



Winters City Council Meeting
City Council Chambers
318 First Street
Tuesday, May 3, 2011
6:30 p.m.
AGENDA

Members of the City Council

*Woody Fridae, Mayor
Cecilia Aguilar-Curry, Mayor Pro-Tempore
Harold Anderson
Michael Martin
Tom Stone*

*John W. Donlevy, Jr., City Manager
John Wallace, City Attorney
Nanci Mills, City Clerk*

PLEASE NOTE – The numerical order of items on this agenda is for convenience of reference. Items may be taken out of order upon request of the Mayor or Councilmembers. Public comments time may be limited and speakers will be asked to state their name.

Roll Call

Pledge of Allegiance

Approval of Agenda

COUNCIL/STAFF COMMENTS

PUBLIC COMMENTS

At this time, any member of the public may address the City Council on matters, which are not listed on this agenda. Citizens should reserve their comments for matter listed on this agenda at the time the item is considered by the Council. An exception is made for members of the public for whom it would create a hardship to stay until their item is heard. Those individuals may address the item after the public has spoken on issues that are not listed on the agenda. Presentations may be limited to accommodate all speakers within the time available. Public comments may also be continued to later in the meeting should the time allotted for public comment expire.

CONSENT CALENDAR

All matters listed under the consent calendar are considered routine and non-controversial, require no discussion and are expected to have unanimous Council support and may be enacted by the City Council in one motion in the form listed below. There will be no separate discussion of these items. However, before the City Council votes on the motion to adopt, members of the City Council, staff, or the public may request that specific items be removed from the Consent Calendar for separate discussion and action. Items(s) removed will be discussed later in the meeting as time permits.

- A. Minutes of the Regular Meeting of the Winters City Council Held on Tuesday, April 19, 2011 (pp 1-9)
- B. Selection of Independent Auditor for 2010-2011, 2011-2012 and 2012-2013 and Authorize the City Manager to Enter into an Agreement with the Selected Audit Firm (pp 10-44)

PRESENTATIONS

Recognition of U14 Girls Soccer Team - California State Champions

Recognition of Cody Linton- Winters High School Wrestling

DISCUSSION ITEMS

1. Public Hearing to Receive Input From Specific Property Owners Regarding Implementation of Weed Abatement (pp 45)
2. Request to Approve Implementation of the Winters Fire Department "Sleeper Program" (pp 46-48)
3. Medical Marijuana Distribution Facilities – Information Item (pp 49-54)
4. Turkovich Winery Sidewalk Encroachment (pp 55-71)
5. Yolo County Emergency Operations – Joint Use Agreement Status (pp 72-74)

COMMUNITY DEVELOPMENT AGENCY

1. Downtown Parking - 311 First Street & Abbey Street (pp 75-78)

CITY MANAGER REPORT

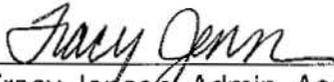
INFORMATION ONLY

1. February Treasurer Report (pp 79-85)
2. February Investment Report (pp 86-87)

EXECUTIVE SESSION

ADJOURNMENT

I declare under penalty of perjury that the foregoing agenda for the May 3, 2011 regular meeting of the Winters City Council was personally delivered to each Councilmember's mail boxes in City Hall and posted on the outside public bulletin board at City Hall, 318 First Street on April 27, 2011, and made available to the public during normal business hours.



Tracy Jensen, Admin. Asst. for Nanci G. Mills, City Clerk

Questions about this agenda – Please call the City Clerk's Office (530) 795-4910 ext. 101. Agendas and staff reports are available on the city web page www.cityofwinters.org/administrative/admin_council.htm

General Notes: Meeting facilities are accessible to persons with disabilities. To arrange aid or services to modify or accommodate persons with disability to participate in a public meeting, contact the City Clerk.

Staff recommendations are guidelines to the City Council. On any item, the Council may take action, which varies from that recommended by staff.

The city does not transcribe its proceedings. Anyone who desires a verbatim record of this meeting should arrange for attendance by a court reporter or for other acceptable means of recordation. Such arrangements will be at the sole expense of the individual requesting the recordation.

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Winters Library – 708 Railroad Avenue

City Clerk's Office – City Hall – 318 First Street

During Council meetings – Right side as you enter the Council Chambers

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Wednesday at 10:00 a.m.

Videotapes of City Council meetings are available for review at the Winters Branch of the Yolo County Library.



Minutes of the Winters City Council Meeting
Held on Tuesday, April 19, 2011

Mayor Fridae called the meeting to order at 6:30 p.m.

Present: Council Members Cecilia Aguiar-Curry, Harold Anderson, Michael Martin, Tom Stone and Mayor Woody Fridae
Absent: None
Staff: City Manager John Donlevy, City Attorney John Wallace, City Clerk Nanci Mills, Police Chief Bruce Muramoto, Fire Chief Scott Dozier, Lieutenant Sergio Gutierrez, Associate Elliot Landes, and Administrative Assistant Tracy Jensen.

Winters High School student Jessica Skaggs led the Pledge of Allegiance. Jessica regularly passes math benchmarks, does extra reading, writes extra composition and shows the skills appropriately, and is an all around hard-working student.

Approval of Agenda: City Manager Donlevy requested the first two presentation items be postponed until the May 3rd City Council meeting. Motion by Council Member Aguiar-Curry, second by Council Member Martin to approve the agenda with said changes. Motion carried unanimously.

COUNCIL/STAFF COMMENTS: Council Member Martin announced a Career Education Fair at Solano Community College Main Campus in Suisun on Sunday, May 1st from 10am-3pm. Instructors from several fields will be available. Everyone is invited, including those looking at a career change and/or for re-training opportunities.

Council Member Stone said the last Saturday in April is quickly approaching (Youth Day), and invited everyone to become involved. There will be a dance and a Battle of the Bands being held at St. Anthony's Parrish Hall on Youth Day evening.

Council Member Anderson attended Sacramento Area of Council Governments (SACOG) Land Use Committee monthly meeting held on May 7th, and also attended, along with Council Member Aguiar-Curry, the League of California

Cities (LCC) Policies Committee meeting in Ontario on May 7th & 8th. One of the highlights at the meeting was at the Federal level, this is the second year they are trying to pass legislation to approve a utility user tax fee. Mr. Anderson attended a Winters Lower Putah Creek Coordinating Committee meeting at the new Solano County Water Agency's (SCWA) headquarters on Vacaville Parkway on May 14th, where a report on mercury in our watershed was given, which is being driven by issues in the Delta and over-regulating. On May 15th, the Winters Putah Creek Committee will be sponsoring a 10-year anniversary celebration of Putah Creek at the Community Center from 3-5pm and will feature tri-tip sandwiches from the Buckhorn and live music. Senator Wolk, who has been instrumental in improvements to Putah Creek, will be in attendance. Mr. Anderson attended a Yolo County Transportation District (YCTD) meeting on 4/11, and on 4/12 attended a Cap to Cap Transportation Team meeting with Terry Bassett at the Sacramento Chamber of Commerce office, and found that not all projects previously included are being kept on the list. The trail project has been removed, but the road improvements from Davis to Winters remain on the list. This is the first year that projects have been cut from the list. Mr. Anderson will attend a SACOG Board meeting on 4/21, where the TDA claim for \$289,000 is on the consent calendar. Don't forget the Rotary Pancake Breakfast held at the Community Center on Youth Day, beginning at 6:30 am.

Council Member Aguiar-Curry attended the League of California Cities' (LCC) Policy Committee meeting on April 8th, where SB730, on-line building permit approval in 24 hours, is one of the legislative issues being opposed by the committee. The LCC annual conference will be held in San Francisco on 9/21-9/23. The LCC Legislative Action Days and LCC Board of Directors Meeting will be on May 18-20, where Senator Wolk & Assembly Member Yamada have been invited to the mixer. Ms. Aguiar-Curry recently attended the Yolo County Water Resource Association (WRA) Technical meeting, where the west side IRWMP Proposition 84 grant was discussed, worked on the budget for next year and addressed other legislative matters ie: SB200 regarding the delta and the money to be used for mitigation, and developing a priority list for Yolo County for all water projects, including Putah Creek. The WRA Board of Directors will be having a speaker series in June, where Jerry Merrill, who is in charge of the Bay Delta Conservation Plan, and Senator Wolk have been invited to attend. Ms. Aguiar-Curry also attended the WRA Executive meeting last week, as well as a luncheon with Council Member Martin sponsored by Yoche De He, and wanted to congratulate the Center for Land Based Learning for winning the number one award this year for all of the things they have done in relation to what the applied goals are. As a footnote, the tribe has given out \$20 million dollars to various communities. Also attended a Hispanic Advisory Committee (HAC) meeting on 4/11, who is sponsoring a dance with WHS Amigos Unidos to be held on Youth Day from 7-10pm at the Community Center. The HAC is also gearing up for the Community Fiesta to be held on 9/24. On 4/15, the Mayor from the City of Oakland spoke at the Mayor Regional Summit about ways to get imports/exports into/out of the port faster. The Mayor of West Sacramento was also present.

The Winters Chamber of Commerce will be having a breakfast meeting on 5/6 to discuss social media. Assembly Member Mariko Yamada will be at the Opera House on 5/21 for an ice cream social. The WHS Band made a good showing at the Davis Picnic Day Parade. Downtown Winters is a special place, thanks in part to private investors. There is an energy downtown and the new projects have created a domino effect. Winters is the place to be and thanks to the community for their support.

Mayor Fridae invited everyone to attend "It Takes a Village: Forum on Education", which will take place on April 20th at Shirley Rominger Intermediate School at 6:30 p.m. Guest panel members include the President of the California Teachers Assn., the Chief Budget Analyst with the Association of California School Administrators, and the Director of UCD's Center for Applied Policy in Education. The goal of the program is to educate the public about the financial realities of our severely underfunded schools and how to get through this difficult time. On 5/4, the Winters History Project Committee will present "Winters Agricultural Symposium: Farming Through the Generations." The program will feature a tour of UCD's Wolfskill Experimental Orchards, lunch in the DeVilbiss Room at the Buckhorn, a symposium at The Palms, followed by Wine Tasting & a Self-Directed tour of Winters. Cost is \$50 for the orchard tour, catered lunch and symposium and \$20 for the symposium only. Call 795-4600 for more information.

PUBLIC COMMENTS: Ana Kormas, on behalf of the Winters Healthcare Foundation, invited everyone to attend the Grand Opening of the Winters PHOTOVOICE Project exhibit on 5/7 from 5-8pm, which identifies specific health needs using photographs. The exhibit will be held at the Briggs & Co. Gallery, and will also be open on 5/14 & 5/21 from 10am-4pm.

CONSENT CALENDAR

- A. Minutes of the Regular Meeting of the Winters City Council Held on Tuesday, March 15, 2011
- B. Resolution 2011-23, A Resolution of the City Council of the City of Winters Declaring Weeds and Rubbish on Certain Lots and Parcels Within the City of Winters to be a Public Nuisance and Ordering the Institution of Proceedings to Abate Said Public Nuisances
- C. Application for Youth Day Parade Permit and Request for Youth Day Street Closure

City Manager Donlevy gave an overview. Motion by Council Member Martin, second by Council Member Aguiar-Curry to approve the Consent Calendar. Motion carried unanimously.

PRESENTATIONS

Recognition of U14 Girls Soccer Team- California State Champions – Postponed to the May 3rd City Council meeting.

Recognition of Cody Linton- Winters High School Wrestling – Postponed to the May 3rd City Council meeting.

Wesley Mercado gave an update of the Winters Wastewater Plan Contract Operation and Maintenance Services between Southwest Water Company and the City of Winters. The staff at Southwest Water is available for emergency call-outs 24/7, 365 days a year. They are responsible for cleaning approximately 50,000 feet of main line and conducting a pre-treatment program to educate the commercial business owners about what not to pour down the drain. Southwest Water practices preventative maintenance in order to avoid catastrophic failure.

Council Member Aguiar-Curry asked about a public outreach to the community about putting the wrong items down the drain. Kathy Stone, Southwest Water District Operations Manager, said brochures and door hangers are available to send out with the water bills to reinforce pre-treatment and educate the community on what should and shouldn't be thrown down the drain.

Council Member Stone asked how many annual calls Southwest Water receives about blocked line. Mr. Mercado said approximately 10 City-approved lateral line calls are received. They have received only 1 or 2 main line clog calls since the main line was cleared and televised 1-2 years ago. Southwest Water is currently maintaining the lines as per the scheduled maintenance plan.

DISCUSSION ITEMS

- 1. Public Hearing and Consideration of Ordinance 2011-03, An Interim Urgency Ordinance of the City of Winters Enacted Pursuant to Government Code Section 65858 to Extend Interim Urgency Ordinance No. 2011-02 for an Additional 10 Months and 15 Days and to Continue for this Period the Temporary Prohibition Against the Establishment and Operation of Street Vendors**

City Attorney Wallace gave an overview and said this urgency ordinance would not apply to existing permits or street vendors for one-day events.

Mayor Fridae opened the public hearing at 7:22 p.m. and closed the public hearing at 7:22 p.m. with no public comment.

Motion by Council Member Stone, second by Council Member Martin to adopt Ordinance 2011-03, an interim urgency ordinance of the City of Winters enacted pursuant to G.C. Section 65858 to extend Ordinance 2011-02 for an additional 10 months and 15 days and to continue for this period the temporary prohibition against the establishment and operation of street vendors. Motion carried with the following vote:

AYES: Council Members Aguiar-Curry, Anderson, Martin, Stone, Mayor Fridae
NOES: None
ABSENT: None
ABSTAIN: None

2. Funding and Design Contract for Grant Avenue/Road 90 Signal Improvements, Project No. 11-01; and Funding for Gateway Utilities, Phase 2, Project No. 08-06

City Manager Donlevy gave an overview. The I-505/Gateway Utilities Phase 1, including the lift station, and Phase 2, including roadway improvements were approved two years ago. A traffic signal at the Co. Rd. 90 and Grant Avenue intersection, as well as Grant Avenue road widening and improvements have been approved. Staff is requesting approval of the two attached Project Budget Sheets, where funding will come from bond proceeds. The signal improvements will come from TDA money, which will come back through reimbursements from the property owners. Mayor Fridae asked how much would come from the Burger King project. City Manager Donlevy said between \$150,000 or \$200,000, or approximately 15%. Council Member Martin asked about interest charges and whether properties will pay a portion as the property is developed. City Manager Donlevy said the costs will be allocated out and will come back to Council, and yes, payment will be based on acreage basis or calculation of developable area. City Attorney Wallace said all property owners will be given notice. Council Member Aguiar-Curry asked that all of the McClishs are aware of the recommendations. Motion by Council Member Martin, second by Council Member Aguiar-Curry to approve Project Budget Sheet for Grant Avenue/Road 90 Signal Improvements, Project No. 11-01, approve the updated Project Budget Sheet for Gateway Utilities, Phase 2, Project No. 08-06, and authorize the City Manager to expend funds within the Project Budget Sheet approvals for executing consultant service agreements on behalf of the City. Motion carried unanimously.

3. In-Car Camera Systems for Winters Police Vehicles Information Report and Power Point Presentation by Lt. Sergio Gutierrez

Lieutenant Sergio Gutierrez gave an overview and confirmed one police car has a VHS recorder. Council Member Aguiar-Curry asked how many in-car camera systems would be needed and what the cost would be. Lt. Gutierrez said he would research further, gather information, including costs, identify the department's needs, and come back to Council with something definitive. Council Member Anderson asked what the life expectancy of the systems would be. Lt. Gutierrez said the systems will include a five-year warranty. Software and updates will also be needed to stay current. Council Member Aguiar-Curry asked if the City has funding for this project. City Manager Donlevy said the combination of equipment replacement and high tech grants could go towards funding of the in-car camera systems, which would fall under certain parameters. Council Member Aguiar-Curry asked about technology upgrades. City Manager Donlevy said upgrades would be done incrementally by prioritizing and included in the budget. Lt. Gutierrez said he hoped to have definitive information for Council within 2-3 weeks.

4. Assistant City Attorney Services Contract- Recommendation

City Manager Donlevy gave an overview. Council Member Anderson, who was on the selection committee, said three firms from Sacramento were interviewed. The City has good history with Best Best & Krieger (BBK), who offered the widest range of services, offered the same rates as the City's current provider, and has provided instantaneous feedback with a retainer rate. City Attorney Wallace said it was a difficult choice, as Meyers Nave has worked well for us, and Jonathan Hobbs of Kronick Moskowitz Tiedemann & Girard was impressive as well. City Attorney Wallace said Harriet Steiner would work well for us, but was conflicted and deferred the decision to committee members Donlevy and Anderson, who have made a good decision in choosing Best Best & Krieger. Harriet Steiner will be the lead attorney. Kara Ueda, previously the City Attorney in Rio Vista and who was previously with McDonough Holland and Allen before moving to BB&K, will work with Harriet Steiner, along with Iris Yang, who is familiar with the City's redevelopment.

Motion by Council Member Anderson, second by Council Member Stone to approve an agreement between the City Council of the City of Winters and Best Best and Krieger, LLP for Assistant City Attorney/Legal Services. Motion carried unanimously.

5. Approve Revised Project Budget Sheet, Award Construction Contract and Amend Contract for Materials Testing and Inspection for the Downtown Streetscape Improvements, Phase 2

Police Chief Muramoto and Fire Chief Dozier gave an overview. The Public Safety Facility Project Team (PSFPT) worked with three vendors and recommended that Western Contract Furniture be selected as the furniture vendor for the project.

Sarah Redeen and Patrick DuHain of Western Furniture were present and gave an overview on presentation boards of the various colors and materials that will be used. Council Member Stone said it would be appropriate to completely outfit both sides of the facility for use during campaign fires, murder investigations, and visitors from outside agencies, and defended the committee's choice to outfit the entire building. Council Member Aguiar-Curry asked the City Manager whether City staff could be moved from the current location to the new facility. City Manager Donlevy said City staff is prohibited from moving to new facility by law. The government code says City Hall can't be located in the Public Safety Facility.

Mayor Fridae referred to the presentation given by Lt. Gutierrez regarding in-car cameras and asked that since the cameras are safety-related, can the furniture money be used for the in-car cameras. City Manager Donlevy said no, all costs have to be associated with the building. Council Member Martin said that although all rooms wouldn't be used on a regular basis, large events such as campaign fires and multi-agency investigations will serve the community in the future. If the allocated funds are not used now, we may not have funds in the future to finish furnishing the facility. Council Member Anderson said he respected the committee's recommendation, including reserving space for special events. To not use it would be silly. If the furniture has a lifetime guarantee, why not use it? Council Member Stone said legitimate services can be combined. Chief Muramoto said the investigation room will contain the same shared workstations as the current office. The names assigned to various rooms in the facility are future names.

Mayor Fridae asked about photovoltaic panels on the roof that were argued for during the design of the facility, but was told there wasn't enough money for them. Chief Muramoto said grants for photovoltaic panels are being looked at and Associate Elliot Landes confirmed the City's possession of a solar power agreement. Mayor Fridae said the City is "facility rich, operations poor" and would like to encourage energy conservation. Chief Muramoto said he understands the benefits of energy conservation and has asked Associate Elliot Landes to look into it.

Motion by Council Member Stone, second by Council Member Anderson to award the contract for the furniture and installation to Western Contract Furniture, authorize the City Manager to execute the contract on the City's behalf, and authorize the expenditure in the amount of \$230,229.43. Motion carried unanimously.

6. Authorization to Purchase Audio/Visual Equipment for Public Safety Facility

Chief Muramoto gave an overview. Mayor Fridae said he appreciates all of the work that has been done on the new facility.

Motion by Council Member Anderson, second by Council Member Stone to award the contract for the audio visual systems to Spinitar, authorize the City Manager to execute the contract on the City's behalf and authorize the expenditure in the amount of \$62,355.00. Motion carried unanimously.

COMMUNITY DEVELOPMENT AGENCY

1. Approve Revised Project Budget Sheet, Award Construction Contract and Amend Contract for Materials Testing and Inspection for the Downtown Streetscape Improvements, Phase 2

Community Development Agency Chair Aguiar-Curry opened the meeting of the Community Development Agency at 9:02 p.m.

Three members of the CDA have a possible conflict, so walnuts were drawn to determine which of the three members would stay. At the conclusion of the draw, Agency Members Stone and Fridae excused themselves from the dais at 9:05 p.m. and Agency Member Anderson remained to make a quorum.

Agency Director Donlevy said since this is a federally-funded project, documentation is needed to show due diligence under UDBE (Underutilized Disadvantage Business Enterprise) to show compliance with the contract requirements. The apparent low bidder, Parker Landscape Development, Inc. did not meet this requirement and has been deemed con-compliant. In view of this, Lister Construction is the recommended contractor.

Agency Member Anderson asked why the City is receiving bids from those who don't know how to do it. Agency Director Donlevy said Parker Landscape was not at the bid opening. All of the other bidders were aware of this requirement. Parker Landscape has four days to comply with the UDBE requirements, as well as supplying a subcontractor list. This construction contract must be awarded in the month of April or federal funds could be jeopardized.

Agency Director Donlevy said in 2009, staff was authorized to move forward with the construction of a parking lot at 311 First Street, which would add 39 parking spaces. Staff will bring a conceptual plan back to Council at the May 3rd City Council meeting.

Agency Member Martin asked that during this modification that the spots/holes on Main Street be looked at and repaired, as he has received information about seniors tripping and falling. Agency Director Donlevy said the areas that require repair will be repaired. The intent is, if awarded, meetings will be held with the property owners/businesses prior to construction. Agency Member Martin asked about the flow of traffic during construction. Agency Director said this project should not require traffic interruption like Phase I at Railroad and Main, but if street closure is necessary, it won't be for weeks at a time like Phase I. Agency Member Anderson asked if the parking lot project could affect federal funds. Agency Director Donlevy said no and also confirmed that six parking spaces on Main Street will be eliminated.

Motion by Agency Member Anderson, second by Agency Member Martin to approve staff recommendation. Motion carried unanimously, with two absent.

CITY MANAGER REPORT: City Manager Donlevy threw out a fun fact: In the last two years, 5,900 jobs have been cut at the City government level, 382 jobs have been cut at the Federal government level, and 1,400 jobs were added at the California State government level.

INFORMATION ONLY: None

EXECUTIVE SESSION: None

ADJOURNMENT: Mayor Pro Tem Aguiar-Curry adjourned the meeting of the City Council and Community Development Agency at 9:21 p.m.

Woody Fridae, MAYOR

ATTEST:

Nanci G. Mills, City Clerk



CITY COUNCIL
STAFF REPORT

TO: Honorable Mayor and Councilmembers
DATE: May 3, 2011
THROUGH: John W. Donlevy, Jr., City Manager *JD*
FROM: Shelly A. Gunby, Director of Financial Management *Shelly*
SUBJECT: Selection of Audit for 2010-2011, 2011-2012 and 2012-2013

RECOMMENDATION:

Accept the proposal from Moss, Levy and Hartzheim, LLP for performing the annual independent audit for fiscal years 2010-2011, 2011-2012 and 2012-2013 and authorize the City Manager to execute a professional services contract for the 3 year audit period.

