



Police Department Conference Room, 201 Central Valley Hwy • Shafter, CA 93263

**AGENDA
SPECIAL MEETING
SHAFTER CITY COUNCIL
MONDAY, JUNE 15, 2020**

CORONAVIRUS DISEASE (COVID-19) ADVISORY

To protect our constituents, City officials and City staff, the City requests all members of the public to follow the California Department of Health Services' guidance and the County of Kern Public Health Officer Order for the Control of COVID-19 restricting group events and gatherings and maintaining social distancing. Additional information regarding COVID-19 is available on the City's website at www.shafter.com.

Consistent with Executive Order N-29-20, in-person participation by the public will not be permitted and no physical location from which the public may observe the meeting will be available. **Remote public participation is allowed in the following ways, please see attached supplement for instructions.**

TELECONFERENCE NOTICE

Pursuant to Executive Order N-29-20 Issued by Governor Gavin Newsom on March 17, 2020 and, to the extent applicable, Government Code Section 54953(b), the June 15, 2020 City Council Meeting may include teleconference participation by the City Council Members and City staff. Consistent with Executive Order N-29-20, teleconference locations utilized by City Council Members shall not be accessible to the public and are not subject to special posting requirements.

CALL TO ORDER: 4:30 p.m.

ROLL CALL: Mayor Alvarado
Mayor Pro Tem Lopez
Council Member Garcia
Council Member Givens
Council Member Prout

PLEDGE OF ALLEGIANCE: Council Member Gacia

INVOCATION: Mayor Alvarado

APPROVAL OF AGENDA:

PUBLIC COMMENT:

This portion of the meeting is reserved for persons wanting to address the Council only on matters listed on this agenda. Speakers are limited to five minutes unless additional time is needed for translation. Please state your name and address for the record before making your presentation.

MANAGEMENT REPORT:

PRELIMINARY BUDGET REVIEW FISCAL YEAR 2020-2021: Discussion to review the Preliminary Budget for Fiscal Year 2020-2021. No action requested. (City Manager Gonzalez)

1. Overview of Proposed Special and Enterprise Funds FY 2020-2021

ADJOURNMENT:

Should anyone challenge any proposed action which is the subject of a public hearing listed on this agenda, that person may be limited to raising those issues addressed at the public hearing described in this notice, or in written correspondence delivered to the City Council at or prior to this public hearing. Pursuant to the Americans with Disabilities Act, if you need special assistance to participate in a City Council Meeting, please contact the City Clerk at (661) 746-5000 prior to the meeting or time when special services are needed to allow City staff in making reasonable arrangements to provide you with access to the meeting. Any public record, relating to an open session agenda item, that is distributed within 24 hours prior to the meeting is available for public inspection in the City Clerk's Office at Shafter City Hall, 336 Pacific Ave., Shafter, CA 93263. This is to certify that this Agenda notice was posted at City Hall and the Police Dept. by 4:30 p.m., June 12, 2020. Yazmina Pallares, S/S, City Clerk



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**AGENDA SUPPLEMENT
SPECIAL MEETING
SHAFTER CITY COUNCIL
THURSDAY, JUNE 15, 2020**

**THE JUNE 15, 2020 MEETING WILL BE CONDUCTED PURSUANT TO THE
PROVISIONS OF THE GOVERNOR'S EXECUTIVE ORDER N-25-20**

In order to minimize the spread of the COVID 19 virus, please do the following:

1. You are strongly encouraged to observe the City Council meetings live via YouTube <https://www.youtube.com/user/CityofShafter/>
2. If you wish to make a comment on a specific agenda item or public comment, please submit your comment via email by **12:00 P.M. on Monday, June 15, 2020** to the City Clerk at CityClerk@shafter.com
3. If you wish to make a written comment to the City Clerk, 336 Pacific Avenue, Shafter, CA 93263.
4. If you wish to make a comment during the live meeting, callers must first register with the City Clerk at 661-746-5012 before the meeting begins to receive instructions and the call-in number and code. Please call by 12:00pm on the day of the Council meeting to allow ample time for sign up. You will need to provide your name, phone number and the item number you wish to address.
5. All public comments are provided to the City Council and applicable Staff, for review and consideration by the Board prior to taking action on any matters listed on the agenda and are incorporated into the official record of the Council meeting.

