

Woodland City Council Minutes
Council Chambers
300 First Street
Woodland, California

May 22, 2001

CITY COUNCIL
SPECIAL SESSION

Vice Mayor Flory called the special meeting of the Woodland City Council to order at 7:00 p.m.

PLEDGE OF ALLEGIANCE:

Vice Mayor Flory invited all in attendance to join him in the pledge of allegiance to the Flag of the United States of America.

ROLL CALL:

COUNCIL MEMBERS PRESENT: Steve Borchard, Martie Dote, David Flory, Jeff Monroe, Neal Peart

COUNCIL MEMBERS ABSENT: None

STAFF PRESENT: Rick Kirkwood, Phillip Marler, Margaret Vicars, Steve Harris, Henry Agonia, Marie Bryan, Karl Diekman, Sue Vannucci, Gus Bush, Charlie Wilts, Dick Donnelly, Mitch Dion, Lynn Gatie

PUBLIC COMMENT

None.

COUNCIL STATEMENTS AND REQUESTS

Council Member Monroe announced he had participated in the Read-In at Prairie Elementary School today.

Council Member Peart attended the Street Cruisers Auto Show this past weekend at the Yolo County Fairgrounds. There were about 250 vehicles and 3,000 people in attendance.

Council Member Peart said he and Council Members Dote and Monroe attended the Public Works Week luncheon today and reminded the Council of the Open House at the Municipal Service Center on Thursday afternoon.

Vice Mayor Flory was the Grand Dog Marshall at Tri-Visual Services Dog-A-Thon last weekend.

Council Member Dote attended the Gibson Mansion May Festival this past weekend. She also attended a Water Resources Association meeting. Through the Memorandum of Understanding with the Department of Water Resources, WRA is undertaking a lengthy project of 18-24 months. They are tying into some grants which have gone in under the Flood Control District. The Department of Water Resources is also encouraging them to submit a Prop. 13 Grant Application. This will necessitate an increase in dues and staff. She suggested the Executive Coordinator of the Agency make a presentation to the Council regarding the proposed increase.

Council Member Dote reported that Gaining Ground is the joint meeting of the four Cities and the Board of Supervisors on land use issues. The primary project is the Habitat Conservation Plan (HCP), which Council had supported in addition to moving on to the Environmental Impact Report. The Federal and State agencies, Fish and Game, Fish and Wildlife now need a National Communities Conservation Plan (NCCP). There is funding available, but the HCP will require additional work to comply with the requirements of the NCCP. The cost will not increase, but more time will be needed. The approach is to develop a reserve area with the management element. We now contribute \$15,000, which will increase to \$25,000

Council Member Peart met with the University of California on the long-term plan for UCD and would like to invite John Myers to speak to Council. The Plan will address the impacts for the surrounding communities.

City Manager Kirkwood stated that Gaining Ground and HCP issues were on the City Managers' agenda recently as to how the Cities will assess the floodwall and effects on the communities within the County as the floodwall will preclude the growth of the City to the North. The legislative act necessitating the need for the floodwall would seem to indicate that the City should receive credit. Council Member Dote said that project-by-project mitigation is not linked. It is more a mitigation bank, habitats are identified and strategy over a long period of time to acquire and manage is vital. There are opportunities for State and Federal agencies to purchase these properties, but it is more for the species recovery.

Vice Mayor Flory said there is a Downtowners' meeting on May 30 at 7:30 at the Carousel and Chief Del Hanson will be speaking.

Mayor Borchard requested that Council alter the order of the Agenda to discuss the Proclamation for Human Rights Month prior to the Preliminary Budget. Council Consensus was to so alter the order as suggested.

PRESENTATIONS

PROCLAMATION FOR HUMAN RIGHTS MONTH

Vice Mayor Flory said based upon issues taking place regionally and nationally, it would be appropriate for the City to adopt a Proclamation regarding Human Rights. This will allow the City to make a statement to reinforce our commitment in our Ordinances and Policies to protect people against discrimination of any kind. Council Member Dote said as the trial for arsonists who destroyed synagogues will be held in Sacramento, this Proclamation would be appropriate to adopt at this time. Vice Mayor Flory said there was a concern those protected rights should not be listed as they are in Policies of the City. Council Member Peart said this Proclamation covers all people and their rights.

On a motion by Council Member Peart, seconded by Council Member Monroe and carried by unanimous vote, the Council proclaimed the month of June 2001 as Human Rights Month.

