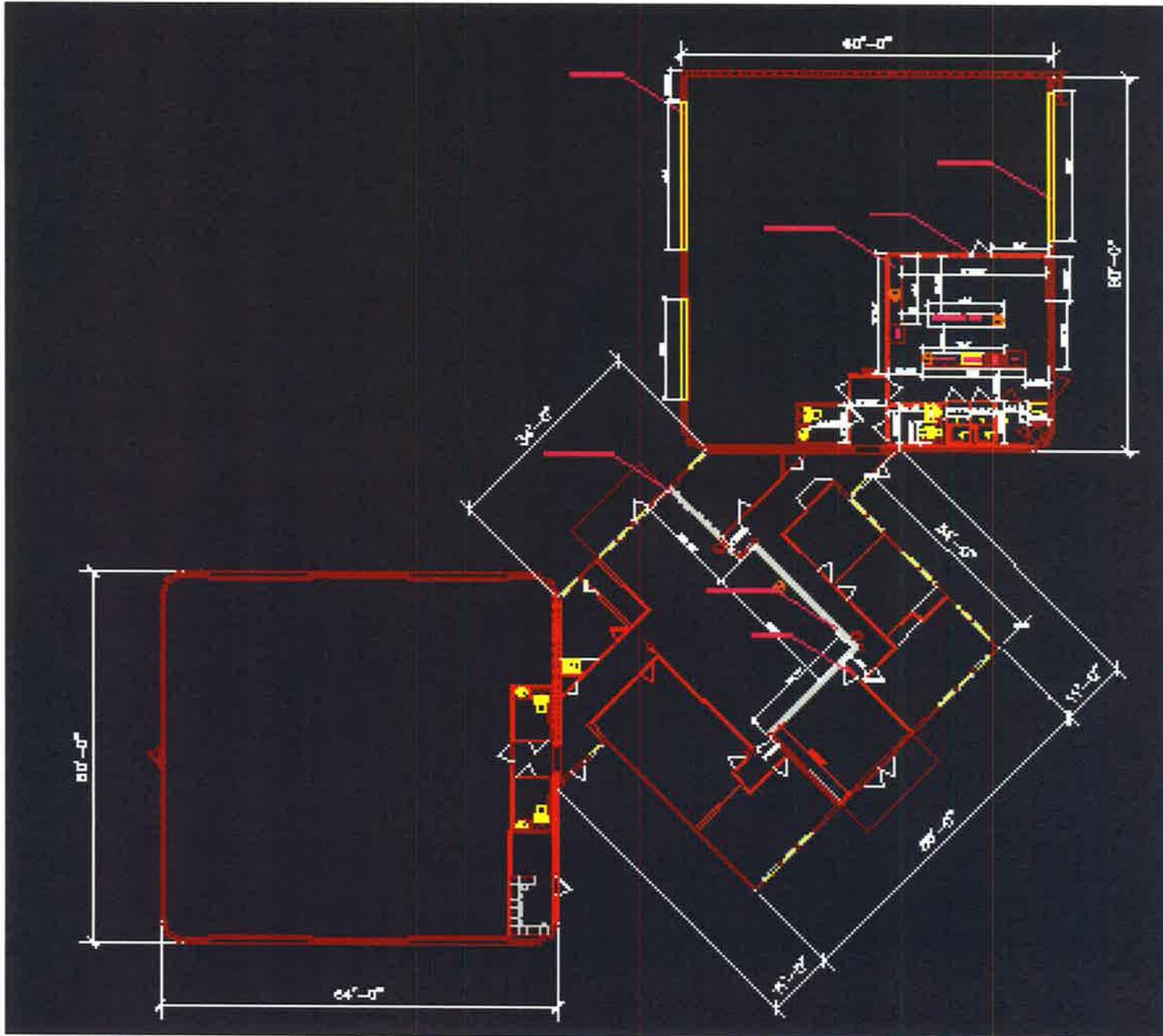
PROPOSED SITE PLAN



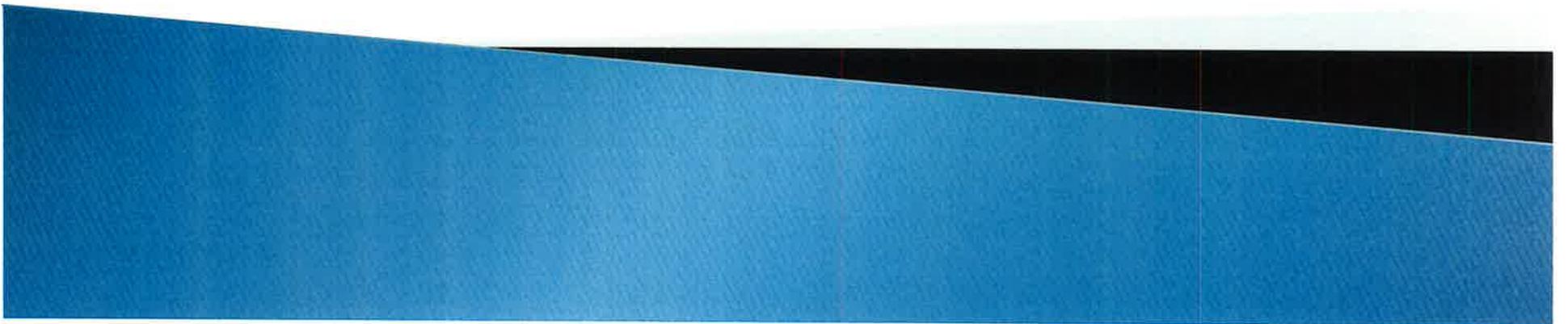
EXISTING FLOOR PLAN



PROPOSED FLOOR PLAN



QUESTIONS



**OROVILLE CITY COUNCIL
STAFF REPORT**

**TO: MAYOR AND COUNCIL MEMBERS
DON RUST, ACTING CITY ADMINISTRATOR**

FROM: SCOTT E. HUBER, CITY ATTORNEY

RE: RESPONSE TO 2014-2015 BUTTE COUNTY GRAND JURY REPORT

DATE: SEPTEMBER 1, 2015

SUMMARY

The Council may consider approving the response to the 2014-2015 Butte County Grand Jury Report on behalf of the City of Oroville.

DISCUSSION

On June 10, 2015, the 2014-2015 Butte County Grand Jury issued its final report. The Grand Jury conducted inquiry related to the cost of salary and benefits for the City's employees, as well as an analysis of the City's revenue streams. In addition, the Grand Jury analyzed from a historical basis the number of employees in the police department compared to current times. The Grand Jury also commented regarding its interviews with department heads.

Generally, the Grand Jury report was favorable and complimentary toward the City of Oroville. The Grand Jury concluded that the City is currently on "firm financial ground" while expressing financial caution related to the increased expenses resulting from annexation

As has occurred in previous years, the Grand Jury requests a response from the City Council. Penal Code section 933, subsection (c), provides that when the grand jury submits a final report on the operations of any public agency, "the governing body of the public agency shall comment ... on the findings and recommendations pertaining to matters under the control of the governing body...." Accordingly, the response must come from the City Council