BACKGROUND:

The City of Winters is required to have an independent financial audit performed each year. For the past 2 years, Boler and Associates has performed this audit, however, at the conclusion of the 2009-2010 audit, Boler and Associates resigned, stating that due to our requirements that the Comprehensive Annual Financial Report (CAFR) be completed in time to be submitted to the Government Financial Officers Association (GFOA) for review, they were unable to perform the audit in upcoming years. Staff sent a request for proposal (FRP) to 21 audit firms and received proposals from 3. The 3 firms and their proposed costs are listed below:

	2010-2011	2011-2012	2012-2013
Moss, Levy & Hartzheim, LLP	\$24,390	\$24,390	\$24,390
Smith & Newell, CPAS	\$29,750	\$31,300	\$32,850
Nystrom & Company, LLP	\$46,000	\$47,250	\$48,500

Based on the results of the RFP, staff recommends issuing a 3 year contract to Moss, Levy & Hartzheim, LLP

FISCAL IMPACT:

Staff budgeted \$25,400 for 2010-2011 and 2011-2012, therefore, the Moss, Levy & Hartzheim, LLP's proposal is consistent with the budgeted amount for 2011-2012.



CONSULTANT SERVICES AGREEMENT
AGREEMENT No. _____

Comment [AR1]: Click the Protect Form button (padlock icon) on the toolbar to activate Automatic Fill-In. If you do not have the icon, select Tools from the menu bar and then select Protect Document, click on OK.

THIS AGREEMENT is made at Winters, California, as of _____, by and between the City of Winters ("the CITY") and Moss, Levy & Hartzheim, LLP ("CONSULTANT"), who agree as follows:

1. **SERVICES.** Subject to the terms and conditions set forth in this Agreement, CONSULTANTS shall provide to the City the Services described in Exhibit "A", which is the CONSULTANT'S Proposal dated April 8, 2011. Consultant shall provide said services at the time, place, and in the manner specified by the Director of Financial Management and Exhibit "A".
2. **PAYMENT.** The Consultant shall be paid for the actual costs, for all time and materials expended, in accordance with the Schedule of Fees included in Exhibit "B", but in no event shall total compensation exceed Twenty four thousand three hundred ninety dollars (\$24,390), without the City's prior written approval. City shall pay consultant for services rendered pursuant to the Agreement and described in Exhibit "A".
3. **FACILITIES AND EQUIPMENT.** CONSULTANT shall, at its sole cost and expense, furnish all facilities and equipment which may be required for furnishing services pursuant to this Agreement.
4. **GENERAL PROVISIONS.** The general provisions set forth in Exhibit "C" are part of this Agreement. In the event of any inconsistency between said general provisions and any other terms or conditions of this Agreement, the other term or condition shall control only insofar as it is inconsistent with general Provisions.
5. **EXHIBITS.** All exhibits referred to therein are attached hereto and are by this reference incorporated herein.

EXECUTED as of day first above-stated.

CITY OF WINTERS
a municipal corporation

By: _____
John W. Donlevy, Jr., City Manager

CONSULTANT

By: _____

ATTEST:

By: _____
Nanci G. Mills, CITY CLERK

Exhibit "A" Provided by Consultant

Exhibit "B" Provided by Consultant

EXHIBIT "C"

GENERAL PROVISIONS

(1) INDEPENDENT CONTRACTOR. At all times during the term of this Agreement, CONSULTANT shall be an independent contractor and shall not be an employee of CITY. CITY shall have the right to control CONSULTANT only insofar as the results of CONSULTANT'S services rendered pursuant to this Agreement; however, CITY shall not have the right to control the means by which CONSULTANT accomplishes services rendered pursuant to this Agreement.

(2) LICENSES; PERMITS; ETC. CONSULTANT represents and warrants to CITY that CONSULTANT has all licenses, permits, qualifications, and approvals of whatsoever nature which are legally required for CONSULTANT to practice CONSULTANT'S profession. CONSULTANT represents and warrants to CITY that CONSULTANT shall, at its sole cost and expense, keep in effect at all times during the term of this Agreement, any licenses, permits, and approvals which are legally required for CONSULTANT to practice his profession.

(3) TIME. CONSULTANT shall devote such services pursuant to this Agreement as may be reasonably necessary for satisfactory performance of CONSULTANT'S obligations pursuant to this Agreement.

(4) INSURANCE.

(a) WORKER'S COMPENSATION. During the term of this Agreement, CONSULTANT shall fully comply with the terms of the law of California concerning worker's compensation. Said compliance shall include, but not be limited to, maintaining in full force and effect one or more policies of insurance insuring against any liability CONSULTANT may have for worker's compensation.

(b) GENERAL LIABILITY AND AUTOMOBILE INSURANCE. CONSULTANT shall obtain at its sole cost and keep in full force and effect during the term of this agreement broad form property damage, personal injury, automobile, employer, and comprehensive form liability insurance in the amount of \$2,000,000 per occurrence; provided (1) that the CITY, its officers, agents, employees and volunteers shall be named as additional insured under the policy; and (2) that the policy shall stipulate that this insurance will operate as primary insurance; and that (3) no other insurance effected by the CITY or other names insured will be called upon to cover a loss covered there under; and (4) insurance shall be provided by an, at least, A-7 rated company.

(c) PROFESSIONAL LIABILITY INSURANCE. During the term of this Agreement, CONSULTANT shall maintain an Errors and Omissions Insurance policy in the amount of not less than \$1,000,000.

(d) CERTIFICATES OF INSURANCE. CONSULTANT shall file with CITY'S City Clerk upon the execution of this agreement, certificates of insurance which shall provide that no cancellation, major change in coverage, expiration, or non-renewal will be made during the term of this agreement, without thirty (30) days written notice to the City Clerk prior to the effective date of such cancellation, or change in coverage.

(5) CONSULTANT NOT AGENT. Except as CITY may specify in writing, CONSULTANT shall

have no authority, express or implied, to act on behalf of CITY in any capacity whatsoever as an agent. CONSULTANT shall have no authority, express or implied, pursuant to this Agreement, to bind CITY to any obligation whatsoever.

(6) ASSIGNMENT PROHIBITED. No party to this Agreement may assign any right or obligation pursuant to this Agreement. Any attempted or purported assignment of any right or obligation pursuant to this Agreement shall be void and of no effect.

(7) PERSONNEL. CONSULTANT shall assign only competent personnel to perform services pursuant to this Agreement. In the event that CITY, at its sole discretion, at anytime during the term of this Agreement, desires the removal of any person or persons assigned by CONSULTANT to perform services pursuant to this Agreement, CONSULTANT shall remove any such person immediately upon receiving notice from CITY of the desire of CITY for the removal of such person or persons.

(8) STANDARD OF PERFORMANCE. CONSULTANT shall perform all services required pursuant to this Agreement in the manner and according to the standards observed by a competent practitioner of the profession in which CONSULTANT is engaged in the geographical area in which CONSULTANT practices his profession. CITY pursuant to this Agreement shall be prepared in a substantial, first-class, and workmanlike manner, and conform to the standards of quality normally observed by a person practicing in CONSULTANT'S profession. CITY shall be the sole judge as to whether the product of the CONSULTANT is satisfactory.

(9) CANCELLATION OF AGREEMENT. This Agreement may be canceled at any time by CITY for its convenience upon written notification to CONSULTANT. CONSULTANT shall be entitled to receive full payment for all services performed and all costs incurred to the date of receipt of written notice to cease work on the project. CONSULTANT shall be entitled to no further compensation for work performed after the date of receipt of written notice to cease work. All completed and uncompleted products up to the date of receipt of written notice to cease work shall become the property of the CITY.

(10) PRODUCTS OF CONSULTING. All products of the CONSULTANT resulting from this Agreement shall be the property of the CITY.

(11) INDEMNIFY AND HOLD HARMLESS. CONSULTANT shall indemnify, hold harmless the CITY, its officers, agents and employees from all claims, suits, or actions of every name, kind and description, brought forth on account of injuries to or death of any person or damage to property to the extent arising from or connected with the willful misconduct, negligent acts, errors or omissions, ultra-hazardous activities, activities giving rise to strict liability, or defects in design by the CONSULTANT or any person directly or indirectly employed by or acting as agent for CONSULTANT in the performance of this Agreement, including the concurrent or successive passive negligence of the City, its officers, agents or employees.

It is understood that the duty of CONSULTANT to indemnify and hold harmless includes the duty to defend as set forth in Section 2778 of the California Civil Code.

Acceptance of insurance certificates and endorsements required under this Agreement does not relieve CONSULTANT from liability under this indemnification and hold harmless clause. This indemnification and hold harmless clause shall apply whether or not such insurance policies shall have been determined to be applicable to any of such damages or claims for damages.

(12) PROHIBITED INTERESTS. No employee of the CITY shall have any direct financial interest in this agreement. This agreement shall be voidable at the option of the CITY if this provision is violated.

(13) LOCAL EMPLOYMENT POLICY. The City of Winters desires wherever possible, to hire

qualified local residents to work on city projects. Local resident is defined as a person who resides in Yolo County.

The City encourages an active affirmative action program on the part of its contractors, consultants, and developers.

When local projects require, subcontractors, contractors, consultants, and developers will solicit proposals from qualified local firms where possible.

As a way of responding to the provisions of the Davis-Bacon Act and this program, contractor, consultants, and developers will be asked to provide no more frequently than monthly, a report which lists the employee's residence, and ethnic origin.

(14) CONSULTANT NOT PUBLIC OFFICIAL. CONSULTANT is not a "public official" for purposes of Government Code §87200 et seq. CONSULTANT conducts research and arrives at conclusions with respect to his or her rendition of information, advice, recommendation or counsel independent of the control and direction of the CITY or any CITY official, other than normal contract monitoring. In addition, CONSULTANT possesses no authority with respect to any CITY decision beyond the rendition of information, advice, recommendation or counsel.

CITY OF WINTERS
PROPOSAL FOR PROFESSIONAL AUDITING SERVICES
For the Fiscal Year Ending June 30, 2011
(Optional Fiscal Years Ending June 30, 2012 and 2013)

Submitted By:

Moss, Levy & Hartzheim, LLP
9107 Wilshire Blvd. Suite 400
Beverly Hills, CA 90210
Phone: (310) 273-2745
Fax: (310) 273-1689
Email: mlhbh@mlhcpas.com
Website: www.mlhcpas.com

Submitted On:

April 8, 2011

Contact Person:

Craig A. Hartzheim, CPA: Partner
Ron A. Levy, CPA: Partner
Hadley Y. Hui, CPA: Partner

CITY OF WINTERS
AUDIT PROPOSAL
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MOSS, LEVY & HARTZHEIM LLP

CERTIFIED PUBLIC ACCOUNTANTS

PARTNERS
RONALD A. LEVY, CPA
CRAIG A. HARTZHEIM, CPA
HADLEY Y. HUI, CPA

9107 WILSHIRE BLVD., SUITE 400
BEVERLY HILLS, CA 90210
TEL: 310.273.2745
FAX: 310.273.1689
www.mlhcpas.com

Shelly Gunby
Director of Financial Management
City of Winters
318 First St.
Winters, CA 95694

Dear Ms. Gunby,

We are pleased to respond to the City of Winters' (City) Request for Proposal for independent auditing services. We have prepared our proposal to address each of the specifications included in the City's Request for Proposal.

Moss, Levy & Hartzheim, LLP is independent of the City and its component units as defined by auditing standards generally accepted in the United States of America, the U.S. General Accounting Office's *Government Auditing Standards*, the U.S. Securities and Exchange Commission, and all other authoritative bodies with standard or rule making authority over the auditing profession. We were the City's auditors for the fiscal years ending June 30, 2003 through 2008, so we are familiar with the City and the way in which it operates.

Moss, Levy & Hartzheim, LLP is a properly licensed certified public accounting firm in the State of California. All certified public accountants engaged in the audit of the City are licensed to practice in the State of California and have received at least the minimum number of governmental continuing professional education hours required by the State Board of Accountancy and *Government Auditing Standards* to perform governmental audits.

Moss, Levy & Hartzheim, LLP has an extensive background in auditing governmental and non-profit entities with over thirty years of experience in this specialized field. After 54 years in public accounting and 34 years of performing local governmental and non-profit audits, it is extremely gratifying to witness the continued growth of Moss, Levy & Hartzheim, LLP. The firm is a regional full service public accounting firm with offices in Beverly Hills and Santa Maria and clients throughout the State of California, as well as thirty-one other states. We and the entire staff are pleased with not only the continuing development of the firm but also the progress and economic health of our clients. We understand that governmental accounting is a specialized industry with its own accounting standards and requirements, and that is why we strive to constantly improve the quality of our professional services. This degree of dedication, coupled with our ability to inform our clients of any new accounting and auditing issues, is paramount to our success.

We feel that our size is such that we are large enough to provide a broad spectrum of services and experience backed by an in-house training program, professional development courses, and an extensive professional library, yet not so large as to become impersonal and rigid. Our informal style allows us to be flexible enough to complete our engagements in a timely manner that is the most convenient for each

client. Also, this style allows us to be more accessible to our clients when our clients have questions or concerns.

Our firm has never been the object of any disciplinary action from any federal or state regulatory body or professional organization, nor is there any disciplinary action pending.

It is our understanding that we will perform an audit of the City's basic financial statements in accordance with auditing standards generally accepted in the United States of America with the objective of expressing an opinion on the fair presentation of the basic financial statements, which will be in full compliance with Governmental Accounting Standards Board (GASB) Statement No. 34, 45, 54 and the GFOA's Blue Book. We will also express an "in-relation-to" opinion on the combining and individual fund financial statements and supporting schedules based on the auditing procedures applied during the audit of the basic financial statements. Additionally, we will test compliance with the Single Audit Act as amended in 1996, applicable laws and regulations, and audit the financial statements of the Winters' Community Development Agency, and related tests of its compliance, in accordance with Guidelines for Compliance Audits of California Redevelopment Agencies, issued by the State Controller.

In addition to the procedures deemed necessary to express our opinion on the basic financial statements, we understand that we will also be responsible for performing certain limited procedures involving the management's discussion and analysis (MD&A) and the required supplementary information (RSI) required by the Governmental Accounting Standards Board, as mandated by auditing standards generally accepted in the United States of America.

Our audits would be conducted in accordance with auditing standards generally accepted in the United States of America; *Government Auditing Standards*, issued by the Comptroller General of the United States; U.S. Office of Management and Budget (OMB) Circular A-133, *Audits of State, Local Governments, and Nonprofit Organizations*; the provisions of the Federal Single Audit Act Amendments of 1996; and the procedures contained in the publication *Guidelines for Compliance Audits of California Redevelopment Agencies* as promulgated by the State Controller of the State of California.

It is our understanding that we will be responsible for issuing the following reports: an independent auditor's report on the fair presentation of the City's basic financial statements in conformity with accounting principles generally accepted in the United States of America; an independent auditor's report on internal control over financial reporting and on compliance and other matters based on an audit of financial statements performed in accordance with *Government Auditing Standards*; a report on the fair presentation of the Community Development Agency's financial statements in conformity with generally accepted accounting principles; an in-relation-to report and notes on the schedule of expenditures of federal financial assistance in accordance with all requirements of the Federal Single Audit Act of 1996; an independent auditor's report on compliance with requirements that could have a direct and material effect on each major program and on internal control over compliance in accordance with OMB Circular A-133; a Statement on Auditing Standards (SAS) 114 letter; and a management letter.

We also understand that we will be responsible for preparing, editing, typing, printing, and delivering the City's Comprehensive Annual Financial Report (CAFR) for review in the Government Finance Officers Association's (GFOA) Certificate of Achievement for Excellence in Financial Reporting Program. We will provide the City with required copies plus one camera ready copy and a "cd" (electronic data) containing a PDF file of the report.

All significant deficiencies found during the audit will be communicated in writing. In the required reports on compliance and internal controls, we shall communicate any significant deficiencies found during the audit. Significant deficiencies that are also material weaknesses will be identified as such in the report. Non-reportable conditions discovered will be reported in a separate letter to management, which will be referred to in the reports on compliance and internal controls. All irregularities and illegal acts or indications of illegal acts of which we become aware of during the course of our audit will be

immediately reported, in writing, to the City Manager, the City Attorney, the City Council, and the Director of Financial Management.

Moss, Levy & Hartzheim, LLP will perform the audit work within the specified time period, pending no unforeseen circumstances which the City imposes on our work.

The percentage of the audit work we expect to accomplish for the 2011 audit year, by month, is shown below:

<u>June</u>	<u>September</u>	<u>October</u>	<u>Total</u>
35%	45%	20%	100%

This proposal for auditing services is an irrevocable offer until July 8, 2011.

Thank you for your consideration and please do not hesitate to contact the authorized representatives listed below with any questions, problems, or concerns.

(1) Craig A. Hartzheim, CPA
Partner
9107 Wilshire Blvd.,
Suite 400
Beverly Hills, CA 90210
(310) 273-2745
chartzheim@mlhcpas.com

(2) Ron A. Levy, CPA
Partner
9107 Wilshire Blvd.,
Suite 400
Beverly Hills, CA 90210
(310) 273-2745
rlevy@mlhcpas.com

(3) Hadley Y. Hui, CPA
Partner
9107 Wilshire Blvd.,
Suite 400
Beverly Hills, CA 90210
(310) 273-2745
hhui@mlhcpas.com

Sincerely,



Craig A. Hartzheim, C.P.A.
Partner

Moss, Levy & Hartzheim, LLP is an Equal Opportunity Employer.

MINIMUM QUALIFICATIONS

Moss, Levy & Hartzheim, LLP is independent of the City of Winters (City) and its component units as defined by auditing standards generally accepted in the United States of America, the U.S. General Accounting Office's *Government Auditing Standards*, the U.S. Securities and Exchange Commission, and all other authoritative bodies with standard or rule making authority over the auditing profession.

The firm uses checklists and questionnaires to determine that staff members are independent of each client being audited. We also have each staff member sign a personal independence declaration prior to commencing work on an audit client. The partner in charge of the audit reviews all independence work papers prior to staffing each audit.

Moss, Levy & Hartzheim, LLP is a properly licensed certified public accounting firm in the State of California. All certified public accountants engaged in the audit of the City of Winters are licensed to practice in the State of California and have received at least the minimum number of governmental continuing professional education hours required by the State Board of Accountancy and *Government Auditing Standards* to perform governmental audits.

The firm currently audits over thirty Cities, the County Sanitation Districts of Los Angeles County (all 25 districts), the County of San Diego's Redevelopment Agency, thirty-five school district and related audits, and over seventy-five special district audits. We have recently completed monitoring of over two hundred (200) contractors for the County of Los Angeles, for contract compliance and fiscal monitoring. Additionally, we are also on the master lists and have signed master contracts with the County of San Diego and the County of Los Angeles for Compliance and Financial Audits. Therefore, our firm has experience in auditing and preparing financial statements for all types of governmental agencies.

We have selected the following five significant engagements of ours that we feel are most similar to the City of Winters:

<u>Governmental Agency</u>	<u>Total Staff Hours</u>	<u>Scope of Work</u>	<u>Fiscal Years Audited</u>	<u>Contact and Telephone number</u>
<u>City of Tracy</u>				
Basic Financial Statements/CAFR Tracy Redevelopment Agency Audit Partner - Craig A. Hartzheim, C.P.A.	700	Financial Audit, Single Audit, State Controller's Report, and GANN Limit GFOA Certification In accordance with GASB 34	2004 through 2010	Linda Biscocho Accounting Officer (209) 831-6828
<u>City of Santa Maria</u>				
Basic Financial Statements/CAFR Santa Maria Redevelopment Agency Transportation Development Agency Audit Partner - Ron A. Levy, C.P.A.	675	Financial Audit, Single Audit, GFOA Certification In accordance with GASB 34	2003 through 2010	Lynda Snodgrass Administrative Services Director (805) 925-0951, Ext. 215
<u>City of Healdsburg</u>				
Basic Financial Statements Healdsburg Redevelopment Agency Audit Partner - Craig A. Hartzheim, C.P.A.	640	Financial Audit, Single Audit, State Controller's Report, and GANN Limit In accordance with GASB 34	2010	Heather Ippoliti Finance Director (707) 431-3184

MINIMUM QUALIFICATIONS (CONTINUED)

<u>Governmental Agency</u>	<u>Total Staff Hours</u>	<u>Scope of Work</u>	<u>Fiscal Years Audited</u>	<u>Contact and Telephone number</u>
<u>City of Yuba City</u>				
Basic Financial Statements/CAFR Redevelopment Agency of the City of Yuba City Audit Partner - Ron A. Levy, C.P.A	550	Financial Audit, Single Audit, and GANN Limit GFOA Certification In accordance with GASB 34	2008 through 2010	Robin Bertagna Finance Director (530) 822-4615
<u>City of Bellflower</u>				
Basic Financial Statements/CAFR Bellflower Redevelopment Agency Audit Partner - Hadley Y. Hui, C.P.A	440	Financial Audit, Single Audit, State Controller's Report, and GANN Limit GFOA Certification In accordance with GASB 34	1994 through 2010	Tae Rhee Director of Finance (310) 804-1424, Ext. 2234

The firm's recent local auditing experience also includes the following:

1. CSMFO and GFOA Award Programs

The firm has or is currently auditing the following entities that have participated in and have received the CSMFO and/or GFOA Award Programs:

- | | |
|----------------------|---|
| City of Bellflower | City of Paso Robles |
| City of Brawley | City of Scotts Valley |
| City of Calabasas | City of Susanville |
| City of Campbell | City of Tracy |
| City of Dinuba | City of Watsonville |
| City of El Centro | City of Westlake Village |
| City of Eureka | City of Whittier |
| City of Hercules | City of Winters |
| City of Laguna Hills | City of Yuba City |
| City of Lathrop | County Sanitation Districts of |
| City of Lompoc | Los Angeles County |
| City of Lynwood | Encina Wastewater Authority |
| City of Pacifica | Los Angeles County Flood Control District |

2. Redevelopment Agencies

We have audited the Redevelopment Agency of the County of San Diego for the fiscal years ended June 30, 2004-2010. We have also performed audits of redevelopment agencies for nearly all of our municipal clients. Each redevelopment agency audit is conducted in accordance with *Guidelines for Compliance Audits of California Redevelopment Agencies* issued by the State Controller, Division of Local Government Fiscal Affairs and Section 33080.1(a) of the Health and Safety Code and Title 2.5, Chapter 6 of the California Administrative Code.

3. OMB Circular A-133

We have performed compliance audits in accordance with Office of Management and Budget (OMB) Circular A-133, *Audits of State, Local Government and Nonprofit Organizations*, for our municipal clients who are required to have compliance audits (which is the majority of our municipal clients) and for all of our school district clients.

