TO: City Council

FROM: Gene Haroldsen, City Administrator
Tim Kiser, City Engineer

SUBJECT: Sales Tax Measure – Final Action

RECOMMENDATION: Waive the reading in its entirety and adopt Ordinance #665 revising Exhibit A to finalize and adopt the Expenditure Plan (roll call vote).

STAFF REPORT: At its last meeting, Council introduced an Ordinance amending Exhibit A. After the 2nd Sales Tax Expenditure Plan workshop, Council needs to adopt the Ordinance revising Exhibit A to finalize the Expenditure Plan. Note that the City Charter allows “amendments germane to the subject of any proposed ordinance may be made when it is brought up for final passage”.

Below are the concerns that have been raised thus far and staff’s responses:

Citizen Oversight Committee – Grass Valley Neighbors have suggested that a Citizen’s Oversight Committee be included. If Council wishes to do so, the following language should be added to the expenditure plan’s administrative framework:

8) Citizen Oversight Committee – If this measure is enacted by the voters, Council shall establish a Citizen Oversight Committee to make recommendations on project priorities and review the annual audit / report to insure that the proceeds are spent for specified purposes.”

Dorsey Drive Interchange – CCAT has expressed concern that the Dorsey Drive Interchange project is “Too Expensive / Too Grandiose”. The City is likewise concerned about cost and compatibility of this project with Grass Valley. Because Caltrans / NCTC must ultimately approve this project and the costs involved keep increasing, staff is reluctant to reduce the funding for this project because it could affect the fulfillment of the proposed sales tax measure’s top priority.

Allocation of funds per project – CCAT has also expressed concern that second priority projects will not receive funding until close to the end of the 20 year time frame. Attached is a projection that shows how much funding each of the projects would receive annually. Further restrictions allocating funding are not recommended because they could limit flexibility needed to leverage funds to benefit the community.

The impartial analysis by the City Attorney and any arguments must be submitted to the County Clerk / Recorder by 5 p.m., Monday, August 21, 2006.

If you have any questions, please contact us. Thank you for your consideration.

Attachments:
A) Draft Ordinance #665 amending Exhibit A of Ordinance #662
B) Revised Draft Exhibit A – Sales Tax Expenditure Plan
C) Sales Tax Measure Projection