FISCAL YEAR 2001-2002 PRELIMINARY BUDGET

City Manager Kirkwood advised Council of his concerns regarding the escalating energy costs and erosion of the budget to cover costs. Our Workers' Compensation has increased substantially to \$350,000. The exception items are also of concern. He reminded Council of Resolution 4264 whereby the Council had studied issues before the City and provided direction to staff on which of these issues should be addressed this coming year.

Council Member Monroe asked the City Manager to take proactive measures for energy savings. City Manager said the City has been working at measures and will be reporting back to the Council at their June 5th meeting. Council Member Peart suggested working with the Parks Department on rescheduling evening sports events.

Finance Director Margaret Vicars presented the revenue and expenditures, collectively and individually for the City. The operating budget revenues reflected by fund as follows:

General Fund	-	\$	1,628,700
Licenses and Permits	-		1,527,300
User Fees	-		8,384,200
Sales Taxes	-		7,555,470
Service Charges	-		2,468,355
Other Funds	-		3,358,560
Other Agency	-		3,505,800

This revenue does include \$3 million in Special District Local Sales Tax.

The Expenditure totals are \$40,054,182. The largest portion of these costs at a total of 67% of the budget, relate to the Fire, Police and Public Works Departments. Finance is on the high end of these expenditures as Measure H revenues and expenditures are taken from the operating budget and transferred into a capital budget as we use the funds. Mayor Borchard asked about the Measure H revenue and expenditures being placed into the Finance budget section. Director Vicars said this is a general sales tax which comes into the General Fund, is recorded in the General Fund Revenues, and then transferred into the General Capital Fund where it is expended on the Roads, Police Department, Soccer fields and the Community/Senior Center. Normally, the Finance Department budget would be approximately \$1.5 million. This money is disbursed eventually into the Capital budgets of the various Departments.

The Revenue History by the General Fund since 1991 indicates a gradual but relatively steady increase until year 2001 in which we anticipate the revenue to increase more sharply due to Measure H. Our actual revenue was slightly higher than the anticipated, except for 1993.

The changes to the General Fund Tax Revenue from property, Transient Occupancy Tax and 1% sales tax, not including the Measure H dollars, have ranged from 8.82% to the anticipated in 2002 at 6.23%. Our revenue from the year-end estimate for 2001 is \$14,300,000 to an estimated of \$15,200,000 for 2002, which is a difference of \$900,000. From 1990 to 1992, this income rose steadily. In 1993, the State began securing these funds and we dropped until 1995. By 1998, the City returned to the level of 1993, with steady increase since that time. Mayor Borchard asked about the refund in vehicle fees he had received and how that affected the City. Director Vicars said refunds went from 15% to 30% as a part of the overall program. She has a concern about that issue as it relates to the General Fund. Increases are beginning to indicate the

revenue received from property resales. She will need to watch this closely over the next few years. When the FEMA issue is resolved, this may change.

Sales tax receipts history indicates by quarter that which seems to be tied to the sales around the holiday season. With the closure of some of our retail, the amounts received will be affected. There have been some substantial increases in the 1% sales tax. She expects the revenue from sales tax to rise from 13.8% in 1999-2000 to 14.5% in 2000-01. There are some concerns in relation to Assembly Bill 880 and how it may affect the City. Director Vicars said these last two years of extraordinary growth will be changing. There has been a drop of 62% in building permits since 1999-00. Building activity in the Southeast area will have a very big effect on our income.

Director Vicars said State budget revisions would have a one-time increase to local governments that equates to about \$250 million statewide. None of the one-time revenues are in the budget, but she understands the Governor has cut this from the budget as of this afternoon. The Motor Vehicle in Lieu Fees are included and is our third largest source of revenue in our General Fund, or 10% of our total. There has been a program to repay citizens and backfill from the General Fund. Last January, the State quarter cent sales tax was dropped and the Governor is considering reinstating it. This is substantial revenue for our City.

Council Member Dote said in the last three years, there are gradual changes in the quarters, but now there is a telescoping out. Director Vicars has no idea why this is happening but it may be in relation to the occasional fleet automobile sales. Building in the North Natomas has increased supply purchases in Woodland. The third quarter always goes down following the holidays.

Council Member Monroe left the meeting at 7:53 and returned at 7:55.