MINIMUM QUALIFICATIONS (CONTINUED)

The firm's recent local auditing experience also includes the following: (Continued)

4. Federal and State Grant Programs and the Single Audit

Each of our municipal clients, the majority of our special district clients, and all of our school district clients receive federal and state grants which require compliance audits. Some of our most commonly audited programs are as follows:

Municipal Major Programs:

- Community Development Block Grant Funds (CDBG)
- Federal Emergency Management Act Funds (FEMA)
- Section 8 Housing Assistance Payments
- Transportation Enhancement Act (TEA)
- Airport Improvement Program (AIP)
- Economic Development Grants (EDA)
- HOME
- Capitalization Grants for State Revolving Funds
- Surveys, Studies, Investigations, and Special Purpose Grants

Other Common Municipal Programs:

- COPS Grants (including LLEBG)
- Asset Seizure Funds
- Retired Senior Volunteer Program

Other Major Programs:

- Senior Nutrition Programs
- Child Nutrition Programs
- Title I
- Title VI
- Migrant Education
- Vocational Education
- Special Education

5. State Controller's Report and Street Reports

We have prepared State Controller's Reports, Transit, and Street Reports for numerous cities, redevelopment agencies, and special districts. We feel this experience allows us to assist our clients in their preparation of the State Controller's Reports or prepare the reports as a separate engagement for our clients.

6. School Districts

Currently our firm audits thirty-five school districts and related schools throughout the State of California, including four charter schools. We have also performed audits of student bodies for nearly all of our school district clients.

7. Special Districts

Currently our firm audits in excess of seventy-five special districts including the County Sanitation Districts of Los Angeles County (all 25 Districts), recreation districts, utility districts, cemetery districts, community services districts, sanitary districts, water districts, fire districts, ambulance services districts, airport districts, and vector control districts.

MINIMUM QUALIFICATIONS (CONTINUED)

The firm's recent local auditing experience also includes the following: (Continued)

8. Bond Reporting

The firm has assisted many of our clients in properly reporting and accounting for bond issuance costs and discounts or premiums, as well as reviewing debt covenant requirements. Many of our clients' audited statements have been included in official debt issuance statements.

9. Other Audits

The firm has recently concluded auditing lease agreements between the County of Los Angeles and a lessee for a period of 15 years. The firm has assisted several cities in reviewing franchise financial statements as part of reviewing franchise requests for rate increases. In addition, the firm has performed transient occupancy audits for ten municipalities and has performed various audits of operating lease charges (such as use of a sewage treatment plant based on percentage of use by our client and actual expense as recorded by the treatment plant operator). The firm has also performed franchise audits of Comcast, AT&T, a local sports park, and others for municipal clients who have requested them.

10. Joint Powers Authorities

We have audited the following joint powers authorities (JPAs):

- County of San Diego – Emergency Services Organization
- Encina Wastewater Authority
- Exclusive Risk Management Authority of California
- North Coast Emergency Medical Services
- Public Agency Self Insurance System
- San Diego Geographic Information System
- Santa Barbara County Special Education Local Plan Area Joint Powers Agency
- Santa Barbara Water Purveyors Joint Powers Agency
- Tracy Area Public Facilities Financing Authority
- Transportation Authority of Marin
- West Contra Costa Integrated Waste Management Authority

In addition to the joint powers authorities listed above, the vast majority of our governmental clients are members of joint powers authorities. As such, our firm has experience in reviewing JPA statements and disclosing the appropriate JPA information in the financial statements for each governmental client.

FIRM INFORMATION

Moss, Levy & Hartzheim, LLP is a regional firm that performs audits of governmental and non-profit entities throughout the State of California, from the Oregon border to the Mexico border. We also perform review and compilation engagements as well as tax and consulting services to clients throughout the United States. The firm currently employs 30 professionals, all of whom are trained in governmental auditing, and has annual gross revenues in excess of 3.7 million dollars. The firm has two offices in California: Beverly Hills and Santa Maria.

The audit work will be completed by staff from our Beverly Hills office.

Nine certified public accountants (three partners, two managers, three senior accountants, and one staff accountant) currently staff the Beverly Hills office. In addition, the Beverly Hills office employs eleven managers, seniors, and staff accountants. All certified public accountants, managers, senior accountants, and staff accountants are part of the governmental and non-profit audit practice.

The City of Winters will have one partner and one manager assigned to the audit on a full-time basis. In addition, one senior accountant and one to two staff accountants will be assigned to the audit on a full-time basis. These employees will not be changed except due to unforeseen circumstances.

Our firm currently provides the following services:

Audits:

- Governmental (cities, single audits, school districts, and special districts)
- Non-Profit
- Commercial
- Compliance
- Transient Occupancy Tax
- Pensions

Accounting Services:

- Reviews
- Compilations

Management Advisory Services (Non-Audit Clients):

- Data Processing Services
- Business Consultation
- Pension and Profit Sharing Plan Assistance
- Acquisition and Mergers

Income Tax Services:

- Preparation
- Planning
- Tax Audits and Negotiations with Internal Revenue Service and Other Taxing Authorities

FIRM INFORMATION (CONTINUED)

The firm's current and/or recently completed governmental audits include the following:

CITIES AND REDEVELOPMENT AGENCIES

Adelanto, CA
Angels, CA
Arcata, CA
Arroyo Grande, CA
Beaumont, CA
Bellflower, CA
Brawley, CA
Calabasas, CA
Calexico, CA
Campbell, CA
Camarillo, CA - Internal Control Audits
Capitola, CA
Clayton, CA
Cloverdale, CA
County of San Diego Redevelopment Agency, CA
Dinuba, CA
El Centro, CA
Eureka, CA
Fillmore, CA
Fort Bragg, CA
Grover Beach, CA
Gustine, CA
Healdsburg, CA
Hercules, CA
Holtville, CA
Hughson, CA
Imperial, CA
Laguna Hills, CA
Lathrop, CA
Lemon Grove, CA
Lompoc, CA
Lynwood, CA
Morgan Hill, CA
Oakdale, CA
Ojai, CA
Pacifica, CA
Paso Robles, CA
Santa Maria, CA
Susanville, CA
Taft, CA
Town of Paradise, CA
Tracy, CA
Watsonville, CA
Westlake Village, CA
Whittier, CA
Winters, CA
Yuba City, CA

PUBLIC FINANCING AUTHORITIES

The majority of our Municipalities issue debt and do so through an established Public Financing Authority.

SCHOOL DISTRICTS

Acton-Agua Dulce Unified School District
Ballard School District
Bellflower Unified School District
Beverly Hills Unified School District
Blochman Union School District
Bradley Elementary School District
Buellton Union School District
Calaveras County Schools
Calipatria Unified School District
Carpinteria Unified School District
Casmalia School District
Castaic Union School District
Cayucos Elementary School District
Coast Unified School District
Cold Springs School District
College Elementary School District
Eastside School District
El Segundo Unified School District
Garvey School District
Goleta Union School District
Graves School District
Heber School District
Hughes-Elizabeth Lakes Union School District
Keppel Union School District
Lancaster School District
Magnolia Union School District
Manhattan Beach Unified School District
Mark Twain Union Elementary School District
Meadows Union School District
Mission School District
Monrovia Unified School District
Montecito Union School District
Mulberry School District
Novato Unified School District
Orcutt Union School District
Pacific Unified School District
Palmdale School District
Pleasant Valley Union School District
San Ardo Elementary School District
San Lucas School District
San Miguel Joint Union School District
Santa Maria Joint Union High School District
Shandon Unified School District
Solvang Elementary School District
Temple City Unified School District
Torrance Unified School District
Vallecito Union School District
Westmoreland Elementary School District
Wilsona School District

OTHER SCHOOL ENTITIES

Academia Semillas del Pueblo Charter School
Antelope Valley Schools Transportation District
Bright Star Secondary Charter Academy
East Bay Regional Occupational Program
Garr Academy of Mathematics and Entrepreneurial Studies
Pacoima Charter School
Santa Ynez Valley Charter School
Southern California Regional Occupational Center
Stella Middle Charter Academy
Synergy Charter Academy
Tri-Valley Regional Occupational Program

DETAILED WORK PLAN

If convenient for the City's staff, the approximate target dates for the fiscal year 2011 City audit would be as follows:

- (1) Pre-audit Conference; Pre-closing work – Week of June 27th
- (2) Detailed Audit Plan/Confirmation Letters – July 1st
- (3) On site Audit Work – September 6th-9th
- (4) Draft financial statements, notes, and all required supplementary schedules
– No later than October 31st
- (5) Draft Management Comment Letter – No later than October 31st
- (6) Review of Draft with Director of Financial Management – Week of November 7th
- (7) Exit Conference – Week of November 14th
- (8) Final copies of audit reports delivered – No later than December 1st
- (9) Council Presentation – Open

Our audit would begin when it is convenient for the City's staff. We estimate that in the last week of June we will perform interim work. Each year, the manager of the firm will contact the Finance Department personnel. The purpose of this contact will be to discuss the scope and timing of the annual audit, to review any accounting issues known at that time, and to address any City personnel's concerns about the impending audit.

We will schedule approximately one week of interim work each year. During the first year, we will prepare narrative flow charts and other documentation of the internal control structure and of the major systems, such as revenue and cash receipts, purchasing and cash disbursements, payroll and personnel, inventory, property and equipment, grant compliance, investment activities, and the budget process. We will gain this information through discussions with appropriate City staff and the review of available documented policies, organizational charts, manuals, programs, and procedures. Once we obtain this information, we will evaluate the systems of internal controls and revise our standard governmental audit programs.

In June, we will contact you to provide our detailed audit plan for the interim fieldwork. We will also discuss with you any matters that may impact our audit procedures or your financial reporting. Before year-end fieldwork, we will discuss with you any assistance the City may need with the year-end closing.

Our year-end fieldwork would begin on September 6th. The year-end audit work will begin with an analytical review of all significant balance sheet and revenues and expenditures/expense accounts for each fund, which includes a comparison of prior year's financial statements and current year's budget to the year-end trial balance. It is our firm's policy to perform substantive tests on all balance sheet accounts. **Analytical procedures will be used to supplement the substantive tests, not supplant them.** We will perform analytical procedures during interim and year-end fieldwork on all balance sheet and revenue and expense/expenditure accounts.

The primary objective of the year-end audit work is to audit the final numbers that will appear in the City's basic financial statements and report on compliance with laws, regulations, and grant agreements. Our fieldwork would also consist of procedures required under SAS No. 99, *Consideration of Fraud in a Financial Statement Audit*.

We will perform procedures such as:

- (a) Confirmations by positive and negative circularization including but not limited to all cash and investment accounts; selected receivable and revenue balances; all bonds, loans, notes payable, and capital leases; all notes receivable; all insurance carriers; all legal firms employed on City business; and other miscellaneous confirmations deemed necessary
- (b) Physical verifications and observations
- (c) Analysis and review of evidential material

DETAILED WORK PLAN (CONTINUED)

We will perform procedures such as: (Continued)

- (d) Interviews and investigative efforts
- (e) Electronic data processing testing for computer and software reliability
- (f) Numerous other procedures

During the entire engagement, our audit team will be determining whether an audit in compliance with *OMB Circular A-133* is required through review of the City Council minutes, examination of the general ledger, and discussion with finance personnel. If a compliance audit is required, we would perform tests of: specific requirements; claims for advances and reimbursements; and amounts claimed or used for matching in compliance with the Single Audit Act. The compliance audit will be conducted in accordance with auditing standards generally accepted in the United States of America, the *GAO Standards for Audits of Governmental Organizations, Programs, Activities, and Functions*, and the *GAO Guidelines for Financial and Compliance Audits of Federally Assisted Programs*.

The year-end fieldwork should be completed no later than September 9th.

Please see below for a schedule of the level of staff and number of hours to be assigned to each segment of the engagement.

<u>AUDIT SEGMENTS</u>	<u>Estimated Hours</u>					<u>Total</u>
	<u>Clerical</u>	<u>Staff/Specialist</u>	<u>Senior</u>	<u>Manager</u>	<u>Partner/ Technical Partner</u>	
Planning				6	5	11
Risk Assessment			8	12		20
Audit Conferences (Preliminary, Progress, and Exit)				4		4
Correspondence	4	4	2	4	2	16
Review/Documentation of Internal Controls (including Single Audit):						
Documentation of systems		10	5	4		19
Testing of systems		20	15	4		39
Compliance Testing (including Single Audit)		12	10	14	4	40
Year End Balances Testing		14	20	29	10	73
Revenue and Expenditure/Expense Analysis (Analytical Procedures)		5	5	8	4	22
Preparation, Review, and Findings	16	10	10	15	15	66
GRAND TOTAL	<u>20</u>	<u>75</u>	<u>75</u>	<u>100</u>	<u>40</u>	<u>310</u>

DETAILED WORK PLAN (CONTINUED)

During the first year of the engagement, we will utilize the prior year's financial statements, the current year's budget, and our knowledge of the City's systems to determine materiality for the different audit sections. Each year, we will select a sample of transactions to determine to what extent the systems are functioning as described to us. The extent of our sample size will depend upon our assessment of the internal control structure and the results of our assessment in accordance with Auditing Standards. These standards require auditors to perform test of controls and transactions based on a risk approach.

The selection of transactions for testing will be made using a combination of random, systematic, and haphazard sampling techniques. We will identify the strength of the systems upon which we can rely in planning our substantive tests. Our internal control review will meet all the requirements of AICPA Statement on Auditing Standards (SAS) No. 55, *Consideration of the Internal Control Structure in a Financial Statement Audit*, as amended by SAS No. 78, SAS No. 99 *Consideration of Fraud in a Financial Statement Audit*, SAS No. 106, *Audit Evidence*, SAS No. 107, *Audit Risk and Materiality in Conducting an Audit*, SAS No. 108, *Planning and Supervision*, SAS No. 109, *Understanding the Entity and Its Environment and Assessing the Risks of Material Misstatement*, and SAS No. 110, *Performing Audit Procedures in Response to Assessed Risks and Evaluating the Audit Evidence Obtained*.

It is estimated that the sampling size for transaction testing for compliance with systems as actually implemented would be as follows:

- I. Minimum of 60 disbursement items, including automatic and manual checks and bank debits
- II. Minimum of 40 payroll checks, including direct deposits
- III. Minimum of 60 receipt items

We have extensive knowledge in auditing computer systems. We have assisted numerous clients with the implementation of accounting software and database business systems. This assistance has provided our firm with a thorough background in computer systems in both the software applications aspect and also the insight into auditing such systems. It is our policy to have a computer specialist as part of the audit team. This individual assists the audit team in documenting the computer system internal control structure and highlighting strengths and weaknesses relating to the computer structure of the City.

Mr. David Ortiz will be the computer specialist assigned to the audit, when needed. Mr. Ortiz has extensive knowledge in auditing EDP functions. Mr. Ortiz may also perform the statistical sampling procedures for the audit and also document and test the internal control structure of the computer systems.

In addition, all of our staff is equipped with networked notebook computers. These computers are equipped with not only word processing and spreadsheet capabilities, but various functional software, such as PPC Audit – eTools, Creative Solutions Accounting, Adobe Acrobat, the Governmental Accounting Research System Program, the GFOA Blue Book, random sampling software, Lacerte Tax Program, Easy Accounting Software, which contains amortization programs and depreciation programs, and other applications as well.

As part of our audit procedures we usually request a working trial balance in excel format and access to view general ledger detail directly from the software system. This process helps streamline the audit and adds to our efficiency.

We will also perform preliminary analytical review procedures using the prior year's audited statements and the current year's budget. In the preliminary stage, we will adopt ratio analysis procedures to compare the relationships between account balances and classes of transactions between prior periods and against budgets and industry statistics. This will help us to identify the source of individual fluctuations. This may include budgets, trial balance, and/or draft financial statements. Then, we will adopt trend analysis to compare current data with prior periods. This method is particularly useful for analyzing revenue and expenditures. Any unexpected trends or deviations will be discussed with relevant City staff to obtain explanations.

DETAILED WORK PLAN (CONTINUED)

We will also review the following documents in order to determine compliance with applicable laws and regulations:

1. Minutes of the governing body with special attention to: indications of new revenue sources, including federal and state grants; expenditure authorizations and related appropriations, including any special or restrictive provisions; appropriation transfers; authorization for bank or other debt incurred; awards to successful bidders; authorization for new leases entered into; changes in licenses, fines, or fees; authorization for fund balance designations or reservations in accordance with GASB Statement No. 54; and authorization for significant new employees hired.
2. New agreements and amendments to agreements including but not limited to: grant agreements; debt and lease agreements; labor agreements; joint venture agreements; disposition and development agreements; and other miscellaneous agreements.
3. Administrative Code
4. Investment Policy

The main extent of our work would be what is required to enable us to express an opinion on the basic financial statements in accordance with:

1. *AICPA Industry Audit Guide for State and Local Governmental Units*
2. *AICPA Audit Standards*
3. *Guidelines for Compliance Audits of California Redevelopment Agencies*
4. *National Committee on Governmental Accounting, Auditing and Financial Reporting (Amended) Publication*
5. Laws of the State of California
6. Requirements of Office of Management and Budget's (OMB) Circular A-133, *Audits of State, Local Governments and Nonprofit Organizations*
7. *GAO Standards for Audit of Governmental Organizations, Activities and Functions, the Guidelines for Financial and Compliance Audits of Federally Assisted Programs*
8. Requirements of the *Transportation Development Act*
9. Our firm's own additional standards and procedures

The audit will be conducted in accordance with auditing standards generally accepted in the United States of America. The primary purpose of the audit is to express opinions on the basic financial statements, and such an audit is subject to the inherent risk that material errors or fraud may exist and not be detected by us. If conditions are discovered which lead to the belief that material errors, defalcations, or fraud may exist, or if any other circumstances are encountered that require extended services, we will promptly advise the City.

The *Governmental Accounting, Auditing and Financial Reporting* (GAAFR), issued by the Government Finance Officers Association (the "Blue Book") and other GFOA publications are often used as additional tools when preparing and reviewing the financial statements of our governmental clients. The firm has and uses its extensive library of current AICPA, GFOA, and GASB publications and pronouncements.

As part of our audit engagements we issue our clients management letters if we note certain observations or recommendations that we feel need to be disclosed. Our firm's philosophy regarding the management letter is that the management letter is to help management improve its internal control and accounting procedures and not to criticize the management in charge. This is why we present our management letters to management in draft form for open discussion prior to issuance.

DETAILED WORK PLAN (CONTINUED)

The workpapers for this engagement are the property of Moss, Levy & Hartzheim, LLP and constitute confidential information. However, we may be requested to make certain workpapers available to any Cognizant Agency pursuant to authority given to it by law or regulation. If requested, access to such workpapers will be provided under the supervision of Moss, Levy & Hartzheim, LLP's personnel. Furthermore, upon request we may provide photocopies of selected workpapers to the Cognizant Agency. The Cognizant Agency may intend, or decide, to distribute the photocopies or information contained therein to others, including other governmental agencies.

The workpapers and related audit reports for this engagement will be retained for a minimum of seven (7) years after the date the auditor's report is issued or for any additional period requested by the parties designated by the Federal or State government or by the City for audit. If we are aware that the auditee is contesting an audit finding, we will contact the auditee for guidance prior to destroying the workpapers.

It is the firm's policy to have our partners and audit managers involved in the managing function of our governmental audits. Having both the partner and audit manager involved in the engagement allows the City to receive immediate response to questions about accounting and audit topics, concerns, and findings.

It is expected that Mr. Ron Levy would be the technical (concurring) partner in charge of the City's audit. He will be responsible for reviewing the City's basic financial statements and all other required statements and reports. He may also be responsible for addressing any City questions or concerns that arise during the year. He has assisted numerous cities and has also prepared award-winning CAFRs.

Mr. Craig Hartzheim will be the engagement partner assigned to the audit. As engagement partner, he will review all audit areas. He has assisted many cities and has prepared numerous award-winning CAFRs. It is the firm's policy during the first year on the audit engagement to have a partner on-site for a majority of the fieldwork. This policy enables the partner to become acquainted with the City's daily operations and key personnel.

Mr. Derek Rampone will be the manager assigned to the audit. He will oversee the day-to-day operations of the audit and perform more difficult audit sections.

Ms. Pearl Tsui will be the senior auditor assigned to the audit. As senior auditor, it will be her responsibility to oversee the staff accountants, do preliminary reviews of audit sections, and perform more difficult audit sections.

Mr. David Ortiz will be the computer specialist assigned to the audit, when needed. Mr. Ortiz has extensive knowledge in auditing EDP functions. Mr. Ortiz may also perform the statistical sampling procedures for the audit and also document and test the internal control structure of the computer systems.

In addition to the aforementioned supervisory staff, one staff accountant will be assigned to the audit. All staff accountants have degrees from accredited colleges or universities, have received in-house governmental audit training, and at present, have at least one year of governmental auditing experience. All staff accountants will be directly supervised by the senior accountants and manager assigned to the audit at all times. All partners, managers, and staff members have worked on numerous governmental engagements together. Consistently working together will provide the City with a knowledgeable, proficient, and efficient audit team.

The firm conducts an annual firm-wide two-day training seminar to update all governmental auditors on new pronouncements and improved audit techniques. In addition to this firm sponsored seminar, each governmental auditor attends the annual governmental accounting conference and many other continuing education courses and is updated on current accounting/auditing issues through our journals and supplements, which we receive on a regular basis.

DETAILED WORK PLAN (CONTINUED)

All certified public accountants engaged in the audits of the City are licensed to practice in the State of California and have received at least the minimum number of governmental continuing professional education hours required by the State Board of Accountancy and *Government Auditing Standards* to perform a governmental audit.

Moss, Levy & Hartzheim, LLP is an equal opportunity employer who employs people of many different ethnic backgrounds. We staff our audits according to qualifications of personnel and the needs of our clients.

The firm will maintain staff continuity on the engagement throughout the term of the contract, barring any terminations, illnesses, or other unforeseen circumstances (departure from the firm, promotion, or assignment to another office). At the written request of the City, any Moss, Levy & Hartzheim, LLP employee assigned to the audit can be removed and replaced by another qualified employee. The City of Winters retains the right to approve or reject replacements.