The City of Shafter thanks you in advance for taking all precautions to prevent spreading the COVID 19 virus.



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**NOTICE OF
SPECIAL MEETING OF THE SHAFTER CITY COUNCIL**

NOTICE IS HEREBY GIVEN that a special meeting of the City Council of the City of Shafter will be held on Monday, June 15, 2020. The meeting will convene at 4:30 p.m., via teleconference. Said special meeting shall be for the following purpose:

MANAGEMENT REPORT:

PRELIMINARY BUDGET REVIEW FISCAL YEAR 2020-2021: Discussion to review the Preliminary Budget for Fiscal Year 2020-2021. No action requested. (City Manager Gonzalez)

1. Overview of Proposed Special and Enterprise Funds FY 2020-2021

Yazmina Pallares, City Clerk

Affidavit of Posting Special Meeting Notice

This is to certify that this Special Meeting Notice was posted at City Hall and the Police Department by 4:30 p.m., June 12, 2020. Further information regarding this Agenda Notice is available at City Hall, 336 Pacific Ave., Shafter, CA.

Yazmina Pallares, S/S, City Clerk

Dated: June 12, 2020



City of Shafter COUNCIL AGENDA REPORT

Meeting Date: June 15, 2020

FROM: Gabriel Gonzalez, City Manager
Prepared By: Bill Statler, Budget Advisor

SUBJECT: 2020-21 PRELIMINARY BUDGET REVIEW:
SPECIAL AND ENTERPRISE FUNDS

RECOMMENDATION

Review and discuss the 2020-21 Preliminary Budget special and enterprise funds.

DISCUSSION

This budget workshop follows the Council's review of the General Fund on June 11, 2020, and focuses on the special and enterprise funds:

- **Enterprise Funds.** Water, Wastewater, Refuse, Transit Telecommunications and Rail Operations
- **Community Corrections Facility (CCF) Funds.** Operations, Canteen, Asset Replacement
- **Internal Service Funds.** Building Maintenance, Shop Maintenance, Information Technology, Insurance
- **Other Special Funds.** Special Revenue and Capital Outlay Funds

This budget workshop also provides an opportunity to follow-up on any Council questions or concerns from the June 11 meeting.

NEXT STEPS

Following this workshop, final review and adoption are planned at a special meeting on June 23, 2020. However, if needed, June 30 has been tentatively scheduled for continued review and adoption.



Preliminary Budget Review: Special and Enterprise Funds

Council Briefing

June 15, 2020

Purpose

- Review Special and Enterprise Funds
 - **Enterprise Funds.** Water, Wastewater, Refuse, Transit Telecommunications and Rail Operations
 - **Community Corrections Facility (CCF) Funds.** Operations, Canteen, Asset Replacement
 - **Internal Service Funds.** Building Maintenance, Shop Maintenance, Information Technology, Insurance
 - **Other Special Funds.** Special Revenue and Capital Outlay Funds

Enterprise Funds

- Water
- Wastewater
- Refuse
- Transit
- Telecommunications
- Rail Operations

Water Operations Fund Summary

	2018-19 Actual	2019-20		2020-21
		Budgeted	Projected	Proposed
Revenues				
User fees	4,432,966	4,720,621	4,491,300	4,626,100
Interest	96,352	18,006	5,000	2,400
Other charges	128,671	100,000	100,450	100,000
Total Revenues	4,657,989	4,838,627	4,596,750	4,728,500
Expenditures				
Operating	2,916,869	3,175,000	3,125,167	3,241,486
CIP Projects	2,861,211	6,418,136	879,213	4,290,357
Total Expenditures	5,778,080	9,593,136	4,004,380	7,531,843
Transfers In: General Fund	2,433,942	1,616,000	1,616,600	
Sources Over (Under) Uses	1,313,851	(3,138,509)	2,208,970	(2,803,343)
Fund Balance, Beg of Year	1,319,208	2,633,059	2,633,059	4,842,029
Fund Balance, End of Year	\$2,633,059	(\$505,450)	\$4,842,029	\$2,038,686