City Manager Kirkwood reduced the budget requests by \$1 million to bring the budget into balance. Many of these items were personnel requests. This year we kept the budget increase to 5% on personnel and benefits with, 3½% on other Operations and Maintenance items. In most years, our actuals are less than estimated, except for 1996 and 1998 when our legal activities were higher. In 2000 and 2001, Measure H income gives rise to the higher expenditures. The overall budget increase is at 4½%. Last year we were at a \$20 million General Fund without Measure H. Those issues which increased the budget were the energy costs at nearly \$100,000, liability and Workers' Compensation insurance at over \$300,000, health insurance premiums which will rise another 10% this

January, adds \$75,000. In the mid-1980's we had a choice of participating in Social Security and the City opted out. However, we must pay for Medicare at 1.45%. We now have many employees retiring and this amount has increased 28% even though it is not a substantial amount of money.

Once again, the expenditures by Department indicate that Fire and Police carry 49% of the total. Finance, as previously stated, carried the Measure H costs. There are no Enterprise Funds listed here, but Public Works is comprised of General and Enterprise Funds. Council Member Peart asked what is under the General Fund in the Public Works Department. Director Vicars stated it includes Engineering, Administration, tree trimming, some street work, concrete, sidewalks, facilities.

Changes within Departments were identified. In General Administration, one additional staff member has been added to the Human Resources Office. Most of the cost will be offset by reduction of two temporary staff. We have an increase in the League of California Cities support, audit fees and a new item, the Geographical Information System data maps and other information that LAFCO is preparing for us. Council Member Peart asked other than taxes, debt service, etc. what else is included. Director Vicars said these are transfers to other agencies such as WERC and the Chamber of Commerce.

In Community Development, there is a 1.25 FTE increase in personnel as that Department goes through the reorganization process. There is one position not filled from last year. The intention is to fill it as a Deputy Building Inspector. The other item is in supplies and services for a special planning review service done in conjunction with the Parks, Recreation and Community Services Department. Council Member Dote asked if the Redevelopment Manager position would be filled and it was indicated recruitment is beginning on that position.

In Finance the Measure H is included. All areas have been reduced in the Finance Department but it is due to movement of the Information Services to an internal service fund. It is now being recharged to all of the other Departments in the General Fund. Council Member Monroe asked why the benefits went down. Director Vicars said it is due to the movement of the IS to the internal services fund.

Council Member Peart left the meeting at 8:07 and returned at 8:09.

The Parks, Recreation and Community Services budget has changed due to the new program at the Armory and staff reallocations to that program. The Gibson Lighting and Landscaping District is included and has had some operational increases during this last year.

The Police Department budget has attained some grants and, therefore, the increases to this overall budget, even with increases in salaries, benefits and supplies has been offset a great deal.

There are no new personnel in the Fire Department. There are some increases for safety equipment, particularly for confined space rescue and protective clothing.

The Library budget indicates the increase of the Literacy Bus program. This is grant-related and went from \$211,000 last year to \$400,000 this year.

The Public Works budget does not indicate any Enterprise Funds but does include gas tax, TDA and Local Transportation Funds.

The overall increase in personnel directly charged to the General Fund is 2.25 FTE.

The Exception List relates to General Fund items only. City Manager Kirkwood said the items were prioritized with the first priority to comply with the Americans with Disabilities Act requirements for a portable restroom for the Adaptive Aquatics Program. Priority II items include \$17,000 for the purchase of new audio visual equipment for the Council Chambers, reinstatement of \$90,000 in Attorney fees in relation to litigation which may be forthcoming, reinstatement of the \$10,800 reduction of 17% for the WERC funding, \$61,000 for Leadership Development in the Fire Department, \$50,000 addition to the Downtown Area Maintenance Contract and \$20,000 for Downtown Area marketing and advertising. The only Priority III items is \$3,560 for double pane windows and refinishing of the hardwood floor at the Senior Center. Additional requests not prioritized are to increase funding for WERC by \$56,500, staffing increases in Tree Maintenance at \$27,190 and \$5,000 donation to the Woodland Gymnastics Program.

Mayor Borchard asked if it was still unidentified what funds, if any would be available to use the exception list. City Manager Kirkwood said there are no funds set aside to address these issues but there is a contingency that Council could authorize for these exceptions. Council may choose to give direction on items to add back into the budget.