Our firm experiences relatively low turnover in employees as can be seen on individual resumes, so that even our staff auditors have more experience than most other firms can offer. **The firm will not use the City as a training ground for its employees.**

The following are resumes for each proposed individual's education and experience:

Ron A. Levy, C.P.A. – Partner

- California licensed C.P.A. with 34 years of audit experience with governmental and non-profit entities.
- Technical partner (concurring) in charge of all governmental and non-profit audits, currently including 33 municipal audits, 75 special district audits, and 35 school districts and related audit.
- Has assisted governmental clients with year-end closing, key position interviews, preparation of award winning CAFRs, and preparation of State Controller's Reports.
- Has met or exceeded all continuing education requirements, including recent courses in the following:
 - 2010, 2009, and 2008 Governmental Accounting Conference*
 - 2010, 2009, and 2008 School District Conference*
 - GASB 34 Training Seminars*
 - Planning a Governmental Audit Engagement*
 - Auditor's Reports on Audits of Local Governments*
 - Governmental Accounting Update*
 - Audits of State and Local Governments*
 - Compliance Auditing, Auditing Sampling, and Concluding the Audit*
 - The Single Audit Act*
- Member of the following:
 - American Institute of Certified Public Accountants
 - California Society of Municipal Finance Officers
 - California Society of Certified Public Accountants
 - California Association of School Business Officials
 - Kiwanis Club
- Bachelor of Science degree from Oregon State University conferred in 1977.
- Taught accounting courses at a branch of LaVerne College and Chapman College.
- Knowledgeable about all areas of tax law including non-profit tax issues.
- **Mr. Levy's ancestry is of Hispanic descent.**

DETAILED WORK PLAN (CONTINUED)

The following are resumes for each proposed individual's education and experience: (Continued)

Craig A. Hartzheim, C.P.A. – Partner

- California licensed C.P.A. with 27 years of audit experience with governmental, non-profit, and commercial entities.
- Engagement partner for governmental and non-profit audits (Beverly Hills office), currently including 17 municipal audits, 40 special district audits (including Los Angeles County Flood Control District and the County Sanitation Districts of Los Angeles County), and 12 school districts and related audits.
- Has assisted governmental clients with year-end closings, key position interviews, preparation of award winning CAFRs, and preparation of State Controller's Reports.
- Has met or exceeded all continuing education requirements including recent courses in the following:

2010, 2009, and 2008 Governmental Accounting Conference
2010, 2009, and 2008 School District Conference
Audits of States and Local Governments
Preparing Governmental Financial Statements
Yellow Book, Government Auditing Standards
GAAS Guide
Other Comprehensive Basis of Accounting (OCBOA) Statements
Audit Standards update
Implementing SAS 112
Implementing SAS 114
Auditing update
Grants Management

- Bachelor of Science degree in Accounting from Marquette University conferred in 1982.
- Member of the following:
 - American Institute of Certified Public Accountants
 - California Society of Certified Public Accountants
- Knowledgeable about all areas of tax law including non-profit and payroll tax issues.

DETAILED WORK PLAN (CONTINUED)

The following are resumes for each proposed individual's education and experience: (Continued)

Hadley Y. Hui, C.P.A. – Partner

- California licensed C.P.A. with 13 years of audit experience with governmental, non-profit, and commercial entities.
- Partner in charge of 11 municipal audits, 26 special district audits, 20 school districts and related audits, and 8 special audits for the County of San Diego.
- Supervisor for the CSS and DPSS Monitoring Projects for Los Angeles County.
- Has met or exceeded all continuing education requirements including recent courses in the following:
 - 2010, 2009, and 2008 Governmental Accounting Conference*
 - 2010, 2009, and 2008 School District Conference*
 - 2006 & 2005 Single Audit Compliance*
 - GASB 34 Training Seminars*
 - Risk-Based Auditing Part 1, Part 2*
 - 2009 Accounting and Auditing Update*
 - Guide to Auditing Control Course 1, Course 2*
- Extensive knowledge of database systems, networking, and various accounting software.
- Bachelor of Arts degree in Economics with a minor in Accounting from University of California – Los Angeles was conferred in 1997.
- Member of the following:
 - American Institute of Certified Public Accountants
 - California Society of Certified Public Accountants
- Knowledgeable about all areas of tax law including non-profit and payroll tax issues.

DETAILED WORK PLAN (CONTINUED)

The following are resumes for each proposed individual's education and experience: (Continued)

Derek Rampone – Manager

- Manager with 11 years of audit experience with governmental, non-profit, and commercial entities.
- Manager for 9 municipal audits, 21 special district audits (including Los Angeles County Flood Control District), 4 school district audits, and 5 joint power authority audits.
- Supervisor for the CSS and AAA Monitoring Projects, and Rancho Business Park Lease Audit.
- Field Supervisor for all County of Los Angeles engagements.
- Has met or exceeded all continuing education requirements including recent courses in the following:
 - 2010, 2009, and 2008 Governmental Accounting Conference*
 - 2010, 2009, and 2008 School District Conference*
 - 2008 Accounting and Audit Update*
- A Bachelor of Arts degree in Business Economics with an emphasis in Accounting from University of California – Santa Barbara was conferred in 1999.

David Yang, C.P.A. – Manager

- California licensed C.P.A. with 9 years of audit experience with governmental, non-profit, and commercial entities.
- Manager for 14 municipal audits, 27 special district audits, and 10 school district audits.
- Supervisor for the County of Los Angeles DMH, CSS, and DPSS Monitoring Projects, and the Rancho Business Park Lease Revenue audit.
- Has met or exceeded all continuing education requirements including recent courses in the following:
 - 2010, 2009, and 2008 Governmental Accounting Conference*
 - 2010, 2009, and 2008 School District Conference*
 - 2009 Accounting and Auditing Standards update: Risk Assessment Standards*
 - 2009 Advanced Audit Standards Workshop: Understanding Risk Assessment*
- Bachelor of Arts degree in Business Economics with a minor in Accounting from University of California – Los Angeles was conferred in 2003.

DETAILED WORK PLAN (CONTINUED)

The following are resumes for each proposed individual's education and experience: (Continued)

Edward R. Eisenhauer, C.P.A. – Senior Accountant

- California licensed CPA with 25 years of experience, and 7 years of audit experience with governmental, non-profit, and commercial entities.
- Auditor for 7 municipal audits and 3 special district audits.
- Has met or exceeded all continuing education requirements including recent-courses in the following:

2010 and 2009 Governmental Accounting Conference
2010 and 2009 School District Conference
2009 Accounting and Auditing Standards Update: Risk Assessment Standards
2009 Advanced Audit Standards Workshop: Understanding Risk Assessment
2009 GAAS Update
Auditors' Responsibilities for Detection of Fraud
Internal Control and Fraud in Governmental Engagements
Government Auditing Standards – Yellow Book
Implementing SAS 112 & 114
Advanced Fraud Techniques
Grants Management

- Bachelor of Science degree in Accounting from University of Wisconsin – Whitewater conferred in 1982.
- Knowledgeable about all areas of tax law including non-profit and payroll tax issues.

Derek Vuong Bui, C.P.A. – Senior Accountant

- California licensed C.P.A. with 5 years of audit experience with governmental and commercial entities.
- Auditor for 3 municipal audits, 3 special district audits, and 5 school district audits.
- Staff accountant for the Los Angeles County DMH, CSS, and DPSS Monitoring Projects.
- Has met or exceeded all continuing education requirements including recent courses in the following:

2010, 2009, and 2008 Governmental Accounting Conference
2010, 2009, and 2008 School District Conference
2008 Accounting and Audit Update

- Bachelor of Arts Degree in Finance from California State University – Fullerton was conferred in 2002.

DETAILED WORK PLAN (CONTINUED)

The following are resumes for each proposed individual's education and experience: (Continued)

Pearl Tsui, C.P.A. – Senior Accountant

- California licensed C.P.A. with 5 years of audit experience with governmental and commercial entities.
- Auditor for 9 municipal audits, 6 special district audits, and 4 school district audits.
- Staff accountant for the Los Angeles County DMH and CSS Monitoring Projects.
- Has met or exceeded all continuing education requirements including recent courses in the following:
 - 2010, 2009, and 2008 Governmental Accounting Conference*
 - 2010, 2009, and 2008 School District Conference*
 - 2009 Accounting and Auditing Standards update: Risk Assessment Standards*
 - 2009 Advanced Audit Standards Workshop: Understanding Risk Assessment*
- Bachelor of Science degree in Management Science from University of California -- San Diego was conferred in 1999.

Michael Pei – Senior Accountant

- Auditor with 5 years of audit experience with governmental and commercial entities.
- Auditor for 11 municipal audits, 8 special district audits, and 6 school district audits.
- Passed all 4 parts of the C.P.A. examination.
- Staff accountant for the Los Angeles County DMH, CSS, and DPSS Monitoring Projects.
- Has met or exceeded all continuing education requirements including recent courses in the following:
 - 2010, 2009, and 2008 Governmental Accounting Conference*
 - 2010, 2009, and 2008 School District Conference*
 - 2008 Accounting and Audit Update*
- Bachelor of Arts degree in Business Economics with a minor in Accounting from University of California – Los Angeles was conferred in 2005.

DETAILED WORK PLAN (CONTINUED)

The following are resumes for each proposed individual's education and experience: (Continued)

In Sook Han – Senior Accountant

- Auditor with 5 years of audit experience with governmental and commercial entities.
- Auditor for 9 municipal audits, 7 special district audits, and 5 school district audits.
- Staff accountant for the County of Los Angeles Rancho Business Park Lease Revenue audit.
- Staff accountant for the Los Angeles County DMH, CSS, and DPSS Monitoring Projects.
- Has met or exceeded all continuing education requirements including recent courses in the following:
 - 2010, 2009, and 2008 Governmental Accounting Conference*
 - 2010, 2009, and 2008 School District Conference*
- Bachelor of Social Science from In-Ha University in Korea was conferred in 2002.
- Master of Business Administration in Accounting from Pacific State University was conferred in 2006.

David Ortiz – Computer Specialist

- Auditor with 21 years audit experience with governmental and commercial entities.
- Computer specialist – with emphasis in fund accounting software.
- Extensive knowledge of database systems, networking, and accounting software.
- A Bachelor of Science degree in Business Administration with an emphasis in Accounting from California Polytechnic State University, San Luis Obispo.

PEER REVIEW REPORT

We have provided a copy of our firm's December 31, 2008 quality review report, which includes a review of governmental and non-profit engagements.



POWELL & SPAFFORD, LLP
CERTIFIED PUBLIC ACCOUNTANTS

Jessie C. Powell, CPA
Patrick D. Spafford, CPA

Licensed by the California Board of Accountancy
Member American Institute of Certified Public Accountants

System Review Report

To the Partners of
Moss, Levy & Hartzheim, LLP
and the Peer Review Committee of the State of California

We have reviewed the system of quality control for the accounting and auditing practice of Moss, Levy & Hartzheim, LLP (the firm) in effect for the year ended December 31, 2008. Our review was conducted in accordance with standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants. The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review. The nature, objectives, scope, limitations of, and the procedures performed in a System Review are described in the standards at www.aicpa.org/prsummary.

As required by the standards, engagements selected for review included engagements performed under *Government Auditing Standards* and audits of employee benefit plans.

In our opinion, the system of quality control for the accounting and auditing practice of Moss, Levy & Hartzheim, LLP in effect for the year ended December 31, 2008, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency (ies)* or *fail*. Moss, Levy & Hartzheim, LLP has received a peer review rating of *pass*.

Powell & Spafford, LLP

July 24, 2009

HOURLY RATES

Any additional work agreed to between the City and the firm shall be performed at the same rates set forth in the schedule of fees and expenses included in the Cost Proposal.

Auditors Standard Hourly Billing Rates			
	2010-2011	2011-2012	2012-2013
Partner	\$ 150	\$ 150	\$ 150
Manager	100	100	100
Senior Accountant	80	80	80
Staff Accountant	60	60	60
Clerical	30	30	30

REFERENCES

The following is a list of three government client references:

CITY OF TRACY

Audit of basic financial statements, Redevelopment Agency, and Single Audit Report
Preparation of City's State Controller Report
2004 to Present
Craig A. Hartzheim, C.P.A. and Hadley Y. Hui, C.P.A.
Contact: Linda Biscocho (209) 831-6828
Received GFOA Certificate of Achievement in Financial Reporting

CITY OF YUBA CITY

Audit of basic financial statements, Redevelopment Agency, and Single Audit Report
Preparation of City's State Controller Report
2008 to Present
Ron A. Levy, C.P.A.
Contact: Robin Bertagna (530) 822-4615
Received GFOA Certificate of Achievement in Financial Reporting

CITY OF HEALDSBURG

Audit of basic financial statements, Redevelopment Agency, Single Audit Report,
TDA & Bus Enterprise Funds Report, and GANN Limit
Preparation of the City's State Controller Report
2010 to Present
Craig A. Hartzheim, C.P.A.
Contact: Heather Ippoliti (707) 431-3184

We do not anticipate any problems with the audit except for items listed in past management letters. In the event of a problem, the City Manager, the City Attorney, the City Council, and the Director of Financial Management will be immediately notified in writing of any fraud, other illegal acts, or indications of illegal acts found during the course of our audit work. All other discrepancies or weaknesses in the internal control system that we become aware of will be communicated to management through discussion, the management recommendation letter, and/or if it is a reportable condition, as part of the single audit report, if necessary.

Minimal assistance of the City's staff is required during the course of the audit; however, we do ask that the City provide the following: cooperation in answering questions, requested confirmations, bank reconciliations, an electronic trail balance and general ledger, and other miscellaneous items.

CITY OF WINTERS
STATEMENT OF QUALIFICATIONS

Minimal assistance of the City's staff is required during the course of the audit; however, we do ask that the City provide the following: cooperation in answering questions, requested confirmations, bank reconciliations, an electronic trail balance and general ledger, and other miscellaneous items.

Under penalties of perjury, I declare that I am an authorized signer and that there are no and have never been any financial interests between any officials or employees of the City of Winters and Moss, Levy & Hartzheim, LLP.

COST PROPOSAL

Please see *Cost Proposal* on the following page for our proposed fees.

Respectfully submitted,



Craig A. Hartzheim, C.P.A.
Partner

CITY OF WINTERS
 COST PROPOSAL

Estimate of Cost
 Audit Work Cost Proposal Form

Service	2010-2011	2011-2012	2012-2013
Basic City Audit/CAFR	\$ 19,300	\$ 19,300	\$ 19,300
Redevelopment Audit/Report	4,000	4,000	4,000
Single Audit*	3,300	3,300	3,300
GANN Limit Review Report	500	500	500
Discount - 10%	(2,710)	(2,710)	(2,710)
Total for Fiscal Year	\$ 24,390	\$ 24,390	\$ 24,390

***Single Audit fee is based on one major program. Additional major programs tested will be billed at an additional \$3,000 per major program per fiscal year.**

Name of Firm Moss, Levy & Hartzheim, LLP

Address 9107 Wilshire Blvd. #400, Beverly Hills, CA 90210

Contact Name Craig A. Hartzheim, C.P.A.

Contact Phone # (310) 273-2745 Fax # (310) 273-1689

Contact Email chartzheim@mlhcpas.com

City of Winters
 RFP for Professional Auditing Services
 Appendix C

**CITY OF WINTERS
COST PROPOSAL**

1. TOTAL ALL-INCLUSIVE MAXIMUM PRICE

The annual fee after a 10% discount, for each of the years in this proposal shall not exceed the following:

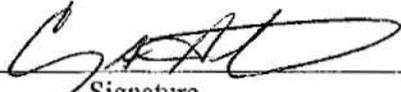
Labor Costs:	2010-2011			2011-2012			2012-2013		
	Hourly Rates	Hours	Cost	Hourly Rates	Hours	Cost	Hourly Rates	Hours	Cost
Position: Partner	\$ 150	40	\$ 6,000	\$ 150	40	\$ 6,000	\$ 150	40	\$ 6,000
Position: Manager	100	100	10,000	100	100	10,000	100	100	10,000
Position: Senior Accountant	80	75	6,000	80	75	6,000	80	75	6,000
Position: Staff Accountant	60	75	4,500	60	75	4,500	60	75	4,500
Position: Clerical	30	20	600	30	20	600	30	20	600
Sub-total Hours/Labor Costs		310	27,100		310	27,100		310	27,100
Other Costs:									
Sub-total Other Costs									
Less: Discount - 10%			(2,710)			(2,710)			(2,710)
Maximum Total Cost to Complete the Financial Audit:			\$24,390			\$24,390			\$24,390

This proposal is a firm and irrevocable offer until July 8, 2011.

2. DISCOUNT

Due to the current economic environment, Moss, Levy & Hartzheim, LLP has accepted the fact that in order for government entities to survive some of the revenue cutbacks, contractors will need to reassess their hourly fees or total estimate of costs. Therefore, we are reducing our total estimate fee by 10% to assist the City in these challenging economic times.

I, the undersigned, certify I am duly authorized to represent the above named firm and am empowered to submit this bid. In addition, I certify that I am authorized to contract with the City of Winters on behalf of the above named firm.


Partner
April 6, 2011

Signature
Title
Date

Craig A. Hartzheim, C.P.A.
Name (print)

Moss, Levy & Hartzheim, LLP is an equal opportunity employer



**CITY COUNCIL
STAFF REPORT**

TO: Honorable Mayor and Councilmembers
DATE : May 3, 2011
THROUGH: John W. Donlevy, Jr., City Manager 
FROM: Nanci G. Mills, Director of Administrative Services/City Clerk
SUBJECT: Public Hearing to Receive Input from Specific Property Owners Regarding Implementation of Weed Abatement for 2011

RECOMMENDATION:

Conduct public hearing to receive input from specific property owners regarding implementation of weed abatement for 2011.

BACKGROUND:

A public hearing notice was published in the Winters Express on April 21, 2011, inviting interested persons to attend the May 3, 2011 City Council meeting and be heard at the time of the hearing.

Resolution 2011-23, a Resolution declaring weeds and rubbish on certain lots and parcels within the City of Winters to be a public nuisance and ordering the institution of proceedings to abate said public nuisance was approved at the April 19, 2011 City Council meeting.

FISCAL IMPACT:

None by this action.



CITY COUNCIL
STAFF REPORT

TO: Honorable Mayor and Councilmember's
DATE: April 24, 2011
THROUGH: John W. Donlevy, Jr., City Manager 
FROM: Scott Dozier, Fire Chief
Brad Lopez, Fire Captain
SUBJECT: Request to approve implementation of the Winters Fire Department "Sleeper Program"

RECOMMENDATION: Authorization to implement Winters Fire Department "Sleeper Program" for 24 hour station staffing beginning approximately September 1, 2011.

BACKGROUND: The Winters Fire Department has been faced with many challenges over the years due to lack of recruitment and retention, insufficient staffing levels, emergency response times and personnel safety when responding to incidents. The support and active participation of the Winters Volunteer Fire Department has and will continue to be the backbone in facilitating emergency services to our community.

Full-time career staff currently consists of a Fire Chief, two Captains and a Firefighter. This staff manages the daily administrative and operational functions of the department. Currently the four career staff works Monday through Friday between 8am-4pm. During this time all four staff are responsible for carrying out the daily duties and all respond to calls for service for both non-emergency and emergency requests.

After regular business hours and during weekends three of the career staff are scheduled on an On Call duty rotation 7 days a week, 365 days a year, requiring only one Duty Officer to respond to calls for service from home. Volunteer firefighters mostly respond during these hours when available due to their own work requirements and family commitments. Over the years the On Call Duty Officer have found themselves responding to calls alone without any available volunteers responding, and no one to help mitigate incidents and render services to the community.

In reviewing incident data from 2009 we have identified some critical areas of deficiencies in staffing levels and meeting acceptable industry standard emergency response times for calls within the city limits. Typically, an acceptable response time for an engine company is to arrive on scene from time of dispatch within 4-6 minutes 90% of the time. Staffing levels on an engine company can range between two and four personnel depending on the agency. On average, the Winters Fire Department is averaging an 8-minute response time in Squad 26, which is the primary medical response unit within the city limits. Additionally, we are averaging a 12-minute response time for an engine company that is able to provide fire suppression services within our city limits. Again, well over acceptable standards for emergency response times within the immediate response area. In order to provide efficient and effective services to our community we must identify and develop solutions to resolve the critical issues that continue to face the department and our community.

As a result of this study, staff developed and implemented a trial period of a Sleeper Program in the fall of 2009 for a period of two months. Both Career staff and Volunteers actively participated in this trial period. The Sleeper Program consisted of one career staff Shift Officer and one to three Volunteer Firefighters to staff an engine company 24 hours a day, 7 days a week. Crews assigned to both 12 and 24 hour shifts worked during normal business hours and slept at the station during the night until they were relieved by the next shift. Volunteers participated without hesitation or expectations of compensation during this trial.

The obvious and expected result from this Sleeper Program trial period was a significant decrease in emergency response times to calls for service within the city and district. On average, the response times for a fully staffed engine company was well under 6 minutes more than 90% of the time within the city limits. This allowed the engine company to arrive on scene quickly

and render Emergency Medical Services (EMS) and fire suppression more efficiently than before. It was noted that on two occasions, crews were able to arrive with the engine company within 4 minutes, allowing for the early delivery of Emergency Medical Services (EMS). which resulted in the patients successful outcome..

PROGRAM PROPOSAL: In mid 2010, Measure “W” and “Y” were passed that would allow funds to be allocated primarily for Police and Fire. This funding would allow for increased staffing and the development of programs to sustain staffing levels to meet the needs of our community. At the time of the passage of Measure W, the Director of Financial Management and City Manager presented to the City Council an allocation of \$50,000 for the provision of Personal Protective Equipment for the proposed new staff, as well as other program start-up costs, and an annual budget of \$100,000 for the increased staffing costs. Fire Department staff assembled a committee consisting of fire department staff and volunteers, the Director of Financial Management, and the City Clerk/Administrative Services Director, which has been led by Captain Brad Lopez. This committee has worked within the above budgetary guidelines in developing the overall “Sleeper Program” plan.

Over the past 6 months, the committee has developed a comprehensive and detailed Sleeper Program that provides a Stipend Pay of \$50.00 per person for Volunteer/Reserve firefighters that provide 24-hour shifts to staff an engine company. Proposed staffing will consist of one career paid staff, and up to three Volunteer/Reserve firefighter positions. Staff anticipates implementing the program approximately September 1, 2011, depending on the completion of the new Fire Station. The Station must be complete, and staff moved into the facility in order to have the facilities for the program.

FISCAL IMPACT: Start Up costs are estimated to be \$50,000, which is included in the 2010-2011 budget as adopted. Current projections of the ongoing costs of providing the increased staffing is \$77,000, with a contingency of \$23,000, for funding any “unknowns” as we move forward with this new program. This amount was also included in the 2010-2011 and 2011-2012 budget as approved.



CITY COUNCIL
STAFF REPORT

TO: Honorable Mayor and Council Members
THROUGH: John W. Donlevy, Jr., City Manager *[Signature]*
FROM: Nelia C. Dyer, Community Development Director *[Signature]*
John Wallace, City Attorney
DATE: May 3, 2011
SUBJECT: Information Item – Medical Marijuana Distribution Facilities

RECOMMENDATION: None. The purpose of this information item is to bring the City Council up to date on the status of staff's review of medical marijuana distribution facilities, provide background information, and gain preliminary feedback on the issue.

BACKGROUND: The purpose of this study is to provide information necessary for the Planning Commission and, ultimately, the City Council to decide whether to allow medical marijuana distribution facilities (MMDs) in the City of Winters. The study does not include the recreational use of marijuana. In addition, the study does not include Proposition 215 and subsequent legislation and guidelines that have determined that the use of marijuana for medical purposes is acceptable. Therefore, this study does not discuss the value or effectiveness of marijuana for medical purposes.

This section of the report is organized into questions commonly asked regarding MMDs.

How do Federal laws affect this issue?

- The Controlled Substance Act (CSA) makes it unlawful to manufacture, dispense, or possess any controlled substance.
- Marijuana is considered a controlled substance and is subject to the CSA.
- The official stance of the Federal Government is that marijuana is considered a drug with "no currently accepted medical use." As a result, it remains a federal offense to dispense or possess marijuana, whether for recreational or medical purposes.

- In 2009, the federal government stated it would no longer enforce the Federal laws prohibiting distribution or possession of marijuana for medicinal purposes, but that states would have the final say in the matter.

How do State laws affect this issue?