Water CIP Projects

Water CIP Projects

	2019-20		2020-21	2021-22	2022-23	2023-24	2024-25
	Budgeted	Projected	Proposed	Estimated	Estimated	Estimated	Estimated
Well head treatment program	528,597	200,000	508,449	524,211	600,513	619,127	640,000
Meter retrofit program	1,212,378	150,000	1,075,459	56,494	58,246	60,051	61,913
Major well or casing repairs	320,435	320,435	169,483	174,737	180,154	185,739	192,000
Water tank repairs	836,863	86,437	741,217	229,480	480,410	123,826	128,000
Well and tank maintenance	82,163	17,200	84,741	87,368	90,077	92,869	96,000
SCADA	31,118	1,010	58,355	29,123	30,026	30,956	32,000
Water mains	135,306	100,000	112,869	116,491	120,103	123,826	128,000
Well 11/17 carbon	-	-	-	-	-	-	-
Well 12 carbon	886,247	1,381	884,866	-	-	-	-
Well 16 carbon	-	-	-	-	-	-	-
Well 18 carbon	-	-	-	-	-	-	-
Well 21 development	657,548	2,750	654,798	1,129,886	-	-	-
Well 21 carbon	-	-	-	451,954	-	-	-
Well 20 carbon	458,281	-	-	-	-	-	-
Well 20 development	1,269,200	-	-	-	-	-	-
Total	\$6,418,136	\$879,213	\$4,290,237	\$2,799,744	\$1,559,529	\$1,236,394	\$1,277,913

Wastewater Operations Fund Summary

	2018-19 Actual	2019-20		2020-21
		Budgeted	Projected	Proposed
Revenues				
User fees	2,021,085	2,040,438	2,040,000	2,033,700
Interest	8,799	8,638	3,000	1,100
Total Revenues	2,029,884	2,049,076	2,043,000	2,034,800
Expenditures				
Operating	1,577,108	1,910,407	1,720,630	1,645,358
CIP Projects	293,012	647,691	421,189	299,420
Total Expenditures	1,870,120	2,558,098	2,141,819	1,944,778
Transfers In: General Fund	88,718	1,961,084	1,961,084	
Sources Over (Under) Uses	248,482	1,452,062	1,862,265	90,022
Fund Balance, Beg of Year	54,514	302,996	302,996	2,165,261
Fund Balance, End of Year	\$302,996	\$1,755,058	\$2,165,261	\$2,255,283

Wastewater CIP Projects

Wastewater CIP Projects							
	2019-20		2020-21	2021-22	2022-23	2023-24	2024-25
	Budgeted	Projected	Proposed	Estimated	Estimated	Estimated	Estimated
Manhole Coating	268,178	193,837	45,195	46,597	48,041	49,530	51,200
Lift Stations	172,557	172,557	84,741	87,368	90,077	92,869	96,000
Pre-Treatment	97,365	54,796	56,494	58,246	60,051	61,913	64,000
WTP O&M Projects	109,591	-	112,989	116,491	120,103	123,826	128,000
Total	\$647,691	\$421,190	\$299,419	\$308,702	\$318,272	\$328,138	\$339,200

Wastewater Impact Fee Fund Summary

	2018-19	2019-20		2020-21
	Actual	Budgeted	Projected	Proposed
Revenues				
Impact (Connection) Fees	1,577,838	1,096,800	1,408,159	1,200,000
Interest	260,657	39,998	109,151	159,606
Total Revenues	1,838,495	1,136,798	1,517,310	1,359,606
Expenditures: CIP Projects	61,828	3,302,340	3,302,340	100,000
South East Shafter Sewer				
Sources Over (Under) Uses	1,776,667	(2,165,542)	(1,785,030)	1,259,606
Fund Balance, Beg of Year	5,500,086	7,276,753	7,276,753	5,491,723
Fund Balance, End of Year	\$7,276,753	\$5,111,211	\$5,491,723	\$6,751,329