Council Member Dote said the received notification of a grant for the Jobs Housing and asked if it would be sent to WERC. Director Vicars said this grant is funded and is not at risk of under-funding or receipt. Community Development Director Harris said these monies have been allocated. This was a one time funding opportunity to the Department of Housing and Community Development for a total of \$600 million. He said there are a few programs that may be in jeopardy. The City has been awarded over \$370,000 in grants, most of which are for Economic Development projects. One was the \$88,500 to update the City's Economic Development and Strategic Plan. There was a second \$88,500 grant for the Armfield Transit Center Study to address the feasibility of a transit center with the Yolo Shortline railroad, perhaps relocating the historic train depot, and working with the transit District. The City has also received nearly \$170,000 to construct a pedestrian enhancement feature and an entryway modification at the corner of Main and East Streets. The \$25,000 Great Valley Center grant for the reuse plan for the Contadina Del Monte plant study has been received. The plant is in the process of purchase by Pacific Coast Producers who will maintain it as an agricultural processing facility. The representatives of that company have indicated they will be proceeding with new construction and increasing production from 500,000 to 650,000 tons per year. Director Harris will be asking the Great Valley Center if this money may be utilized for other Economic Development activities within the City.

Vice Mayor Flory asked, based on our present situation with the lack of funds for any new Redevelopment projects, what would the Redevelopment Manager be doing. Director Harris said the Police Station and Community Center will be located in the Redevelopment Area. The update of the City's Downtown Specific Plan, planning services in the Redevelopment Area, the Armfield area, and the work on the entryway feature will be the immediate projects for the new Manager to handle.

Vice Mayor Flory stated we are looking at the Downtown Specific Plan which will be market driven. If we spend time redoing the plan, will we be developing a Plan we would like to put money into, but that will not be market driven. He suggested requesting companies make recommendations on the Redevelopment area as a whole or specific areas within the Redevelopment area. Director Harris said the update of the Downtown Specific Plan is tied with the planning services for the Redevelopment Area. The City is seeking a firm to combine the two with an emphasis on market economics. One of the shortcomings of these plans is that the implementation tends to be on the light side. The firm will revisit the plan, determine the effectiveness, whether it has changed, and if it needs to be more market driven. He anticipates a refocus on the implementation program, implementation strategy and a marketing plan. This is where WERC can help us as we have potential which has not been

tapped. The properties are not the easiest to develop. There are problems with parcel configuration, access and infrastructure, and property owners concerns. Vice Mayor Flory stated the project area is about 27 acres and suggested the City look at a larger area as there may those who would be interested in developing a multi-project in a larger area. The plan will be Citywide and will include more implementation and marketing of the 27 acre area. The City's Economic Development plan update will "broaden the net". Streetscape improvements, street furniture, promotion and marketing efforts with the Downtown Coordinator will be part of the process.

Mayor Borchard left the meeting at 8:35 p.m.

Vice Mayor Flory asked for a breakdown with a timeline, steps and staff will be accomplishments with those steps. Director Harris said that process is underway at present.

City Manager Kirkwood said Council Members Monroe and Peart will be addressing part of the review process at the May 29th session for Consultant selection on the Senior/Community and Police Station construction. The work effort on the program will fall in line with what Vice Mayor Flory is proposing.

Vice Mayor Flory would like to have a project for the downtown area that would significantly jump start the revitalization. We continue to have studies and look at issues, but because of budget constraints we cannot move forward.

Bryce Birkman, Executive Director of the Woodland Economic Renaissance Corporation presented to Council the accomplishments of WERC since inception. Many contacts have been made to encourage location of viable businesses to the City. Two of these businesses, Bentec and CAPTUS have brought technical industry to the area. These businesses provide a higher quality of economic development. Awareness of Woodland as a viable business site has been and continues to develop. Several businesses have relocated or have had a start in Woodland as a result of WERC efforts. This has produced over \$10 million in payroll. While statistics have not been developed as to other income received for the City by these businesses, it is certain that sales tax, home purchases, and property taxes, have increased as a result. It is crucial to the continued economic development of the City to maintain and increase our momentum. In order to accomplish this, we need to maintain our funding. The budget includes General Operations which is the collecting, tracking, responding and follow up of leads regarding businesses who may be attracted to the City. Development of

promotional materials of high quality indicates the desire for the City to attract quality business to the area. A City Profile and CD-ROM are also utilized to reach a wide variety of businesses and the medium they most frequently utilize. Hosting of an Economic Development tour and local promotion are wide spread and once again need to be of high quality. He cited several publications which have promoted Woodland and for which WERC was responsible in producing.

Council Member Monroe left the meeting at 8:55 and returned at 8:57.

At 8:58 on a motion by Council Member Dote, seconded by Council Member Peart and carried by unanimous vote of the Members present, the Council extended the meeting until 10:00 p.m.