FISCAL IMPACT

None.

RECOMMENDATION

Approve the City of Oroville's response to the 2014-2015 Butte County Grand Jury Report and authorize the Mayor to sign the response on behalf of the City Council.

ATTACHMENTS

Draft Response to the 2014-2015 Butte County Grand Jury Report



CITY OF OROVILLE
OFFICE OF THE MAYOR
1735 MONTGOMERY STREET • OROVILLE, CA 95965-4897

530-538-2535
Fax 530-538-2468

September 1, 2015

The Honorable Judge Kristen A. Lucena
Presiding Judge
Butte County Superior Court
One Court Street
Oroville, CA 95965

Re: *City of Oroville's Response to 2014-2015 Grand Jury Report*

Dear Judge Howell:

Pursuant to Penal Code section 933, subsection (c), the City Council has reviewed the 2014-2015 Grand Jury Final Report regarding the operations of the City of Oroville. In preparing this response, information and input was obtained from various sources regarding each finding and recommendation, including the Acting City Administrator and staff members. In response to the Grand Jury Final Report released June 10, 2015, the City Council unanimously approved the following response in a public session of its duly noticed meeting held on September 1, 2015.

OROVILLE: A CITY DEALS WITH TODAY'S PROBLEMS

FINDINGS:

F1. Oroville's City Departments are understaffed due to the 2013 layoffs, which were done to balance the General Fund.

Response: Agree.

F2. Understaffing has resulted in a larger workload for City Employees.