Refuse Fund Summary

	2018-19	2019-20		2020-21
	Actual	Budgeted	Projected	Proposed
Revenues				
User fees	1,046,686	1,097,857	1,017,600	1,048,100
Interest	17,448	1,539	1,000	500
Other revenues	489	1,000	1,900	1,000
Total Revenues	1,064,623	1,100,396	1,020,500	1,049,600
Expenditures				
Operating	962,521	1,079,206	1,037,910	1,374,854
CIP Projects	20,869	32,877	32,877	33,897
Total Expenditures	983,390	1,112,083	1,070,787	1,408,751
Sources Over (Under) Uses	81,233	(11,687)	(50,287)	(359,151)
Fund Balance, Beg of Year	443,377	524,610	524,610	474,323
Fund Balance, End of Year	\$524,610	\$512,923	\$474,323	\$115,172
		Significant Change: Truck Purchase		\$300,000

Refuse CIP

Refuse CIP Projects							
	2019-20		2020-21	2021-22	2022-23	2023-24	2024-25
	Budgeted	Projected	Proposed	Estimated	Estimated	Estimated	Estimated
Container replacements	32,877	32,877	33,897	34,947	36,031	37,148	38,262
Total	\$32,877	\$32,877	\$33,897	\$34,947	\$36,031	\$37,148	\$38,262

Transit Fund Summary

	2018-19 Actual	2019-20		2020-21 Proposed
		Budgeted	Projected	
Revenues				
Farebox	35,271	44,226	29,167	38,000
TDA Article 4	208,583	287,526	287,526	280,000
Contract Services	22,297	22,000	-	-
Federal Grant: Operating	58,589	57,409	57,409	-
Federal Grant: Capital	-	330,000	-	330,000
Interest	-	222	-	-
Total Revenues	324,740	741,383	374,102	648,000
Expenditures				
Operating	333,011	719,363	314,215	686,690
CIP Projects	-	-	-	-
Total Expenditures	333,011	719,363	314,215	686,690
Sources Over (Under) Uses	(8,271)	22,020	59,887	(38,690)
Fund Balance, Beg of Year	(34,836)	(43,107)	(43,107)	16,780
Fund Balance, End of Year	(\$43,107)	(\$21,087)	\$16,780	(\$21,910)

Significant Change: Van Purchase (2) \$330,000

Telecommunications Fund Summary

	2018-19 Actual	2019-20		2020-21
		Budgeted	Projected	Proposed
Revenues				
Tower use fees	70,267	71,892	78,500	80,500
Fiber use fees	63,438	46,896	72,200	73,900
Fiber connection fees			2,000	2,100
Other charges	15,097	11,460	5,000	5,100
Total Revenues	148,802	130,248	157,700	161,600
Expenditures				
Operating	233,849	278,544	216,874	409,433
CIP Projects	-	-	-	-
Total Expenditures	233,849	278,544	216,874	409,433
Sources Over (Under) Uses	(85,047)	(148,296)	(59,174)	(247,833)
Fund Balance, Beg of Year	(603,225)	(688,272)	(688,272)	(747,446)
Fund Balance, End of Year	(\$688,272)	(\$836,568)	(\$747,446)	(\$995,279)