Mr. Birkman said in the three-year plan, the industry attraction goals projected WERC would bring in one to four businesses and create about 138 jobs. In actuality, five businesses and over 220 jobs are a direct result of this effort. Prior to WERC the Economic Vision of Woodland included only warehouses. There was no private sector money toward Economic Development and Woodland was perceived as a distribution mecca. It was not being promoted nationally or internationally.

Matt Silveira, Vice President and founder of CAPTUS who also sits on Board of Directors of WERC, spoke to Council regarding why his company decided to locate in Woodland. WERC was the primary impetus to promote their movement to the City. It has an excellent reputation within the industry for promoting the City and facilitating growth. CAPTUS was able to build and occupy their structure within 95 days. Every member of the WERC Board is very interested in engaging actively in effective projects. Council Member Dote asked how many people CAPTUS has added to their staff, and he said they have 91 employees, 70 of which are in Woodland. Last year there were four employees. The annual payroll is estimated at about \$4.2 million per year. Many of the employees live and shop in Woodland and were acquired through restructuring at Valley Media. Their company develops a network infrastructure product that stops particular types of hacking attempts on the internet. They had a second "B Round" of capital at around \$16 million. Council Member Peart asked about tax revenues his product would generate for the City. Mr. Silveira stated they do generate taxes and the list price of their product is between \$20,000 to \$75,000 per unit.

Don Sharp, President of WERC, said they appreciate the partnership with the City of Woodland, the education community and the Chamber of Commerce, which were the basis for the formation of WERC. Private enterprise was to be funding WERC fully in three years. That goal has not yet been achieved. This year they are asking for \$120,000 with \$45,000 thus far in private business contributions. He feels that WERC is generating extensive revenue to the City by the businesses which have located as a result of WERC efforts. On November 17, 1998 under Resolution 4019, Council designated WERC as the lead agency in matters to the recruitment and attraction of new business and industry to the City. The role of WERC was to research, identify and create opportunities for business development, target in recruitment key businesses for Woodland by promoting it as a preferred location, identify resources and opportunities for technology growth, create information systems of land, business, building and labor opportunities, serve as liaison for the City to local and regional economic development agencies and organizations, provide a public quarterly accounting of its activities and accomplishments.

Vice Mayor Flory said when WERC was developed it was with the intent that within three years it would be self-sufficient. The funding from the City would gradually decrease. Our advice from others was that government needed to stay out of the realm of economic development. As with any agency to which the City provides public funds, the City Manager must receive a report on the activities of that Agency to insure the intent of the funding is met. Should Council wish to consider additional funds, it would be prudent to reassess the request prior to automatically increasing such funds. Council Member Peart feels that WERC is an outside agency and an entrepreneur. As an outside agency, it is felt they may have better success in efforts of economic development than an "in-house" staff. He asked that this item move into Priority I. CalEd interviewed City Council last year a question we asked was if economic development on the private side works privately. The response from CalEd was they did not. Private money would be involved but the public money must be a basis for it to function. Vice Mayor Flory said we could direct staff to fund. City Manager Kirkwood said along with this issue, we need to strongly consider our legal fee prior to moving ahead with other priority items. It is very likely we will have extensive legal issues we must address and perhaps increasing Attorney fees should be moved to priority #1 as well. Vice Mayor Flory said Mayor Borchard had left information with him that he would like to see the WERC \$10,800, as well as the audio-visual equipment be included in Priority #1.

On a motion by Council Member Peart, seconded by Council Member Dote and carried by unanimous vote of the Members present, the Council directed staff to move the funding for WERC in the amount of \$10,800 into Priority I.

Council Member Peart left the meeting at 9:29 and returned at 9:30.

Fire Chief Diekman said information regarding fleet management had been presented to Council at a previous meeting and they had approved a ten year work plan. In April, the first three years of this plan were covered. The first strategy dealt with available funds and how they could be reallocated to different priorities within this current budget year. The next strategy would address those items which would come to fruition in the next budget year. The current strategy is to place the orders for approximately \$1.52 million worth of Fire Apparatus during the coming budget year. The receipt of the equipment is twelve to eighteen months out. This will include a Quint, which is a combination of a fire and ladder truck, to replace a front line service apparatus that is 24-25 years old. It will include a towing vehicle at about \$41,000, a personnel van, an equipment upgrade to bring our existing fleet up to better meet our mission, and allocation for two interface engines which are a combination structural fire engine and grass or non-structural fire apparatus. A heavy rescue unit replacement is included at \$250,000 as the apparatus we currently utilize is actually County owned. The grass rig on order has been cancelled. We will actually begin paying for the apparatus in 2002-03 over ten years with three sources of funds. One is deferred replacement reserves; \$335,000 from the development fees in the MPFP program as some of the equipment belongs to that program; and \$772,000 from equipment reserves generated in Fund 10.