Response: Agree.

F3. Oroville's 2014-2015 Adopted Budget shows the General Fund has a surplus rather than a deficit.

Response: Disagree.

The City's 2014-2015 adopted budget was approved with a projected deficit.

F4. The largest percentage of revenue for the City comes from its Sales Tax.

Response: Agree.

F5. Employee salaries and benefits are the City's largest budget expense.

Response: Agree.

F6. Police and Fire represent over two-thirds of the City's salary and benefits expense.

Response: Disagree in part.

The proposed budget for FY 2014-15 allocated 67.3% for Police and Fire employee salary and benefits. However, in FY 2015-2016, the allocation Police and Fire budgeting accounts for approximately 62% of the budget.

F7. There are three Department Heads that manage six Departments.

Response: Agree.

F8. Oroville is in the process of annexing two areas south of the City.

Response: Agree.

F9. The annexation will leave the Police and Fire Departments more understaffed than they already are.

Response: Disagree in Part.

While the annexation will create certain additional demands upon the City's Police Department, the City is increasing its current workforce, and creating new positions to effectively serve the annexed areas, and the City of Oroville as a whole. Calls for fire service from the annexed areas are serviced by El Medio Fire Department and not by the City of Oroville.

F10. The City is seeking a one percent increase in Sales Tax to pay for more Police and Fire Personnel.

Response: Disagree in Part.

The City is exploring all options related to an increase in revenue for the City to alleviate the budget constraints of the last several years. While a sales tax increase has been contemplated, no concrete plans have been made relative to an increase in sales tax.

F11. Police and Fire now come under the heading of Public Safety, although they are still separate entities.

Response: Agree.

F12. Planning and Development utilizes mid-managers to help with the workload and make the development process run smoother.

Response: Agree.

F13. Finance has updated its procedures and outdated software to help with its workload.

Response: Agree in part.

Finance is in the process of updating its procedures and outdated software to help with its workload. The updates will be completed prior to the end of this fiscal year.

F14. The City Council, Department Heads and Managers use meetings as a way to resolve conflicts.

Response: Agree.

F15. Dealing with homeless people has become a problem for the City.

Response: Disagree in Part.

The City of Oroville, like virtually every other community in the state, has certain issues attributed to homelessness. The City is proactively working on the negative impacts of homelessness, while assisting homeless individuals to obtain the educational and social services they need.

F16. Water has begun to be a problem the City Parks will need to address, particularly if drought conditions continue.

Response: Agree in Part.

The State of California has required a 28% reduction of water usage for the City of Oroville.

RECOMMENDATIONS:

R1. Oroville needs to find creative ways of adding staff to the City Departments, particularly Police and Fire.

Response: Has Been Implemented.

R2. Pursue the one percent Sales Tax increase by letting the community know exactly how the funds will be used.

Response: May Be Implemented

The City Council has not determined whether the City will propose a sales tax increase. In the event that the City does pursue such an increase, the City will seek all legal avenues to communicate with transparency the use and function to which the funds will be utilized.

R3. Since the Annexation will likely be approved, Oroville should look into ways of generating revenue with Planning and Development.

Response: Has Been Implemented.

The City seeks full cost recovery for all Planning and Development permits and costs, except where specifically waived by the City Council for public policy purposes.

R4. The City should continue to use mid-managers as a way to assist Department Heads, particularly with the understaffing happening in Departments.

Response: Has Been Implemented.

R5. Oroville should update its computer software programs and procedures for each Department to ensure efficiency and transparency.

Response: Will Be Implemented.

R6. The various elements of City Government should continue to use meetings as a way of communicating with one another and resolving any conflicts.

Response: Has Been Implemented.

R7. Oroville needs to continue to manage its homeless problem by supporting programs that get people off the streets and into places that help them deal with their problems.

Response: Has Been Implemented.

R8. The City needs to develop a plan for dealing with its water problem, including using native species as a way of keeping their parks and recreation areas from becoming brown or completely paved over with concrete.

Response: Has Been Implemented.

Respectfully submitted,

City Council of the City of Oroville, California

Linda L. Dahlmeier, Mayor

Response to 2014-2015 Grand Jury Report
By City of Oroville
September 1, 2015
Page 6

cc: Oroville City Council
Donald Rust, Acting City Administrator
Scott E. Huber, City Attorney

DRAFT