- The Compassionate Use Act (California Proposition 215) was passed in 1996.
- The purpose of the Compassionate Use Act (CUA) was to give individuals the right to obtain and use medical marijuana as deemed appropriate and as recommended by a physician. The CUA ensures patients and primary caregivers will not be subject to criminal prosecution for the possession or cultivation of marijuana for medical purposes.
- In 2003, SB 420, the Medical Marijuana Program Act (MMP), was passed. The bill codified the regulations under which the possession, distribution, and use of marijuana for medical purposes would be subject.
- State Attorney General issued guidelines in 2008 to provide greater direction to ensure marijuana used for medical purposes is secure and does not find its way to non-patients or illicit markets, to help law enforcement agencies to perform their duties, and to give patients and primary caregivers an understanding how marijuana may be cultivated, transported, possessed, and used under California law.

Have issues related to MMDs been reviewed by the courts?

- There are several court cases that have tested the CUA and MMP, and generally hold that apart from possession and cultivation, the CUA did not alter any state prohibitions concerning possession and sale. The recent *Anaheim* case rejected that city's claim that cities are justified to prohibit dispensaries because marijuana is illegal under federal law.

How do City of Winters' laws affect this issue?

- A moratorium that was passed by the City Council prohibits any medical marijuana distribution facility to be located anywhere in the City during the City's study and analysis of the issue.

What are medical marijuana distribution facilities (MMDs)?

- The Attorney General Guidelines refer to places that distribute medical marijuana as collectives, cooperatives, and dispensaries.
- The goal of State law is to ensure marijuana is used for medical purposes under a physician's care, not by non-patients.
- Collectives, cooperatives, and dispensaries (distribution facilities) are intended to be non-profit entities with membership requirements to be used solely for providing marijuana for those truly in need.

Why is marijuana not dispensed by pharmacies or doctors?

- The Federal law prohibits the use of marijuana for any legal purpose, classifying it as a Schedule I drug, which means it cannot be legally described as medicine by a physician.
- Since no prescriptions are possible, no drug store or pharmacy can dispense it.
- Under California law, doctors can provide patients with recommendation for marijuana for medical purposes, which are required to obtain medical marijuana cards from the county health departments or from the dispensaries.

What is the study considering?

- The City of Winters considers the issue of MMDs as land use and public safety issues.
- First decision the City Council would need to make:
 - o **SHOULD ANY SUCH FACILITY BE ALLOWED IN THE CITY?**
- If so, where and with what operational standards?

What have other cities in Yolo and Solano Counties done to address this issue?

- City of Davis established an ordinance prohibiting MMDs in all zones within the city in August 2005.
- City of West Sacramento established an ordinance prohibiting MMDs in all zones within the city in January 2011.
- City of Woodland amended the City's Municipal Code to prohibit businesses and land uses in the city that violate state or Federal law.
- City of Dixon recently upheld a ban on medical marijuana dispensaries in the city that was put into place in 2009.
- MMDs are not allowed in unincorporated Yolo County per the County's Zoning Code.
- Solano County has a moratorium on the establishment of MMDs until September 2011.

What are the City's public safety concerns?

- Costs for code enforcement, fire and police due to increase in calls for these services.
- Potential increase in crime in and around distribution locations
- Unreported crime
- Impact on surrounding businesses
- Concerns about where the marijuana is grown and transported, specifically influence of organized crime in the production of marijuana
- Size and number of dispensaries
- Federal law has not changed; it is still considered an illegal drug.

DISCUSSION/OPTIONS FOR ACTION

First Decision:

- Should the City of Winters amend the Zoning code to allow Medical Marijuana distribution facilities (MMDs) in the city?

If the decision is to not allow in the City:

- Staff will prepare an ordinance specifically banning the facilities in any zone in the City.
- That decision would be comparable to that taken by other cities in Yolo County (see above).

If MMDs are allowed in the City:

- Staff will present possible location and operational criteria taking into account overarching goals, such as:
 - o How to ensure any guidelines would assist in providing compassionate care for those in need of assistance through the use of medical marijuana;
 - o How to limit profit-seeking businesses;
 - o Limit the impact to the community by the facilities;
 - o Minimize the increase in crime or public safety responses; and
 - o Find compatible size and design criteria that would ensure the MMDs fit with surrounding area.

Listed below are options that could be incorporated into a final ordinance should the Council make that decision:

Approval Process

- Limit number of facilities in City
- Require competitive bidding for number of facilities in City (such as Request for Proposal) so the best operation possible is chosen
- Issue one year Use Permits, requiring re-approval to ensure facilities operate safely and without problems
- Specify that renewal of permits would not be approved should Federal law or enforcement practices change
- Apply a permit fee to allow cost recovery for enforcement activity
- Public review by Planning Commission and/or City Council

Location Requirements

- Require separation of MMDs from residential areas, schools, parks, day care centers
- Require a minimum distance between MMD facilities (e.g. 200-500 feet)
- Limit MMDs to specific zoning district (i.e. only allowed in Commercial and/or Industrial zones)
- Require MMDs to be near major arterials, at front of building with easy visual access to street, windows in facility, well lit parking lot, etc.

Operational Requirements

- Limit other services offered and items for sale
- Require holistic services be available as part of membership in facility

- Must grow all marijuana on-site or at Winters members homes, with approval of necessary permits for those grow areas
- Limit hours of operation
- Require independent audits to ensure facility maintains non-profit status
- Require independent testing of safety of product
- Winters Police Department requirements for background checks for owners and employees
- Require cultivation by members
- Maintain cultivation records
- Must be maintained as a non-profit operation
- Provide community relations contact for City and the public
- Install odor control mechanisms to limit impact to surrounding areas
- Right of inspection by the Winters Police Department

Business Limitations

- Have age restrictions to require persons under 18 to be accompanied by a parent or guardian
- Limit size using square footage and/or maximum number of customers allowed
- Restrict signs that include "marijuana" in the title
- No ancillary uses: happy hours, barbecues on site, etc.
- Mechanism to ensure the facility is not used as a profit-making business
- Do not allow doctor referrals to be made at the MMD location
- No delivery from facility to members
- Limit retail sales - no drug paraphernalia
- Limit maximum number of members
- Require County medical card or other entity approved by Winters Police Department

ATTACHMENTS:

Map showing properties outside 1,000 foot distance from schools



**CITY COUNCIL
STAFF REPORT**

TO: Honorable Mayor and Councilmembers
DATE: May 3, 2011
FROM: John W. Donlevy, Jr., City Manager 
SUBJECT: Turkovich Family Wines- Sidewalk Encroachment

RECOMMENDATION:

That the City Council approve a 400 square foot encroachment in front of 304-308 Railroad Ave. for a period expiring on October 31, 2011.

BACKGROUND:

At the April 26, 2011 Planning Commission Meeting, Turkovich Family Wines submitted a revision to their Conditional Use Permit to expand their current operations and a proposed encroachment to allow for sidewalk dining in front of their location. The Conditional Use Permit was approved but the encroachment for the use requires approval from the City Council.

DISCUSSION:

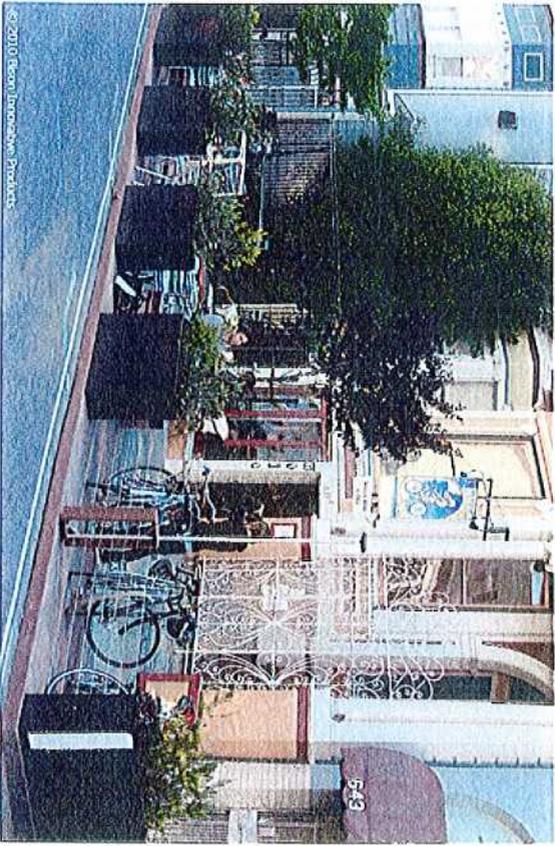
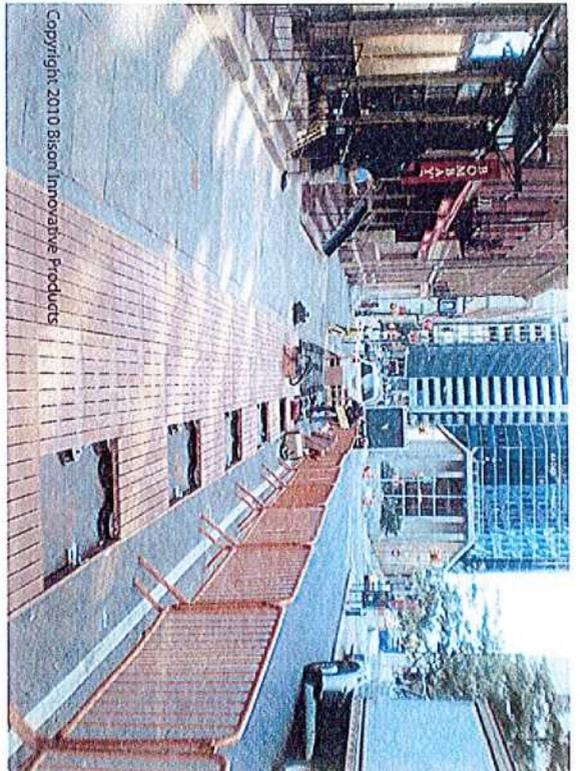
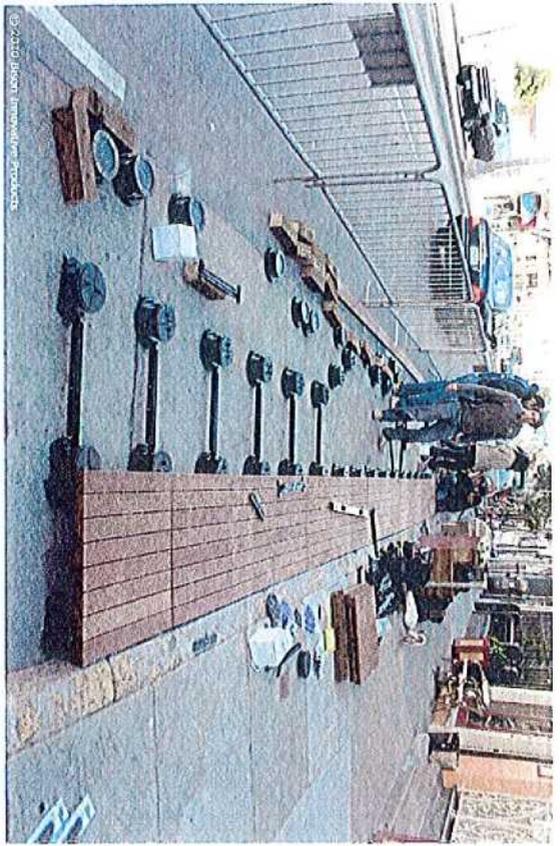
The proposed encroachment will include the installation of a combination of decking material, planters and furniture to facilitate outdoor dining. The boards are extended from the concrete sidewalk into the existing parking spaces. The decking is affixed to the street through a combination of metal risers and bolts which are lagged into the asphalt.

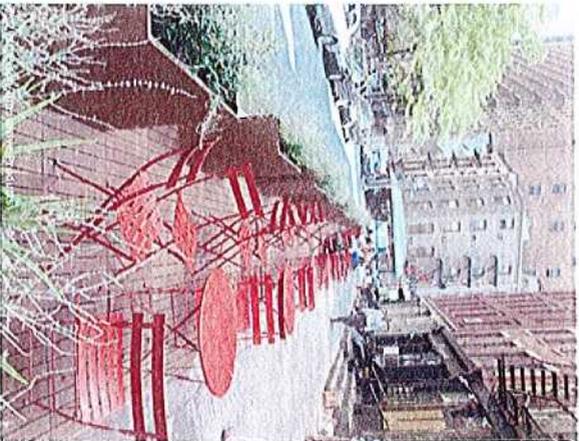
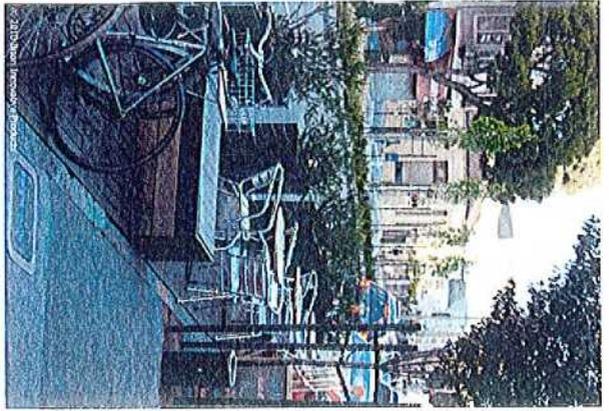
Pictures of the proposed concept are included in this report.

Staff is recommending that the City Council approve the encroachment for a period ending October 31, 2011. This project is viewed as a pilot project which will be evaluated to determine issues and/or conflicts with may arise from the use. Staff is also recommending that this be the only location for this to occur during the 2011 summer.

It is anticipated that this pilot project will be a valuable opportunity for the City to consider similar projects to occur in the future within the Downtown Core.

FISCAL IMPACT: Turkovich will be required to pay an outdoor dining fee of \$400 for this period.





Reclaiming Streets for People: Sidewalk Cafés in Downtown Halifax, Argyle Street

Organization

Halifax Regional Municipality (HRM)

Status

Sidewalk cafés on Argyle Street and in downtown Halifax are increasing and thriving.

Overview

In 1995, the Halifax community supported the first sidewalk cafés in downtown Halifax, which were launched on Argyle Street. More than ten years later sidewalk cafés continue to thrive on Argyle Street and in the rest of downtown Halifax, contributing to the success of vibrant pedestrian oriented streets.

Based on two studies and public consultation focusing on Argyle Street's sidewalk cafés design layout and design guidelines, HRM implemented a boardwalk café for Argyle St. One major challenge of the current boardwalk sidewalk café design is that it poses accessibility issues. An alternate sidewalk café design, such as the satellite café design offers pedestrians direct linear paths of movement rather than the zigzags that boardwalks create.

Business owners lease portions of sidewalks, and incur related expenses and offer creative designs to the operation of boardwalk cafés on Argyle Street. The HRM recognizes the importance of sharing financial and creative responsibility and providing a comprehensive sidewalk café application process and design guidelines to business owners.

Contact

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Sustainable Transportation Initiatives in HRM
Ecology Action Centre
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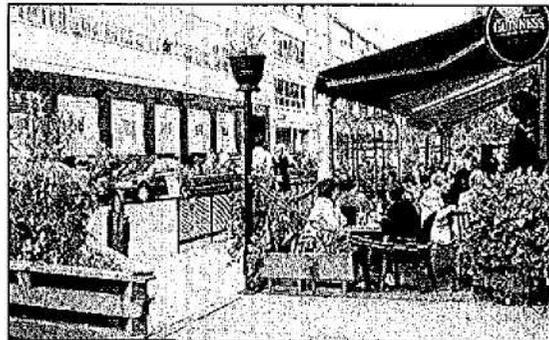
Resources

Halifax Regional Municipality <http://www.halifax.ca/>
Ecology Action Centre www.ecologyaction.ca

Community context

The culture of 'al fresco' dining and drinking contributes to the success of many streets and cities. Sidewalk cafés offer front row seats to the urban theatre of life. Outdoor cafés are an enjoyable component of the streetscape that engage people in street activities at a pedestrian scale. Streets with sidewalk cafés are destination streets with identity, instead of simply being traffic thoroughfares.

Many people in the Halifax community recognize that sidewalk cafés contribute to economic success and provide vibrant pedestrian environments. Sidewalk cafés operate in front of three businesses from May 1 to October 31 annually. Argyle Street is a three block one-way street that serves as a major pedestrian corridor in the downtown core. Argyle Street is used for a diversity of purposes including: cafés, restaurants, shops, upper level residential, hotel, theatre, newspaper publishing, tourist information centre, non-government organizations as well as City Hall, a public space called the Grande Parade and the World Trade and Convention Centre. The unique mixed-use nature of the street provides an ideal environment for outdoor cafés.



Argyle St. Economy Shoe Shop Boardwalk Sidewalk Café

Policy context

For the G-7 Conference in 1995, the HRM approved the transformation of an empty space located across the Grand Parade into an outdoor International Café. The success of the café sparked great interest in establishing sidewalk cafés in downtown Halifax. Also in 1995 HRM approved a

pilot sidewalk café for one restaurant on Argyle Street. Subsequently, other restaurants in the area opened sidewalk cafés.

In May 1997 HRM proposed an Interim Sidewalk Café Policy to provide greater management of the increasing number of sidewalk cafés. This Interim Policy replaced four separate by-laws, streamlining the process for using the street right-of-ways for sidewalk cafés.

In 1998, the Interim Policy was adopted as the HRM Sidewalk Café Policy. Staff cautioned Council that this policy was only preliminary, however it remains as the sidewalk café policy for downtown Halifax.

Rationale and Objectives

The potential opportunities for sidewalk cafés were quickly recognized by both the HRM and business owners. These cafés contribute to business development and the local economy, attract tourist and engage the community all at the pedestrian scale for downtown Halifax.

The HRM's guiding principles for the Sidewalk Café Policy included:

- Promoting sidewalk cafés aimed at encouraging: vitality, pedestrian activity, pedestrian scale, traffic movement and safety standards;
- Encouraging participation of Business Improvement Districts and property owners;
- Creating consistent by-laws for sidewalk cafés;
- Standardizing application process and
- Upholding quality design criteria established by consultation process.

Actions

Conducting Argyle Street Design Study. In 1997 prior to the development of the Interim Policy the Argyle Street Design Study was conducted by the HRM, the Downtown Halifax Business Commission (DHBC) and a consulting team. The study's Steering Committee consisted of three DHBC members, two HRM staff and two landscape architects from the consulting team.

The goal of the study was to evaluate and recommend a street re-design to accommodate the increasing demand for sidewalk cafés on Argyle Street. The study proposed widening sidewalks to allow for sidewalk cafés and the addition of street furniture such as: lighting, benches, refuse bins, trees and flora but permanent sidewalk widening has not been implemented as of yet. Argyle Street could also benefit from street improvements such as public seating and rest areas, however HRM is currently satisfied with the amenities and aesthetics on Argyle Street. Transportation and Public Works replaced sidewalks on

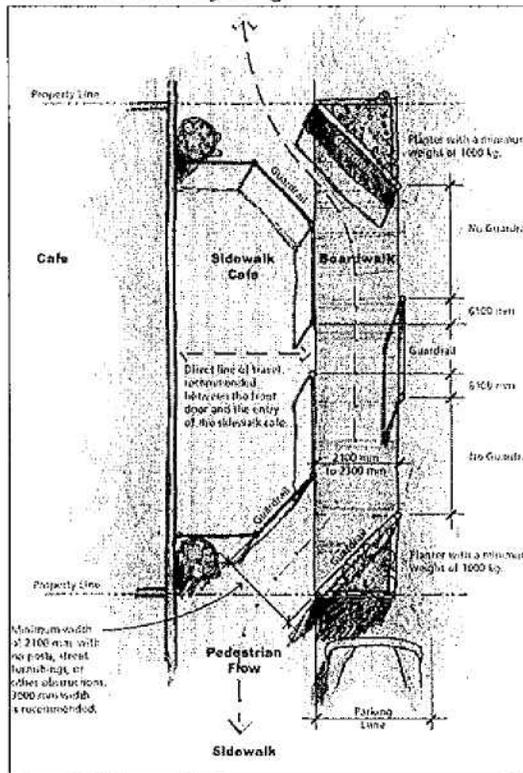
Argyle Street in 2005, which focused on safety issues rather than aesthetics.

Initiating sidewalk cafés. The first sidewalk cafés on Argyle Street were also sparked by the vision and initiative of one business owner on Argyle Street. This business championed creative standards for design and construction of sidewalk cafés. The business did not have a sidewalk café permit from the HRM at that time, however the success of that businesses sidewalk café demonstrated the significant contribution that sidewalk cafés offer the downtown.

Providing public consultation. The Argyle Street Design Study included a public consultation process. Twenty eight businesses and property owners from Argyle Street participated in the consultation. The discussions brought forth ideas and concerns regarding the design proposal, which were reviewed by the Argyle Street Design Study Steering Committee. The study was then presented to Council.

Developing sidewalk café design layout for Argyle Street. The Argyle Street Design Study proposed a boardwalk café layout as the provisional sidewalk café design for the 1997 season, which continues to serve as the current sidewalk café design.

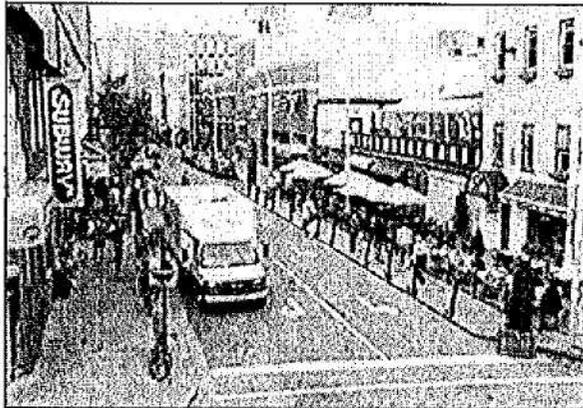
General Boardwalk Café Design



Graphic provided by Ekistics Planning and Design, Downtown Halifax: Sidewalk Café Design Standards

Boardwalk cafés provide outdoor seating next to the café, which extends onto the sidewalk and directs pedestrian flow onto a temporary boardwalk built in the street's parking lane. Planters located at the ends of the boardwalk provide separation between pedestrians and parked vehicles. A consistent sidewalk café design layout was recommended for the entire length of Argyle Street.

Designing layout of Argyle Street. Argyle Street is a one-way street with two lane vehicle traffic totaling approximately 6m in width. Sidewalks measure a minimum of 2.13m and the parking and/or loading lanes are a minimum of 1.82m in width. The temporary boardwalks used when sidewalk cafés are in operation measure approximately 2.10m in width.