Significant Change: Capital Outlay \$145,000

Rail Operations Fund Summary

	2018-19	2019-20		2020-21
	Actual	Budgeted	Projected	Proposed
Revenues				
Rail user fees	120,915	100,000	24,720	25,000
Track rental/demurrage	-	-	106,640	110,000
Other charges	-	-	12,000	-
Total Revenues	120,915	100,000	143,360	135,000
Expenditures				
Operating	224,333	197,001	166,029	168,237
CIP Projects	-	-	-	-
Total Expenditures	224,333	197,001	166,029	168,237
Sources Over (Under) Uses	(103,418)	(97,001)	(22,669)	(33,237)
Fund Balance, Beg of Year	(1,112,932)	(1,216,350)	(1,216,350)	(1,239,019)
Fund Balance, End of Year	(\$1,216,350)	(\$1,313,351)	(\$1,239,019)	(\$1,272,256)

Modified Community Correctional Facility (CCF) Funds

- Operations
- Canteen
- Asset Replacement

CCF Operations Fund Summary

	2018-19	2019-20		2020-21
	Actual	Budgeted	Projected	Proposed
Revenues				
CCF Daily Fees	13,437,900	13,494,000	12,622,800	5,742,000
CCF Transportation Fees	667,793	673,500	8,000	4,000
Medical Coverage			631,700	315,850
Other charges	93,933	-	89,800	44,900
Total Revenues	14,199,626	14,167,500	13,352,300	6,106,750
Expenditures				
Operating	14,251,588	14,725,458	14,498,221	7,730,345
CIP Projects	-	-	-	-
Total Expenditures	14,251,588	14,725,458	14,498,221	7,730,345
Transfers In				
Asset Replacement Fund	126,691	265,000	153,449	-
Canteen Fund	78,173	-	-	-
Total Transfers	204,864	265,000	153,449	-
Sources Over (Under) Uses	152,902	(292,958)	(992,472)	(1,623,595)
Fund Balance, Beg of Year	61,914	214,816	214,816	(777,656)
Fund Balance, End of Year	\$214,816	(\$78,142)	(\$777,656)	(\$2,401,251)

CCF Operations Fund Transfers to General Fund

	2018-19	2019-20		2020-21
	Actual	Budgeted	Projected	Proposed
ISF Charges	765,394	804,573	813,383	610,038
Administrative Charges	1,696,124	1,400,181	1,400,181	1,050,136
Fund Balance, End of Year	\$2,461,518	\$2,204,754	\$2,213,564	\$1,660,174

Canteen and Asset Replacement Funds

■ Canteen Fund

- Projected balance at June 30, 2021: \$304,652
- Monies transferred to State
- Inventory to Delano prisons

■ Asset Replacement Fund

- Projected balance of \$153,449 transferred to CCF Operations Fund in 2019-20

Internal Service Funds

- Building Maintenance
- Shop Maintenance
- Information Technology
- Insurance

ISF Funds: 2020-21 Proposed Budget

	Building Maint	Shop Maint	Information Technology	Insurance
Revenues				
ISF Charges	319,702	342,425	951,092	2,405,518
Total Revenues	319,702	342,425	951,092	2,405,518
Expenditures				
Operating	319,702	342,425	766,272	2,405,518
CIP Projects	-	-	-	-
Total Expenditures	319,702	342,425	766,272	2,405,518
Other Sources (Uses)	-	-	(184,820)	-
Sources Over (Under) Uses	-	-	-	-
Fund Balance, Beg of Year	-	-	-	-
Fund Balance, End of Year	\$0	\$0	\$0	\$0

Insurance Costs

	2018-19	2019-20		2020-21
	Actual	Budgeted	Projected	Proposed
Workers Compensation	925,036	1,007,680	1,214,083	1,534,919
Liability	351,203	354,307	478,466	584,156
Property	69,239	108,002	108,304	114,401
Other Costs	158,917	149,204	143,242	172,042
Total	\$1,504,395	\$1,619,193	\$1,944,095	\$2,405,518