Council Member Peart supports the Chief because we are eliminating a specialty unit and opting for a combination unit which be more flexible. Chief Diekman said that money was applied to the first part of the strategy which was to purchase several vehicles such as a Command vehicle, some sedans, and a van for the arson unit. Some of that money will carry forward. Council Member Dote said adding the numbers and lease payment total there is approximately \$300,000 in cost over the next ten years. She asked if there a better way to finance this or is this the best rate that can be expected. Chief Diekman said in working closely with the Finance Director, this is probably as best the City can do at this point. Interest rates at 4.25% may change slightly. We will enter into the lease agreement upon Council approval and the lender will escrow the money for us. Council Member Peart asked if we would escrow the money in July for these engines and if we would be making interest and debt service on the money. Finance Director Vicars stated when we start spending these funds, we will begin paying interest. The debt service will be greater than the interest. They are setting aside \$1.4 million until we need it and it will grow to the actual \$1,526 million.

Vice Mayor Flory asked that Council consider leaving the priorities as set and when and if money becomes available the City Manager could return to Council to ask for inclusion. City Manager Kirkwood said the items are in the order in which he set them a few weeks ago. His continuing concern is based upon information that the City will likely be facing litigation. Vice Mayor Flory said he could return at any point to request inclusion. Director Vicars suggested the priorities remain as listed and if funds become available we can discuss the order of funding at that time. Priority #1 would be funded without returning to the Council for approval.

Council Member Peart suggested looking at any items to strike out. He suggested reducing some of the amounts requested as an option as well. Assistant City Manager Marler said all of the options are available and the City has control over them except the Attorney fees. City Manager Kirkwood said this method means that if the item is in Priority #1 and funding becomes available, the items will be funded. As things change, he can then return with the amount of money available and the items before them to consider funding. Council Member Dote asked if further information would be provided on the structure of the items on the exception list as she is unsure of what they entail. City Manager Kirkwood suggested funding priority #1 if funds are available. The other items could then return to Council as funds become available with a staff report that explains history of the items. Vice Mayor Flory agreed and added that other items might surface which need to be considered for addition as well. Council Member Dote asked if the \$80,000 contingency was separate from this and it was affirmed.

On a motion by Council Member Monroe, seconded by Council Member Dote and unanimously carried by the members present, Council directed staff to fund items in Priority #1, if revenues support, the \$10,800. The remaining items on the exception list are eligible for funding at a future time in the event that it is recommended and that a full report is provided to Council so they can make determination of funding.

In response to a question by Council Member Peart, the City Manager stated the request for the additional \$90,000 in Attorney fees would be in addition to the funds already budgeted. Council Member Peart asked if there are no additional funds available for this need, how would it be covered. City Manager Kirkwood stated the contingency fund held by Council would need to be utilized for this if further funds are not received. He does not recommend dependence upon the contingency fund as other unexpected issues surface which may need to utilize that money. Council Member Dote asked if the balanced budget includes the reserves. The City Manager said we do have a fund balance reserve and the six-year goal is to generate \$4 million for that

reserve. Those funds are for capital maintenance issues and other large items which surface. Council Member Dote asked if the balanced budget has the City on track to reach that anticipated reserve. City Manager Kirkwood stated that is the intent.

REPORTS OF THE CITY MANAGER

REGULAR CALENDAR

OPEN LETTER TO THE COMMUNITY – CACHE CREEK – CONGRESSMAN OSE

City Manager Kirkwood encouraged Council to authorize submission of a letter to the Daily Democrat regarding the Cache Creek flood control and the work the citizens and Congressman Ose have done in regard to this issue. Our Legislators can only do so much and the Council and Citizens must now move ahead by placing the issue on the March, 2002 ballot. Council Member Peart said the City is moving into Phase II on FEMA. The City must readjust our thinking and begin the funding for the construction phase.

On motion by Council Member Dote, seconded by Council Member Peart and carried by unanimous vote of the Members present, the Council approved the Open Letter to the Community regarding the Cache Creek Flood Control and extended appreciation to Congressman Ose for his efforts on our behalf.

ADJOURNMENT

Vice Mayor Flory adjourned the special meeting of the City Council at 9:52 p.m.

City Clerk of the City of Woodland