Argyle Street and corner of Blowers Street

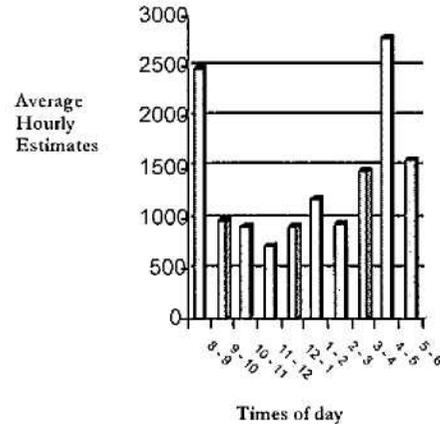
Sharing ownership of and financing public right-of-way with sidewalk cafés. The HRM provides opportunity for businesses to share ownership of spaces where businesses operate a sidewalk café with the HRM. HRM encourages businesses to creatively design the boardwalks while ensuring accessible pedestrian movement. Businesses lease a portion of the sidewalk where the sidewalk café is located from the HRM for \$2.50 per square foot of seating area. In addition, businesses pay a \$100 permit fee per season and incur a \$250 fee for every metered parking spot replaced by boardwalk. Seasonal fees to install and remove sidewalk cafés and boardwalks vary depending on the café designs. Businesses are responsible for the finances, construction and maintenance of the boardwalk public right-of-way.

Results

Increasing pedestrian traffic volumes. A 2004 Downtown Pedestrian Study shows that pedestrian traffic volumes in the downtown core increased approximately 29% annually since 1995. On Argyle Street the average hourly pedestrian counts in 2004 were 1,389, compared to the 710 in 1995. Sidewalk cafés as well as other factors such as increased downtown business contributed to the

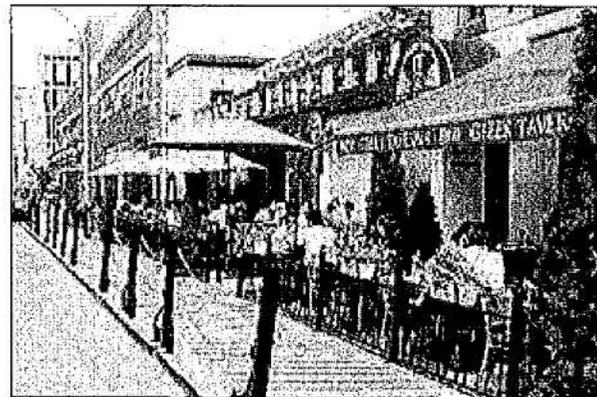
doubling of pedestrian activity in the downtown and on Argyle Street.

2004 Day-Long Counts – Average Hourly Estimates for Argyle St. between Blowers and Sackville



*Table provided by HRM and DHBC
2004 Downtown Pedestrian Study*

Improving quality of life in downtown Halifax. The sidewalk cafés on Argyle Street contribute positively to the street's overall character. The popularity of the sidewalk cafés attracts visitors and locals, as well as increases pedestrian activity and urban vitality. Vehicles are restricted



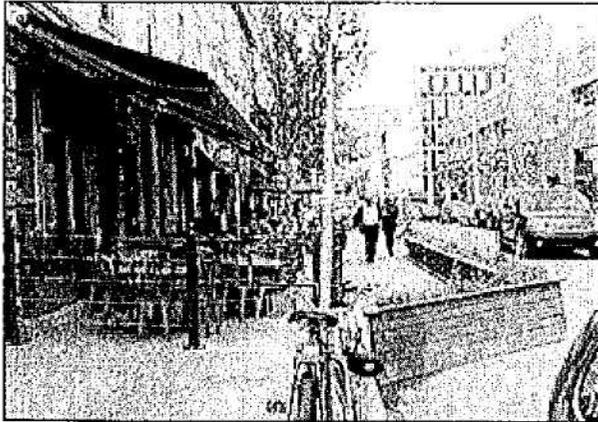
Argyle Street Opa and Argyle Street Bar & Grill Boardwalk Sidewalk Cafés.

from portions of Argyle Street during special events and the street is opened up for pedestrians. Due to the 2006 Juno Awards, sidewalk cafés will open earlier in the season (March 27 rather than May 1).

Receiving recognition. The success of the Argyle Street sidewalk cafés is recognized annually by *The Coast*, a local weekly newspaper in the best outdoor/seating patio category. As well, tourism publications list Argyle Street as

an attraction for visitors. Argyle Street is a vibrant and unique destination in Halifax, attracting locals and tourists alike. The HRM's Regional Plan and Cultural Plan both support sidewalk cafés in downtown Halifax.

Concerning accessibility issues. Access for varying mobility users poses a serious issue with the boardwalk café design. Citizens using the boardwalks must navigate around the outdoor cafés in a zigzag movement when using the pedestrian right-of-way. A continuous linear pedestrian path is favourable for efficient and accessible public sidewalks. Currently, sidewalk café owners are encouraged to coordinate their walkways to minimize the zigzag effect. For 2006, all of the cafes on one block of Argyle Street will have one continuous boardwalk, designed by one of the sidewalk café owners.



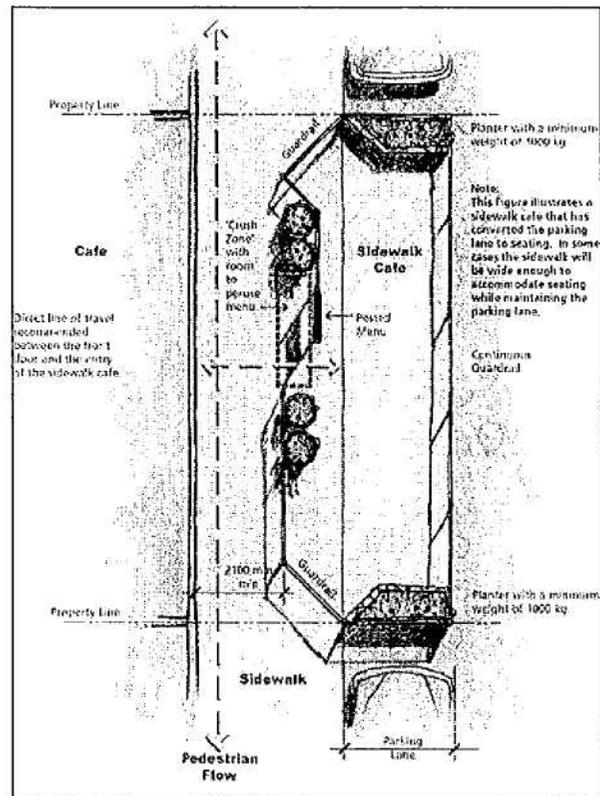
Argyle Street Bitter End, Dharma Sushi, Piccolo Mondo Boardwalk Sidewalk Cafés.

Losing parking spaces. Concerns arose from some business owners who feared potentially detrimental impacts to business as a result of losing parking spaces located directly in front of their business. In response HRM negotiated the transfer of some loading spaces into metered parking spaces. HRM has also constructed the Metro Parkade as a measure to provide more parking spaces for the whole of downtown, which is located two streets away from Argyle Street.

Establishing sidewalk café design criteria and guidelines. Concerns about the operation of the sidewalk cafés on Argyle Street prompted a second study in 2001. The study commissioned by the HRM and the DHBC with the purpose of recommending design guidelines. The consultants proposed a set of Sidewalk Café Design Guidelines to complement the existing Sidewalk Café Policy. Currently, the HRM provides loose design criteria due to limited enforcements and resources. HRM requires café owners to address clearance, pedestrian ways, railings, plantings, lighting, and construction materials. HRM encourages the use of cedar or hemlock woods instead of wolmanized wood, which poses potential chemical sensitivities.

Proposing an alternate design layout. Consultants proposed a satellite café design layout as a more appropriate design layout compared to the existing boardwalk café design. Satellite cafés are located at the curbside and extend onto the parking lane. Pedestrian traffic remains on the existing sidewalk which provides consistent linear pedestrian movement. The satellite café design provides greater accessibility and consistency in sidewalk design. HRM identifies two main issues with the satellite café design: snow removal and servers traveling across the public right-of-way. Presently, HRM has not adopted the proposed alternate design layout as part of their Sidewalk Café Policy.

General Satellite Café Design



Graphic provided by Ekistics Planning and Design, Downtown Halifax: Sidewalk Café Design Standards

Some sidewalk cafés owners resisted the idea of satellite cafés because they felt the change would not be successful. However, satellite sidewalk cafés have never been tested in Halifax, and conducting a pilot project based on lessons learned from places where satellite café are successful may be valuable.

Participants

Halifax Regional Municipality

Downtown Halifax Business Commission

Ekistics Planning and Design

Robert Parker Associates Ltd. Architects and Planners
with Gordon Ratcliffe Landscape Architects

Business Owners on Argyle Street

Resources

HRM Staff. Staff provided sidewalk café designs, operational and policy recommendations to Council.

Background studies and design concepts. Background reports and design proposals were conducted by consulting teams. The studies provided the HRM staff with a greater understanding of sidewalk café designs.

Budget. HRM incurred approximately \$20,000 in costs for outsourcing studies to consultants.

Businesses take on the responsibility of all costs associated with the set up, dismantling and maintenance of sidewalk cafés. Costs of sidewalk café infrastructures vary depending on the design.

Business Owners. Businesses on Argyle Street contribute financially and creatively to the operation of the sidewalk cafés. The energy provided by the business owners is reflected in Argyle Street's success.

Timeline

1995. G-7 Conference International Outdoor Cafés inspires sidewalk cafés in downtown Halifax.

1995. Businesses establish Argyle Street's first sidewalk café.

Winter 1997. HRM and DHBC outsource the Argyle Street Design Study to Robert Parker Associates Ltd. Architects and Planners with Gordon Ratcliffe Landscape Architects, which looked at accommodating sidewalk cafés on Argyle Street.

Spring 1997. HRM proposes interim policy authorizing boardwalk cafés on Argyle Street.

1998. HRM adopts Sidewalk Café Policy.

2001. HRM and DHBC hires Ekistics Planning and Design to conduct Downtown Halifax: Sidewalk Café Design Standards report.

Challenges

Accessibility. Careful attention needs to be made to incorporate barrier free and universal design principles in sidewalk café building codes as a means to reduce accessibility issues.

Maintenance. The responsibility of maintaining public sidewalks and private café spaces is an issue. Businesses are financially responsible to maintain the sidewalk café and the constructed boardwalk public right-of-way, while the Municipality provides general maintenance of the concrete sidewalk structure. HRM's faces resource limitations to enforce businesses compliance with the conditions of sidewalk café agreements.

Design and aesthetics. Marginal design of sidewalk cafés compromises the safety of the public, while the aesthetic details of the sidewalk cafés impacts the potential economic success. Comprehensive design guidelines provide assistance for business owners and the city to assemble consistent design and aesthetically-pleasing pedestrian environments.

Funding. Annual construction and design projects require substantial investment by businesses in the HRM to complete the projects, such as in the case of Argyle Street. It is important to gain support for the project from many stakeholders and financial sources.

Lessons learned

Select appropriate sidewalk café design layout. Each block is unique with specific street and sidewalk dimensions, which require analysis to choose an appropriate sidewalk café design layout. Clear linear paths of pedestrian movement and consistent sidewalk café design layout per block are essential to provide accessibility for all users.

Integrate barrier free and universal design principles. Barrier free and universal design principles offer excellent tools to design inclusive sidewalk cafés that accommodate all users. Sidewalks used for outdoor cafés connect public and private spaces in a unique way and require great design attention to ensure accessibility for all users.

Consider permanent sidewalk cafés. Permanent, all season sidewalk cafés are an attractive feature for two reasons. First, temporary outdoor cafés are a nuisance to assemble and maintain seasonally and store off-season. Permanent outdoor cafés offer the potential for creative winter design solutions, without dismantling at the end of the season. Second, year round outdoor cafés offer opportunity for social activity and engagement all year including the winter.

Provide comprehensive application process and design guidelines. The application process provides businesses with assistance in developing consistent and accessible sidewalk cafés in accordance with the municipality's policy. Businesses have the opportunity to creatively articulate each sidewalk café, while the comprehensive application process guides the consistency of general operation and design of sidewalk cafés. Municipal enforcement is important in monitoring

compliance and evaluating the effectiveness of the design guidelines.

Negotiate appropriate financial responsibility and maintenance of public-right-of ways. Public sidewalks are an important component of a city and require significant financial responsibility and maintenance. Contracts between business owners and the city addressing the ownership and maintenance of a public right-of-way should be enforced and evaluated.

Provide public seating and resting areas in places where there are sidewalk cafés. Public rest and seating areas provide opportunities for a range of citizens to contribute to the activities on the street. Public areas offer citizens equal opportunity to contribute and enjoy vibrant pedestrian streets.

Next steps

HRM recognizes that sidewalk cafés on Argyle Street contribute significantly to the vitality of downtown Halifax. At this time no official studies or plans are being undertaken to modify the sidewalk cafés or improve the amenities on Argyle Street.

The 1997 Argyle Street Design Study proposed a re-design of Argyle Street into a pedestrian only street. Converting Argyle Street into a pedestrian street would create a special pedestrian sidewalk café district unique to downtown Halifax. However, there is resistance to closing down Argyle Street permanently to pedestrian traffic from the Downtown Halifax Business Commission and some businesses. Further study to research experiences in other cities who implement pedestrian streets and a pilot project would be of value. Many citizens and the DHBC support the closing down Argyle Street to vehicles for special events.

Ekistics Planning and Design propose the idea of establishing year round rather than seasonal temporary sidewalk cafés. Designing for winter climate cities is feasible and beneficial for public citizens, local businesses and develops unique character and usability throughout the year. The Downtown Business Commission and some sidewalk café businesses support the idea of year-round sidewalk cafés.

For more information

The Capital District at the HRM at:
<http://www.halifax.ca/capitaldistrict/index.html>

Downtown Halifax Business Commission at:
<http://www.downtownhalifax.ns.ca/>

Ekistics Planning and Design at: <http://www.ekistics.net/>

Robert Parker Associates Ltd. Architects and Planners
with Gordon Ratcliffe Landscape Architects

Thesis titled Sidewalk Cafés and Streets For All! published by Kim Livingston in April 2004 from Dalhousie University, Halifax NS.

Case Study written by the Ecology Action Centre: Marta Downarowicz, MPLAN, Dalhousie University, Halifax, NS
Marta@dal.ca



**PLANNING COMMISSION
STAFF REPORT**

TO: Chairman and Planning Commissioners

FROM: Nelia C. Dyer, Community Development Director

DATE: April 26, 2011

SUBJECT: Public Hearing and Consideration of an Application for Conditional Use Permit Modification for Turkovich Family Wines Expansion (304 Railroad Avenue) into 306 Railroad, the basement of 304 Railroad, and the sidewalk in front of 304 and 306 Railroad Avenue

RECOMMENDATION: Staff recommends that the Planning Commission take the following actions: 1) Receive the staff report; 2) Conduct the Public Hearing to solicit public comment; and 3) Approve the Conditional Use Permit Modification submitted by Turkovich Family Wines for the expansion of their business into 306 Railroad Avenue, the basement of 304 Railroad Avenue, and the sidewalk in front of 304 and 306 Railroad Avenue.

GENERAL PLAN DESIGNATION, EXISTING ZONING, AND LAND USE: The location of the proposed expansion is designated CBD (Central Business District) by the General Plan and is zoned Railroad Avenue DA, according to Winters Municipal Code, Chapter 17.58. The General Plan designation, zoning, and land use of the surrounding properties are as follows:

	<u>GENERAL PLAN</u>	<u>ZONING</u>	<u>LAND USE</u>
NORTH	CBD	Railroad Ave DA	Vacant/Retail
EAST	CBD	Railroad Ave DA	Surface Parking
SOUTH	CBD	Main Street DA	Putah Creek Cafe
WEST	CBD	Main Street DA	Commercial Building

STATEMENT OF ISSUES: On March 26, 2009, the Planning Commission approved a conditional use permit for on-sale Alcoholic Beverage Establishment (wine tasting) for Turkovich

Family Wines at 304 Railroad Avenue. The same project proponent is now seeking approval of a use permit modification to expand their wine-tasting business into 306 Railroad Avenue, the basement beneath 304 Railroad Avenue, and the sidewalk area in front of 304 and 306 Railroad Avenue.

The Winters Municipal Code (WMC), Title 17 requires the application for a modification to the existing conditional use permit for this expansion. Specifically, WMC, Section 17.20.070(B) (Use Permit) states that a minor modification to a use permit shall be approved only if it is found that the modifications substantially conform with the approved use permit plans or standards; that the intensity of the use is not increased beyond that originally approved under the use permit, and that the appearance and function of the development and the surrounding neighborhood will not be adversely affected as a result of such modification. Staff has determined that the proposed expansion increases the intensity of the use and that the modifications do not substantially conform with the approved use permit plans.

PROJECT DESCRIPTION: The applicant currently operates a wine tasting room located at 304 Railroad Avenue. They also own and operate the Winters Cheese Company at the same location. As stated previously, Turkovich Family Wines desires to expand their business into 306 Railroad Avenue, the basement beneath 304 Railroad Avenue, and the sidewalk area in front of 304 and 306 Railroad Avenue. It is their intention to connect their existing tasting room with the new space, which would provide additional space for storage as well as wine and cheese tasting. In addition, the applicant intends to add another service counter, additional seating, and display areas for wine, cheese and other retail items.

Presently, the business sells between 8 to 15 different wines and 9 to 20 different cheeses. In addition, the business sells a wide range of other products including honey, olive oils, chocolate and other wine and cheese-related items. The business also offers tastings, wine education classes, and activities related to the both wine and cheese clubs.

The business currently employs two people full time and five part time employees. The applicant has indicated that additional employees will be hired as needed.

The current operating hours of the business are Thursday, 12 to 7 pm; Friday and Saturday, 12 to 9 pm; and Sunday, 12 to 5 pm. It is the applicant's intention to operate seven days per week as soon as economically feasible. Future operating hours may be Monday through Wednesday, 10 am to 6 pm; Thursday, 12 to 9 pm; Friday and Saturday, 12 to 10 pm; and Sunday 12 to 6 pm.

The approximately 880 square foot basement is intended to be utilized for storage. Specifically, finished, bottled wine will be stored in the basement along with office and inventory supplies. At this present time, the applicant is working on a feasibility study for public access to the basement. At a future date, if all access, ADA, and fire codes are met, Turkovich Family Wines intends to use the basement as a wine cellar with public access.

The approximately 400 square foot sidewalk space in front of 304 and 306 Railroad Avenue is proposed to be utilized for outdoor seating. Specifically, the applicant intends install a level platform that extends from the curb into the three on-street parking spaces in front of the business. The applicant is working with the City on a pilot project to test these sidewalk extensions.

ANALYSIS: The proposed use is consistent with both the Central Business District General Plan land use category and the zoning. In addition to General Plan Consistency and code compliance, factors regarding the public health, safety, or general welfare must be considered when reviewing an application for a modification to an existing conditional use permit. The current business has two restrooms, which are ample for the expanded use. In addition, the business is connected to all necessary public utilities.

There is no on-site parking available; however, it is anticipated that the patrons of the wine tasting room would park on the street across Railroad Avenue or in the surface parking lot across Railroad Avenue. Given the limited hours/days of operation, staff does not anticipate any adverse parking impacts in the downtown as a result of this business. In addition, the City is planning to move forward with the parking lot on southeast corner of Abbey and First Streets, which will provide at least twenty (20) off-street, public parking spaces.

As stated previously, the applicant desires to use the basement as a wine cellar with access in the future. While the modification of the use permit will include the basement, access cannot be provided until all access, ADA and fire codes are met.

In reviewing a conditional use permit application, the Planning Commission must also consider potential impacts on police resources that might result from the expansion of this business. The Police Department has reviewed the applicant's expansion plan and supports the venture and a use permit modification from the Planning Commission, subject to the conditions of approval.

According to WMC Section 17.96.030, the use is outright prohibited when located within 200 feet of sensitive uses, including schools, churches, health care facilities, or recreational uses located in the Central Business District. The separation requirement is not applicable to Rotary Park and Rotary Park is expressly excluded from the definition of a sensitive use. The proposed expansion is not within 200 feet of a sensitive use.

In addition to the distance requirements, the proposed expansion must comply with a list of standard conditions from the Alcoholic Beverages Ordinance. These conditions are included in the Conditions of Approval for the proposed expansion.

METHODOLOGY: Two actions are required to process the proposed project:

- 1) Confirmation of CEQA exemption finding - Section 15332
- 2) Approval of the Conditional Use Permit Modification and the attached conditions

APPLICABLE REGULATIONS: This project is subject to several regulations:

- The California Environmental Quality Act (CEQA)
- State Planning and Zoning Law
- City of Winters General Plan
- City of Winters Zoning Ordinance

PROJECT NOTIFICATION: Public notice advertising for the public hearing on this project was prepared by the Community Development Department in accordance with notification procedures set forth in the City of Winters' Municipal Code and State Planning Law. Two methods of public notice were used: a legal notice was published in the Winters Express on Thursday, April 14, 2011 and notices were mailed to all property owners who own real property within three hundred feet of the project boundaries at least ten days prior to tonight's hearing. Copies of the staff report and all attachments for the proposed project have been on file, available for public review at City Hall since Thursday, April 21, 2011.

ENVIRONMENTAL ASSESSMENT: The proposed use is exempt from environmental review pursuant to California Environmental Quality Act (CEQA) Guidelines Section 15332.

RECOMMENDED FINDINGS FOR 304 AND 306 RAILROAD AVENUE (CONDITIONAL USE PERMIT MODIFICATION)

CEQA Findings:

1. The project qualifies for an exemption from the provisions of CEQA, Class 32 - In-Fill Development Projects.
 - a. The project is consistent with the General Plan designation for the project site and all applicable General Plan policies as well as the zoning regulations.
 - b. The proposed project occurs within the City Limits on a project site (3,000 square feet) of five acres or less and is substantially surrounded by urban uses.
 - c. The project site has no value as habitat for endangered, rare, or threatened species.
 - d. Approval of the project would not result in any significant effects relating to traffic, noise, air quality, or water quality.
 - e. The project site can be adequately served by all required utilities and public services.
2. The Planning Commission has considered comments received on the project during the public review process.
3. The exemption finding reflects the independent judgment and analysis of the City of Winters.

4. The Planning Commission hereby confirms a Class 32 In-Fill Development Projects exemption for the 304 and 306 Railroad Avenue Project.

General Plan and Zoning Consistency Findings:

1. The expanded use is consistent with the goals and policies of the General Plan. The General Plan designates the project site as Central Business District and principal uses for this designation include restaurant and retail uses. The use will provide for the on-site sale and consumption of wine at a retail business.
2. The expanded use is consistent with the provisions of the Zoning Ordinance. Permitted uses of the Railroad Avenue DA include retail and restaurant uses. The use will provide for the on-site sale and consumption of wine at a retail business.
3. The expanded use will not be detrimental to the public health, safety, or general welfare.
4. Adequate utilities, access roads, drainage, sanitation, and/or other necessary facilities or services will be provided;
5. The expanded use will not create a nuisance or enforcement problem within the neighborhood.
6. The expanded use will not result in a negative fiscal impact upon the city.

RECOMMENDATION

Staff recommends approval of the project by making an affirmative motion as follows:

I MOVE THAT THE WINTERS PLANNING COMMISSION APPROVE THE 304 AND 306 RAILROAD AVENUE PROJECT (CONDITIONAL USE PERMIT MODIFICATION) BASED ON THE IDENTIFIED FINDINGS OF FACT AND BY TAKING THE FOLLOWING ACTIONS:

- Confirmation of exemption from the provisions of CEQA.
- Confirmation of consistency findings with the General Plan and Zoning Ordinance.
- Approval of the Conditional Use Permit Modification and subject to the conditions of approval attached hereto.