Other Special Funds

- Special Revenue Funds
- Capital Outlay Funds

Special Funds

- Lighting and Landscape Maintenance
- All Other Funds
 - Support CIP projects

CIP: Grants

	2019-20		2020-21	2021-22	2022-23	2023-24	2024-25
	Budgeted	Projected	Proposed	Estimated	Estimated	Estimated	Estimated
7th Standard Widen Env Rev*	500,000	472	400,000				
Mannel Prk Irrigation/Picnic Area	-	-		500,000	-	-	-
Hwy 43 Roundabout/Santa Fe	-	-	1,500,000	-	-	-	-
James St Reconstruction	759,545	759,545	1,407,202	-	-	-	-
Total	\$1,259,545	\$760,017	\$3,307,202	\$500,000	\$0	\$0	\$0

* Another \$480,000 funded from traffic impact fees; project total \$880,000

CIP: Transportation Development Act (TDA)

	2019-20		2020-21	2021-22	2022-23	2023-24	2024-25
	Budgeted	Projected	Proposed	Estimated	Estimated	Estimated	Estimated
Curbs, Gutters, Sidewalks	93,394	-	25,000	25,000	25,000	25,000	25,000
Alley Repaving	177,121	76,186	100,000	100,000	100,000	100,000	100,000
Pavement Sealing	546,612	320,555	100,000	100,000	200,000	200,000	200,000
ADA Streets & Sidewalks	187,123	125,306	50,000	50,000	50,000	50,000	50,000
Street Striping	168,870	168,635	100,000	100,000	100,000	100,000	100,000
Total	\$1,173,120	\$690,682	\$375,000	\$375,000	\$475,000	\$475,000	\$475,000

CIP: Gas Tax

	2019-20		2020-21	2021-22	2022-23	2023-24	2024-25
	Budgeted	Projected	Proposed	Estimated	Estimated	Estimated	Estimated
Residential Rd Reconstruction	500,000	-	500,000	500,000	500,000	500,000	500,000
Total	\$500,000	\$0	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000

CIP: Road Maintenance & Rehabilitation (RMRA/SB 1)							
	2019-20		2020-21	2021-22	2022-23	2023-24	2024-25
	Budgeted	Projected	Proposed	Estimated	Estimated	Estimated	Estimated
Munzer: Shafter to Wall	154,789	241,903	-	-	-	-	-
Pine: State to Blake	177,121	235,937	-	-	-	-	-
Poso: Shafter to Wall	49,961	68,991	-	-	-	-	-
345 Calloway	4,950	-	-	-	-	-	-
Zerker Rd Sealing	500,000	500,000	394,471	100,000	100,000	100,000	
Total	\$886,821	\$1,046,831	\$394,471	\$100,000	\$100,000	\$100,000	\$0
CIP: Traffic Impact Fees							
	2019-20		2020-21	2021-22	2022-23	2023-24	2024-25
	Budgeted	Projected	Proposed	Estimated	Estimated	Estimated	Estimated
7th Standard Traffic Signal	500,000	500,000	-	-	-	-	-
Lerdo/Zerko Signal Modification	500,000	-	-	-	-	-	-
Shafter Job Ctr Imprv	-	-	1,000,000	-	-	-	-
7th Standard Widen Env Rev*	-	-	480,000	-	-	-	-
Total	\$1,000,000	\$500,000	\$1,480,000	-	-	-	-
* Another \$400,000 funded from grants; project total \$880,000							
CIP: Traffic Safety Fees							
	2019-20		2020-21	2021-22	2022-23	2023-24	2024-25
	Budgeted	Projected	Proposed	Estimated	Estimated	Estimated	Estimated
Pedestrian Street Striping	45,500	45,500	100,000	100,000	100,000	100,000	100,000
Total	\$45,500	\$45,500	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000

Next Steps

April 16	Strategic Planning Workshop
April 28	Strategic Budget Direction
May 12	Budget and Fiscal Policies; 2019-20 General Fund Budget Review
June 1	Preliminary Budget Issuance
June 2	Preliminary Budget Preview: Organization and Schedule
June 11	Preliminary Budget: Overview and General Fund
June 15	Preliminary Budget: Special and Enterprise Funds
June 23	Council Final Review and Budget Adoption
June 30	Continued Budget Review (if needed)

Questions?