ALTERNATIVES: The Commission can elect to modify any aspect of the approval or to deny the application. If the Commission chooses to deny the application, the Commission would need to submit findings for the official record that would illustrate the reasoning behind the decision to deny the project.

CONDITIONS OF APPROVAL FOR THE 304 AND 306 RAILROAD AVENUE
(CONDITIONAL USE PERMIT MODIFICATION) LOCATED IN WINTERS, CA 95694.

1. The applicant must also obtain approval from the State of California, Department of Alcoholic Beverage Control (ABC) before commencing use of the Type 42 License for the on-site sale and consumption of beer and wine.
2. No on-sale liquor establishments shall be maintained within five-hundred feet from such consideration points as schools (public and private); established churches or other places of worship; hospitals, clinics, or other health care facilities; public parks and playgrounds and other similar uses, except that veterans clubs, fraternal organizations and bona fide restaurants may be closer than five-hundred feet from one another or any of the reference points. The distance of five-hundred shall be measured between the nearest entrances used by patrons of such establishments along the shortest route intended and available for public passage to other such establishments, or to the nearest property line of any above referenced consideration points. The separation requirement shall be reduced to two-hundred feet for operations located within the Central Business District.
3. All establishments shall be required to have a public telephone listing.
4. Special security measures such as security guards, robbery and burglar alarm systems may be required.
5. The noise generated by the operation of such establishment shall not exceed 50 d.b.a. during daytime and 45 d.b.a. during nighttime, on adjoining properties zoned for residential purposes.
6. It shall be the responsibility of the applicant licensee to provide all staff with the training necessary to gain the knowledge and skills that will enable them to comply with their responsibilities under the law. The knowledge and skills deemed necessary for responsible alcoholic beverage service shall include, but not be limited to the following topics and skills development:
 - a) State laws relating to alcoholic beverages, particularly ABC and penal provisions concerning sales to minors and intoxicated persons, driving under the influence, hours of legal operation, and penalties for violations of these laws.
 - b) The potential legal liabilities of owners and employees of businesses dispensing alcoholic beverages to patrons who may subsequently injure, kill or harm themselves or innocent victims as a result of the excessive consumption of alcoholic beverages.

- c) The effects of alcohol on the body, and behavior, including how the effects of alcohol affect the ability to operate a motor vehicle.
 - d) Methods for dealing with intoxicated customers and recognizing under-aged customers.
 - e) Methods for preventing customers from becoming intoxicated.
7. The Community Development may approve minor modifications to the conditional use permit.
 8. Upon six (6) months after ceasing the use granted by the permit, the permit shall be void and a new conditional use permit shall be required.
 9. Failure to comply with the above conditions may result in the immediate revocation of the conditional use permit.
 10. *The applicant shall satisfy all agencies of jurisdiction and all City of Winters requirements for the business, expansion of this business as well as the use of the basement and sidewalk.*
 11. *At all times, the operator of a permanent alcoholic beverage and/or food service establishment that operates a sidewalk cafe must:*
 - a. *Maintain a clear distance of a minimum of five (5) unobstructed feet in width, measured from the face of the building toward the sidewalk curb. Where the City has installed a permanent structure, including, but not limited to planters, light poles, or other structures, the business operating the sidewalk café shall make accommodation for the required clearance for pedestrian passage. The sidewalk café must not interfere with the passage of pedestrians, vehicle flow, or access to buildings;*
 - b. *Not place sidewalk tables, benches, or chairs in a location that interferes with the operation of fire hydrants, pedestrian crosswalks, intersections, or in a location that is harmful to trees or other plantings;*
 - c. *Comply with applicable state and federal laws regarding accessibility.*
 12. *Equipment for the service of customers, including but not limited to trays or carts, eating or drinking utensils, linens, and cooking appliances shall not be placed or maintained on any portion of the sidewalk, unless the sidewalk café is adequately separated from pedestrian traffic;*
 13. *At least one (1) covered outdoor trash container shall be provided in the sidewalk café area during the hours of operation and shall be maintained in a clean and sanitary condition;*
 14. *The business shall maintain the sidewalk cafe in a clean and sanitary condition at all times;*

15. *The applicant shall submit to the City Manager a signed agreement, in a form approved by the City Attorney, to defend, indemnify, save, and hold harmless the city and all of its officers, agents, or employees from any liability for damages resulting from any and all operations directly related to the sidewalk care*
16. *No public sidewalk shall be painted, landscaped or altered in any way without prior written approval of the community development director and City Engineer;*
17. *The sidewalk café permit does not constitute a deed or grant of an easement by the city and is revocable or may be suspended by the community development director at any time, with or without cause.*
18. *A sidewalk café shall not be open for business when the interior part of the permanent food service establishment is not open for business, unless the sidewalk café is being used by the permanent alcoholic beverage service or food service establishment for a private party.*
19. *Alcoholic beverages shall be consumed only on the permittee's premises. The permittee shall not allow patrons to leave the confines of the premises with any alcoholic beverage and shall not allow patrons to give or sell alcoholic beverages to any person outside the premise.*
20. *The sidewalk café and seating is included in the Conditional Use Permit Modification approval, but the use is conditioned on the success of the City's pilot program for the sidewalk extension. Six months after the installation of the sidewalk extension in front of the subject business, if the City determines not to allow sidewalk extensions following the pilot program, the sidewalk care and seating shall no longer be allowed under this permit and permit modification.*

ATTACHMENTS:

1. Location Map
2. Site Plan
3. Public Hearing Notice (mailed copy)



**CITY COUNCIL
STAFF REPORT**

TO: Honorable Mayor and Councilmembers
DATE: May 3, 2011
FROM: John W. Donlevy, Jr., City Manager 
SUBJECT: Yolo County Emergency Operations- Joint Use Agreement Status

RECOMMENDATION:

That the City Council receive an update on the development of a Yolo County Emergency Operations Joint Use Agreement.

BACKGROUND:

Under State and Federal Law, jurisdictions are mandated to establish unified command structures and organizations which are implemented in the event of a major disaster. The Cities and County of Yolo have traditionally worked to facilitate a unified emergency operations center and coordinated operations should a regional disaster strike and require a mutual response.

In the 1990's the coordinated structure was supported under the auspices of the Yolo County Communication and Emergency Services Agency (YCCESA). The operations were funded through our joint powers authority and coordinated in Woodland

Since 2006, the Yolo County Office of Emergency Services (OES), a division of the County Administrative Office, is the emergency management agency for Yolo County, and as such is the lead agency that fulfills the county's requirements under the Emergency Services Act (Government Code Section 8550 et. seq.). This office works with partners in the emergency management programs of the Cities of Davis, West Sacramento, Winters, and Woodland as well as the University of California at Davis and the Yocha Dehe Wintun Nation. OES also works with the various special districts, authorities, and joint powers authorities within the boundaries of Yolo County.

OES is coordinated through only two staff, including a Director of Emergency Services and a Emergency Services Technician.

Over the course of the past two fiscal years, Yolo County has been unable to fully fund OES due to financial issues. In 2010, the Yocha De He Wintun Nation funded the operations through an outright payment of approximately \$165,000.

DISCUSSION:

The City Manager's and County Manager have been working over the past six months to determine a financing mechanism to keep OES operating. This is viewed as a critical regional program for the County and cities to maintain for emergency planning, response and recovery.

Two approaches have been considered:

1. Maintaining operations within Yolo County with funding being divided amongst the Cities, County, Housing Authority and Yoche De He.
2. Transferring operations to the Yolo County Sheriff's Office, with supervision through the current command staff and designated personnel.

Proposals were considered from both agencies and the City Manager's have concluded that the best option would include a City supported joint use agreement. This will require the Cities to pay into an operations fund as indicated in the proposed budget (Exhibit A).

Absent a coordinated approach, each agency would be required to monitor legislation, research requirements and develop plans independently. This would make absolutely no logical sense.

It is anticipated that each of the Cities and the County will agree to the development of a Joint Services Agreement to fund this project. Staff will be actively participating in discussions and will bring this back to the City Council for consideration.

FISCAL IMPACT: City costs are estimated at \$10,000 annually.

**Emergency Management Shared Services
Funding Formulas**

Funding Formula E: Modified Match - Baseline & Population								
Contributor	Baseline Funding	Juris Pop	Pop Percent	Funding by Population	Contributor Sub-Total	OA Coord Factor	Contributor Total	Percent of Gap Funding
Identified Program Funding Need FY11-12:							\$ 355,698.00	
EMPG Grant							\$ (159,660.00)	
HSGP M & A							\$ (12,000.00)	
Command Vehicle MOU							\$ (5,000.00)	
Revenue Subtotal:							\$ 179,038.00	
	2010 Pop:	200,849						
Yolo Co Housing	\$ 10,000.00	0	0.00%				\$ (10,000.00)	5.59%
Winters	\$ 10,000.00	6,624	0.00%				\$ (10,000.00)	5.59%
							\$ 159,038.00	
Yolo County	\$ 10,000.00	24,391	12.56%	\$ 10,956.00	\$ 20,956.00	\$ 10,000.00	\$ (30,956.00)	17.29%
Davis	\$ 10,000.00	65,622	33.79%	\$ 29,475.00	\$ 39,475.00	\$ (2,500.00)	\$ (36,975.00)	20.65%
West Sac	\$ 10,000.00	48,744	25.09%	\$ 21,886.00	\$ 31,886.00	\$ (2,500.00)	\$ (29,386.00)	16.41%
Woodland	\$ 10,000.00	55,468	28.56%	\$ 24,913.00	\$ 34,913.00	\$ (2,500.00)	\$ (32,413.00)	18.10%
Subtotal:	\$ 60,000.00	194,225	100.00%	\$ 87,230.00	\$ 127,230.00		\$ 29,308.00	
Yocha Dehe	\$ 10,000.00	0	0.00%	\$ 21,808.00	\$ 31,808.00	\$ (2,500.00)	\$ 29,308.00	16.37%
TOTAL MATCH:	\$ 70,000.00			\$ 109,038.00	\$ 159,038.00	\$ 10,000.00	\$ (179,038.00)	100.00%
Notes:	1	\$159,038 - \$50,000 (Baseline) = \$109,038						
	2	\$109,038/5 = \$21,808 applied to Yocha Dehe as population impact factor						
	3	\$109,038 - \$21,808 (Yocha Dehe population impact factor) = \$87,230						
	4	\$87,230 / by percent of population (202,849 minus Winters) for County, Davis, West Sacramento, and Woodland						
	5	\$10,000 applied to County as representative of OA Coordination responsibility						
	6	Tribal, Davis, West Sac, and Davis totals reduced by \$2,500 as a result of County assuming OA Coord charge						



**COMMUNITY DEVELOPMENT AGENCY
STAFF REPORT**

TO: Honorable Chairman and Board of Directors
DATE: May 3, 2011
FROM: John W. Donlevy, Jr., Executive Director 
SUBJECT: Downtown Parking- 311 First Street and Abbey Street

RECOMMENDATION:

That the Winters Community Development Agency:

1. Approve the budget and Authorize the construction of a parking lot at 311 First Street; and
2. Authorize the expenditure of Agency funds for the establishment of diagonal parking on Abbey Street and the establishment of an interim parking lot at 8 E. Abbey Street.

BACKGROUND:

As the Agency Board is aware, the implementation of the Downtown Master Plan has been an ongoing project for the past 5 years. This has included numerous CDA projects including façade, streetscape and capital improvements. The goal of revitalization of the Downtown core has created significant private investment and has resulted in expansion of many businesses and events.

The creation of parking issues from Downtown business has often been joked as a key measurement of success for the revitalization. The reality is that the need for parking relief to ensure pedestrian safety and to relieve impacts to surrounding neighborhoods has come upon us. With the advent of the Phase II Improvement Project, it is now time to consider options for, at least, interim relief.

DISCUSSION:

In the 2009-10 Budget, the Agency authorized the construction of a parking lot at the then Agency owned properties at 311 First Street. The project was delayed and not implemented pending resolution of issues with the State and within the priorities of other Agency projects.

The lot would create approximately 39 parking spaces for use within the downtown business district. The plans have been reviewed and approved by the Planning Commission.

The project will consist of the following:

- Removal of the metal building at 311 First Street through either demolition or removal for re-use.
- Grading and paving of the City property located directly adjacent to 311 and the slurry and striping of the entire site.
- Lighting will be installed within the project area to provide security and direction to the downtown.

The proposed plan and estimated budget are attached as Exhibits A and B. Staff is requesting authorization for the project to proceed immediately.

Abbey Street and 8 E. Abbey Street:

Staff is also requesting authorization for the expenditure of Agency funds for the establishment of additional on street parking on Abbey Street and at 8 E. Abbey Street. This would include as follows:

- Diagonal parking spaces to be striped on Abbey Street between Railroad Ave and Elliot Street.
- Establishment of an interim parking agreement with the owner of 8 E. Abbey Street (John Pickerel) and the purchase an installation of parking stops and striping of the lot.

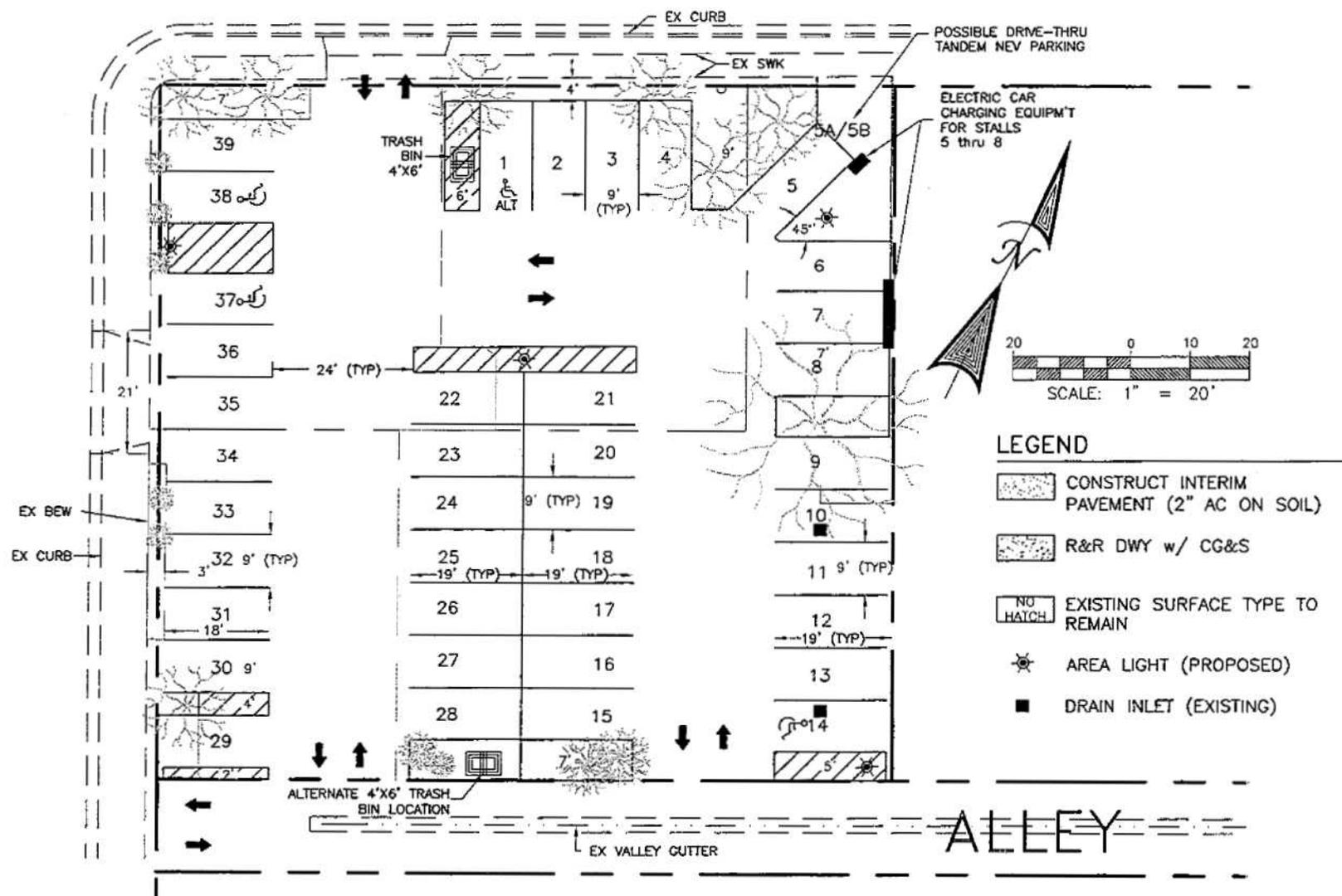
This plan is included and attached as Exhibit C.

FISCAL IMPACT:

The total estimated costs for both projects will not exceed \$100,000.

ABBEY ST.

FIRST ST.



- NOT FOR CONSTRUCTION

FIRST STREET PARKING LOT
 PRELIMINARY CONCEPT-PARKING LAYOUT ONLY
 PREPARED BY : PONTICELLO ENTERPRISES - AJU
 REV. 22JUL2009

City Hall Parking Lot at Abbey & First

No.	ITEM DESCRIPTION	Unit	Est'd	Unit Price	Extended Price
			Quantity		
1	MOBILIZATION & TRAFFIC HANDLING	LS	1	\$ 3,000.00	\$ 3,000.00
2	WATER POLLUTION CONTROL PLAN	LS	1	\$ 800.00	\$ 800.00
3	TEMPORARY WATER POLLUTION CONTROL WORK	LS	1	\$ 1,000.00	\$ 1,000.00
4	DEMOLITION (CONCRETE SLABS WILL REMAIN FOR REUSE AS PART OF PARKING LOT STRUCTURE)	LS	1	\$ 20,000.00	\$ 20,000.00
5	REMOVE TREES	EA	6	\$ 400.00	\$ 2,400.00
6	ELECTRIC SERVICE RELOCATION	LS	1	\$ 3,000.00	\$ 3,000.00
7	IRRIGATION SYSTEM MODIFICATIONS	LS	1	\$ 1,000.00	\$ 1,000.00
8	ELECTRIC CONDUIT, CONDUCTORS & PULL BOXES	LS	1	\$ 2,500.00	\$ 2,500.00
9	LIGHT POLE & LUMINAIRE INSTALLATION	EA	4	\$ 1,500.00	\$ 6,000.00
10	CLEAR & GRUB	LS	1	\$ 1,500.00	\$ 1,500.00
11	EXCAVATION & OFFHAUL	LS	1	\$ 4,000.00	\$ 4,000.00
12	SUBGRADE PREPARATION	SF	4,770	\$ 1.50	\$ 7,155.00
13	AC SKIN PATCH IN ALLEY (OPTIONAL)	SF	400	\$ 5.00	\$ 2,000.00
14	0.20' AC PAVEMENT ON COMPACTED SOIL	SF	4,770	\$ 3.50	\$ 16,695.00
15	REMOVE DRIVEWAY & REPLACE WITH VERT CG&S (OPTIONAL - GAINS 4 PARKING STALLS)	SF	320	\$ 14.00	\$ 4,480.00
16	ASPHALT SEAL COAT	SF	14,400	\$ 0.25	\$ 3,600.00
17	PARKING LOT STRIPING (39 STALLS)	LS	1	\$ 4,000.00	\$ 4,000.00
18	WHEEL STOPS	EA	39	\$ 100.00	\$ 3,900.00
TOTAL BID (All Items Nos. 1-18) =					\$ 87,030.00
			CONTINGENCY	15%	\$ 13,054.50
TOTAL CONSTRUCTION BUDGET (ROUNDED) =					\$ 100,000.00



CITY COUNCIL
STAFF REPORT

TO: Honorable Mayor and Councilmembers
DATE: May 3, 2011
THROUGH: John W. Donlevy, Jr., City Manager
FROM: Shelly A. Gunby, Director of Financial Management
SUBJECT: February 2011 Treasurer Report

RECOMMENDATION:

Staff recommends that the City Council receive and file the City of Winters Treasurer Report for February 2011.

BACKGROUND:

The City of Winters financial policy requires monthly reports regarding receipts, disbursement and fund balances be submitted to the City Council for review. The report for February 2011 is attached.

Items of note in the attached report are as follows:

General Fund

General Fund revenues are 55% of budgeted, the following items affect the cash flows into the General Fund.

- The first installment of Property Tax was received February 1, 2011 and is 46% of the budgeted amount
- The first installment of Property Tax in lieu of Sales Tax was received February 1, 2011 and is 52% of the budgeted amount.
- The first installment of Property Tax in lieu of VLF was received February 1, 2011 and is 43% of the budgeted amount.
- Sale and use taxes are remitted to the City two (2) months after they are received by the State Board of Equalization.
- Municipal Services taxes are 67% of budget.
- Utility User Tax is 35% of budget. We received a letter from PG&E dated February 7,

2011 offering to send the increased Utility User Tax amount due from September 1, 2010 that has previously been withheld. The letter states that the funds will be received no later than April 15, 2011.

- Building permit fees received are 95% of budget.
- General Fund expenditures are 61% of budget.

Other funds:

Fund 221 Gas Tax Fund: The State of California has begun remitting Gas Tax funds to the City, and Gas Tax revenues are 75% of budgeted.

Fund 211 City Wide Assessment District: The City received assessments from the City Wide Assessment District at the same time as it received the property tax payment, on February 1, 2011 and revenues are 50% of budget.

Fund 701 and 711 Redevelopment Funds: The Community Development Agency received the first installment of tax increment on February 1, 2011, revenues are 49% and 44% of budget respectively.

Fund 611 Water: Water fund revenues are 72% of budget and expenditures are 75% of budget.

Fund 621 Sewer: Sewer fund revenues are 67% of budget and expenditures are 64% of budget.

FISCAL IMPACT:

None

City of Winters
Fund Balance Report
Estimated Fund Balances as of February 28, 2011

Fund	Fund Description	Audited	Current	Current Year	Transfers In/(Out)	Ending Fund Balance	Change From 6/30/2010
		Fund Balance 30-Jun-11	Year Revenues	Year Expenditures			
101	General Fund	\$ 1,423,074	\$ 1,569,533	\$ 1,973,475	\$ -	\$ 1,019,132	\$ (403,942)
103	Community Center and Pool	22,940	1,392	-	-	24,332	1,392
201	Fire Prevention Grant	1,784	5	642	-	1,147	(637)
208	First Time Homebuyer	83,410	222	-	-	83,632	222
211	City Wide Assessment	70,253	94,773	152,335	-	12,691	(57,562)
212	Flood Assessment District	3,781	10	-	-	3,791	10
221	Gas Tax	56,964	89,904	68,341	-	78,527	21,563
231	State COPS 1913	(102,095)	31,440	55,146	-	(125,801)	(23,705)
251	Traffic Safety	209,978	4,288	1,909	-	212,357	2,379
252	Asset Forfeiture	13,372	322	-	-	13,694	322
254	Vehicle Theft Deterrent	353	128	-	-	481	128
261	Traffic Congestion Relief	-	-	73,489	-	(73,489)	(73,489)
267	Grant Avenue Improvements	(6,032)	1,204	(4,828)	-	-	6,032
274	Park Grant	146	-	146	-	-	(146)
276	Putah Creek North Bank Imp	(20,997)	33,012	25,542	-	(13,527)	7,470
277	First Five Grant	-	6,197	13,518	-	(7,321)	(7,321)
279	Jardin De Ninos	-	4,650	-	-	4,650	4,650
287	After School Program Contr	-	5,000	-	-	5,000	5,000
291	Beverage Recycling Grant	-	5,047	838	-	4,209	4,209
294	Transportation	426,555	(3,473)	244,342	-	178,740	(247,815)
298	Workforce Grant	18,023	-	-	-	18,023	-
299	After School Program	-	227,969	83,538	-	144,431	144,431
302	07-PTA Grant	-	4,346	4,346	-	-	-
313	SYBG-96-1043 Housing and P	(29,070)	5,816	-	(5,816)	(29,070)	-
321	EDBG 99-688 Buckhorn	-	11,603	-	(11,603)	-	-
351	RLF Housing Rehabilitation	19,222	21	-	-	19,243	21
352	RLF Affordable Housing	28,587	15,366	-	-	43,953	15,366
355	RLF Small Business	76,274	209	-	17,419	93,902	17,628
356	RLF HOME Program	74,682	199	-	-	74,881	199
411	Street Impact Fee	1,130,381	(176)	-	-	1,130,205	(176)
412	Storm Drain Impact Fee	177,673	392	-	-	178,065	392
413	Parks & Recreation Impact	750,317	391	210,211	-	540,437	(209,880)
414	Public Safety Impact Fee	-	203	-	-	203	203
415	Fire Impact Fee	-	203	-	-	203	203
416	General Facilities Impact	245,756	(71)	-	-	245,685	(71)
417	Water Impact Fee	202,229	(175)	209,660	-	(7,606)	(209,835)
418	Sewer Impact Fee	(187,990)	(280)	-	-	(188,270)	(280)
421	General Fund Capital	546,416	226	-	-	546,642	226
422	Landfill Capital	224,796	90	4,248	-	220,638	(4,158)
424	Parks and Recreation Capit	8,395	22	-	-	8,417	22
427	Equipment Replacement Fund	373,230	2,843	-	-	376,073	2,843
429	Service Reserve Fund	500,777	115	-	-	500,892	115
481	General Plan 1992	(575,909)	222	-	-	(575,687)	222
482	Flood Control Study	(123,720)	3	-	-	(123,717)	3
492	RAJA Storm Drain	28,407	101	-	-	28,508	101
494	CARF	39,564	5,375	-	-	44,939	5,375
496	Storm Drain Non-Flood	231	1	-	-	232	1
501	General Debt Service	55,474	147	-	-	55,621	147
502	General LTD	(32,687)	-	-	-	(32,687)	-
611	Water O & M	3,363,782	724,356	708,117	-	3,380,021	16,239
612	Water Reserve	78,361	5,480	-	-	83,841	5,480
615	2007 Water Bonds	1,022,997	-	706,592	-	316,405	(706,592)
616	Water Conservation	9,549	25	559	-	9,015	(534)
617	Water Meter Fund	29,415	20,393	63,814	-	(14,006)	(43,421)
619	Water Debt Service Fund	(3,130,487)	-	-	-	(3,130,487)	-
621	Sewer O & M	4,508,183	881,734	786,337	-	4,603,580	95,397
626	2007 Sewer Bonds	2,197,028	-	41,685	-	2,155,343	(41,685)
629	Sewer Debt Service	(3,669,422)	-	-	-	(3,669,422)	-
651	Central Service Overhead	1,433	-	1,433	-	-	(1,433)
701	Community Redevelopment	(223,375)	705,154	1,303,086	42,268	(779,039)	(555,664)
703	2007 Bond Project Fund	7,217,242	2,956	3,545,955	-	3,674,243	(3,542,999)
711	Community Redevelopment LI	288,251	170,766	457,467	-	1,550	(286,701)
712	RDA Housing Project Area	57,887	239	57,887	-	239	(57,648)
713	2007 LIH Bond Projects	1,520,272	2,099	242,113	-	1,280,258	(240,014)
751	Community Redevelopment LT	1,022,700	34,282	-	(42,268)	1,014,714	(7,986)
821	Winters Library	103,141	274	25,000	-	78,415	(24,726)
831	Winters Library	68,878	44,098	28,755	-	84,221	15,343
832	Master Swim Program	(190)	3,400	3,058	-	152	342
833	Festival de La Comunidad	1,229	6,562	6,308	-	1,483	254
845	Historical Photo Fund	725	-	725	-	-	(725)
846	Quilt Festival	291	424	99	-	616	325
911	General Fixed Assets	15,795,393	-	-	-	15,795,393	-
Total Expenditures		\$ 35,997,827	\$ 4,720,997	\$ 11,095,888	\$ -	\$ 29,622,936	\$ (6,374,891)

City of Winters
Cash and LAIF Balance Report
Cash and LAIF Balances as of February 28, 2011

Fund	Fund Description	Balance 6/30/2010	Balance 2/28/2011
101	General Fund	\$ (115,299)	\$ 1,120,938
103	Community Center and Pool Fund	22,903	24,332
201	Fire Prevention Grant	1,781	1,147
208	First Time Homebuyer	83,263	83,632
211	City Wide Assessment	61,389	(86,500)
212	Flood Assessment District	3,775	3,791
221	Gas Tax	44,820	54,823
231	State COPS 1913		(125,800)
251	Traffic Safety	208,848	213,203
252	Asset Forfeiture	13,348	13,693
254	Vehicle Theft Deterrent	48,119	48,333
261	Traffic Congestion Relief	55,666	
274	Park Grant	146	
277	First 5 Grant	213	(7,299)
291	Beverage Recycling Fund	16,919	21,157
294	Transportation(Including Bus Svc	397,453	221,612
298	Workforce Grant	18,023	
299	After School Program	85,259	113,575
302	07-PTA Grant	2,377	
351	RLF Housing Rehab	7,565	7,599
352	RLF First Time Homebuyer	11,160	26,525
355	RLF Small Business	76,061	93,901
356	RLF-HOME Program	74,551	74,881
411	Street Impact Fee	1,032,244	1,035,206
412	Storm Impact Fee	147,413	148,066
413	Parks and Recreation Impact Fee	747,345	540,438
414	Police Impact Fee		203
415	Fire Impact Fee		203
416	General Facilities Impact Fee	244,782	245,685
417	Water Impact Fee	201,428	692,394
418	Sewer Impact Fee	227,661	228,287
421	General Fund Capital	544,427	546,641
422	Landfill Capital	226,894	220,638
424	Parks and Recreation Capital	8,257	8,417
427	Capital Equipment Fund	49,220	52,150
429	Service Reserve	43,175	43,367
481	General Plan 1992 Study		(575,465)
482	Flood Control Study	1,278	1,284
492	RAJA Storm Drain	37,929	38,097
494	Capital Asset Recovery Fee	39,495	44,939
495	Monitoring Fee		(222)
496	Storm Drain Non-Flood	231	232
501	General Debt Service	55,376	55,621
611	Water O & M	423,980	931,002
612	Water Reserve	77,268	83,021
615	07 Water Bonds	(70)	(687,101)
616	Water Conservation	9,532	9,015
617	Water Meter	32,607	
621	Sewer O & M	1,215,639	1,398,410
626	07 Sewer Bonds	(248,250)	(300,453)
629	Sewer Debt Service	7,770	7,770
651	Central Services	22,676	27,911
701	Redevelopment	540,590	(4,683)
703	2007 Bond Proceeds	7,831,843	3,913,658
711	RDA Low income Housing	129,633	(125,654)
712	RDA 2004 LIH Bond Proceeds	1,146,160	239
713	2007 LIH Bond Proceeds	1,515,542	1,280,258
751	Redevelopment LTD	472,445	472,445
821	Winters Library	102,960	78,415
831	Swim Team	77,454	84,220
832	Masters Swim Program		153
833	Festival de la Comunidad	1,229	1,483
845	Historical Photos	1,144	
846	Quilt Festival	325	616
Total Cash		\$ 18,085,972	\$ 12,400,449

City of Winters
 Summary of Revenues
 July 1, 2010 through February 28, 2011

Fund	Fund Description	% of Year Completed				58%
		Budget 2010-2011	February Actual	Year to Date Actual	Revenues to be Received	% of Budget Received
101	General Fund	\$ 3,494,711	\$ 783,610	\$ 1,569,532	\$ 1,925,179	45%
103	Community Center and Pool Fund			1,392	(1,392)	
201	Fire Prevention Grant			5	(5)	
208	First Time Homebuyer In Lieu			222	(222)	
211	City Wide Assessment	189,173	94,546	94,773	94,400	50%
212	Flood Assessment District	416		10	406	2%
221	Gas Tax	119,383	20,371	89,904	29,479	75%
231	State COPS AB1913	100,000		31,440	68,560	31%
251	Traffic Safety	10,500	4,464	4,288	6,212	41%
252	Asset Forfeiture	300		322	(22)	107%
254	Vehicle Theft Deterrent	250		128	122	51%
261	Traffic Congestion Relief	70,226			70,226	
267	Grant Ave Improvement			1,204	(1,204)	
276	Putah Creek North Bank Improvem			33,012	(33,012)	
277	First 5 Grant			6,197	(6,197)	
279	Jardin De Ninos			4,650	(4,650)	
287	After School Contributions			5,000	(5,000)	
291	Beverage Recycling	5,050		5,047	3	100%
294	Transportation	221,777		(3,473)	225,250	-2%
299	After School Program	141,670	4,558	227,969	(86,299)	161%
302	07-PTA Grant			4,346	(4,346)	
313	STBG 96-1043 Housing & Public W	8,724	727	5,816	2,908	67%
321	EDBG 99-688 Buckhorn	16,168	1,450	11,603	4,565	72%
351	RLF Housing Rehab	6,697		21	6,676	
352	RLF Affordable Housing			15,366	(15,366)	
355	RLF Small Business	1,838	2,177	17,627	(15,789)	959%
356	RLF HOME Program			199	(199)	
411	Street Impact Fee	155,858		(176)	156,034	- %
412	Storm Drain Impact Fee	1,728		392	1,336	23%
413	Parks & Recreation Impact Fee	98,568	236	331	98,237	
414	Public Safety Impact Fee	71,542	203	203	71,339	
415	Fire Impact Fee	69,086	203	203	68,883	
416	General Facilities Impact Fee	102,318	85	(71)	102,389	- %
417	Water Impact Fee	110,452		(175)	110,627	- %
418	Sewer Impact Fee	213,746		(280)	214,026	- %
421	General Fund Capital			226	(226)	
422	Landfill Capital	1,144		90	1,054	8%
424	Parks & Recreation Capital	390		22	368	6%
427	Capital Equipment	2,000		2,843	(843)	142%
429	Service Reserve Fund	5,000		115	4,885	2%
481	General Plan 1992	88,744	222	222	88,522	
482	Flood Control Study			3	(3)	
492	RAIA Storm Drain			101	(101)	
494	CARF	500	411	5,375	(4,875)	999%
495	Monitoring Fee	88,744			88,744	
496	Storm Drain Non-Flood			1	(1)	
501	General Debt Service	275		147	128	53%
611	Water O & M	1,005,707	85,470	724,356	281,351	72%
612	Water Reserve	10,560		5,480	5,080	52%
616	Water Conservation	11,592		25	11,567	
617	Water Meter Fund	10,200	875	20,393	(10,193)	200%
621	Sewer O & M	1,318,570	109,933	881,734	436,836	67%
701	Community Redevelopment	1,514,868	681,044	747,422	767,446	49%
703	2007 Bond Project Fund			2,956	(2,956)	
711	Community Redevelopment LIH	386,739	169,766	170,766	215,973	44%
712	RDA Housing Project Area			239	(239)	
713	2007 LIH Bond Project Fund	8,250		2,059	6,151	25%
751	Community Redevelopment LTD	30,663		34,282	(3,619)	112%
821	Winters Library	500		274	226	55%
831	Swim Team	71,250		44,098	27,152	62%
832	Masters Swim Program	3,000	3,400	3,400	(400)	113%
833	Festival de la Comunidad	6,400		6,562	(162)	103%
846	Quilt Festival			424	(424)	
Total Revenues		\$ 9,775,277	\$ 1,963,751	\$ 4,780,682	\$ 4,994,595	49%

City of Winters
General Fund Revenue Summary
July 1, 2010 through February 28, 2011

% of Year Completed 58%

G/L Code	Account Description	2010-2011 Budget	February 2011 Actual	Year to Date Actual	% of Budget Received
101-41101	Property Tax	\$ 689,872	\$ 319,433	\$ 319,433	46%
101-41102	Property Tax in Lieu of Sales Tax	71,621	37,037	37,037	52%
101-41103	Property Tax in Lieu of VLF	517,612	224,632	224,632	43%
101-41401	Sales & Use Tax	227,379	22,500	124,209	55%
101-41402	Prop 172	22,738	13,495	13,495	59%
101-41403	Franchise Fee	209,401	47,110	92,977	44%
101-41404	Property Transfer Tax	10,000	6,309	6,309	63%
101-41405	Utility Tax	789,000	54,050	277,300	35%
101-41406	Municiple Services Tax	286,080	23,760	190,460	67%
101-41408	TOT Tax	5,500	1,641	3,196	58%
101-41407	Business Licenses	24,000	2,465	21,267	89%
101-46102	Building Permits	75,164	3,940	71,745	95%
101-46103	Encroachment Permit	1,200	441	2,547	212%
101-46104	Other Licenses & Permits	31,457	2,829	36,423	116%
101-41507	Motor Vehicle in Lieu	28,490	1,897	9,847	35%
101-41508	Motor Vehicle Licensing Fee-ERAF		(393)		
101-41509	Homeowners Property Tax Relief	16,300	7,633	7,633	47%
101-48106	Post Reimbursement	1,500		415	28%
101-41511	Off-Highway Motor Vehicle				
101-42102	Copy Fees	50			0%
101-42103	Plan Check Fees		1,654	18,750	
101-42104	Planning Application Fees	10,000		3,200	32%
101-42107	Project Monitoring Fees	500	53	2,589	518%
101-42108	Police Reports	500	41	353	71%
101-42109	Fingerprint Fees	3,500	318	1,916	55%
101-42111	Towing/DUI Reimbursement	1,000	90	870	87%
101-42112	Ticket Sign Off Fees	250	308	925	370%
101-42201	Recreation Fees	3,660		186	5%
101-42205	Basketball Revenues	4,400		5,150	117%
101-42208	Masters Swim Passes	3,600		940	26%
101-42211	Pool Ticket Sales	5,400		3,397	63%
101-42213	Pool Proceeds	1,350		968	72%
101-42212	Pool Concession Stand Revenues	4,500		3,297	73%
101-42215	Swim Passes	6,000		310	5%
101-42216	Swim Lessons	11,800		2,710	23%
101-42217	Water Aerobics Fees			611	
101-42218	Swim Team Reimbursement	8,000		8,000	100%
101-42301	Park Rental	750	75	780	104%
101-42303	Community Center Rental	63,920	1,043	3,480	5%
101-42304	Community Center Insurance Collected			1,465	
101-42308	Ambulance Service Charges			116	
101-44101	Rents/Leases Revenues	38,500	2,659	25,113	65%
101-43110	Fines-No Building Permits			53	
101-44102	Interest Earnings	3,000	169	915	31%
101-46106	Reinspect Fee	250		53	21%
101-49101	Contributions	80,450	4,101	34,747	43%
101-49102	Reimbursements/Refunds		2,352	4,337	
101-49104	Miscellaneous Revenues	1,000	1,851	5,399	540%
101-49106	Cash Over/Short		1	(22)	
101-49999	Interfund Operating Transfer	5,000			0%
TOTAL		\$ 3,264,694	\$ 783,494	\$ 1,569,533	48%

City of Winters
Summary of Expenditures
July 1, 2010 through February 28, 2011

Fund	Fund Description	% of Year Completed				Actual/ Budget %
		Budget 2010-2011	February Actual	Year to Date Actual	Balance	
101	General Fund Expenditures by Department					58%
110	City Council	\$ 2,872	\$ 26	\$ 373	\$ 2,499	13%
120	City Clerk	8,440	906	14,078	(5,638)	167%
130	City Treasurer	338	27	216	122	64%
160	City Manager	35,274	2,820	24,755	10,519	70%
170	Administrative Services	170,109	16,888	115,560	54,549	68%
180	Finance	3,134	222	1,830	1,304	58%
210	Police Department	1,676,705	130,734	1,122,902	553,803	67%
310	Fire Department	631,757	40,350	214,164	417,593	34%
410	Community Development	245,863	16,614	169,984	75,879	69%
420	Building Inspections	100,178	9,573	77,137	23,041	77%
610	Public Works-Administration	180,325	16,817	129,941	50,384	72%
710	Recreation	8,050	2,368	15,868	(7,818)	197%
720	Community Center	84,901	7,649	52,085	32,816	61%
730	Swimming Pool	69,863	6,229	34,582	35,281	50%
	Total General Fund Expenditure	\$ 3,217,809	\$ 251,223	\$ 1,973,475	\$ 1,244,334	61%
201	Fire Prevention Grant	500	47	642	(142)	128%
211	City Wide Assessment	195,383	22,407	152,335	43,048	78%
221	Gas Tax Fund	112,564	10,334	68,341	44,223	61%
231	State COPS 1913	86,769	6,338	55,146	31,623	64%
251	Traffic Safety		846	1,909	(1,909)	
261	Traffic Congestion Relief	35,000		73,489	(38,489)	210%
267	Grant Avenue Improvements	70,000		(4,828)	74,828	-7%
274	Park Grant			146	(146)	
276	Putah Creek North Bank Improvem	1,261,332	2,092	25,542	1,235,790	2%
277	First 5 Grant		508	13,518	(13,518)	
291	Beverage Recycling Grant	5,000		838	4,162	17%
294	Transportation	281,171	26,072	244,342	36,829	87%
299	After School Program	141,670	12,540	83,538	58,132	59%
302	07-PTA Grant			4,346	(4,346)	
313	STBG 96-1043 Housing & Public W	420	727	5,816	(5,396)	999%
321	EDBG 99-688 Buckhorn	7,935	1,450	11,603	(3,668)	146%
411	Street Impact Fee	47,192			47,192	
413	Park & Recreation Impact Fee	447,228		210,211	237,017	47%
417	Water Impact Fee			209,660	(209,660)	
422	Landfill Capital	10,800		4,248	6,552	39%
429	Service Reserve	5,000			5,000	
611	Water O & M	942,602	147,317	708,117	234,485	75%
615	07 Water Bonds	1,208,808	86,456	705,592	502,216	58%
616	Water Conservation Fund	3,800		559	3,241	15%
617	Water Meter Fund		10,036	63,814	(63,814)	
621	Sewer O & M	1,223,845	218,553	786,337	437,508	64%
626	2007 Sewer Bond	2,208,070		41,685	2,166,385	2%
651	Central Service Overhead			1,433	(1,433)	
701	Community Redevelopment	1,791,767	436,339	1,303,086	488,681	73%
703	2007 Bond Project Fund	7,563,402	581,298	3,545,955	4,017,447	47%
711	Community Redevelopment LIH	566,528	117,458	457,467	109,061	81%
712	LIH Bond Proceeds	1,354,365		57,887	1,296,478	4%
713	2007 LIH Bond Project Fund			242,113	(242,113)	
751	Community Redevelopment LTD			42,268	(42,268)	
821	Winters Library	25,000	25,000	25,000		100%
831	Swim Team	54,374		28,755	25,619	53%
832	Masters Swim Program	3,000		3,058	(58)	102%
833	Festival de la Comunidad	6,400		6,308	92	99%
845	Historical Photos			725	(725)	
846	Quilt Festival			99	(99)	
	Total Expenditures	\$ 22,877,734	\$ 1,957,041	\$ 11,155,575	\$ 11,722,159	49%



CITY COUNCIL
STAFF REPORT

TO: Honorable Mayor and Councilmembers
DATE: May 3, 2011
THROUGH: John W. Donlevy, Jr., City Manager *JD*
FROM: Shelly A. Gunby, Director of Financial Management *Shelly*
SUBJECT: February 2011 Investment Report

RECOMMENDATION:

Staff recommends that the City Council receive and file the City of Winters monthly investment for February 2011.

BACKGROUND:

The City of Winters financial policy requires, at a minimum, quarterly investment earnings reports. The attached report shows the earnings for February 2011. The City of Winters is invested in the Local Agency Investment Funds (LAIF), a savings account at our local First Northern Bank, a Guaranteed Investment Contract (GIC) for the 2004 Tax Allocation Bond Reserve, and receives interest payments on the various CDBG and EDBG funded loans made to residents and businesses within the City of Winters.

The investment report for the month of February reflects interest received from our savings account at First Northern Bank, and the interest received from the various CDBG and EDBG loans.

FISCAL IMPACT:

None

City of Winters
Investment Earnings Report
As of February 28, 2011

	Investment Earnings February 2011	Investment Earnings Year to Date
101 GENERAL FUND	\$ 169	\$ 915
103 Community Center and Pool Fund		55
201 FIRE PREVENTION FUND		5
208 FIRST TIME HOMEBUYER		222
212 FLOOD ASSESSMENT DISTRICT		10
251 TRAFFIC SAFETY		(176)
252 ASSET FORFEITURE		36
254 VEHICLE THEFT DETERRENT		128
291 BEVERAGE RECYCLE GRANT		47
294 TRANSPORTATION/BUS		243
299 AFTER SCHOOL PROGRAM		180
313 STBG 96-1043	21	219
321 EDBG 99-688	692	5,561
351 RLF HOUSING REHAB		21
355 RLF SMALL BUSINESS		209
356 RLF HOME PROGRAM		199
411 STREET IMPACT FEE		(176)
412 STORM IMPACT FEE		392
413 PARKS & REC IMPACT FEE		95
416 GENERAL FACILITY IMPACT FEE		(155)
417 WATER IMPACT FEE		(175)
418 SEWER IMPACT FEE		(280)
421 GENERAL FUND CAPITAL		226
422 LANDFILL CAPITAL		90
424 PARKS & REC CAPITAL		22
427 EQUIPMENT REPLACEMENT FUND		131
429 SERVICE RESERVE		115
482 FLOOD CONTROL STUDY		3
492 RAJA STORM DRAIN		101
494 CARF		104
496 STORM DRAIN NON-FLOOD		1
501 GENERAL DEBT SERVICE		147
611 WATER O & M		(324)
612 WATER RESERVE		183
616 WATER CONSERVATION		25
617 WATER METER FUND		40
621 SEWER O & M		(208)
703 2007 BOND PROJECT FUND		2,956
712 RDA LIH PROJECT AREA		239
713 2007 LIH BOND PROJECT		2,099
751 REDEVELOPMENT LTD		34,282
821 WINTERS LIBRARY		274
831 SWIM TEAM		33
TOTAL CASH	\$ 882	\$ 48,115