

CITY MANAGER'S WEEKLY UPDATE

February 1, 2013

REDEVELOPMENT LAWSUIT

The City filed litigation this week against the State Department of Finance (DOF) relating to the use of outstanding redevelopment bond proceeds in the amount of \$7,374,530, which has been denied by DOF. These funds are to be used for Central Galt Corridor project, UPRR open space and parking lot project and costs associated with the Old Town Entertainment complex.

The City contends that DOF has no basis for denial due to the following facts: The statutes dissolving redevelopment agencies specifically authorize the use of 2011 bond proceeds if the original purposes remain feasible; The Official Statement and Indenture of Trust governing the issuance of the 2011 bonds require bond proceeds to be spent on redevelopment activities benefiting the Project Area; and the Cooperative Agreement and related Validation Judgment contractually obligate the Agency to pay the City for projects that are identical to the projects required by the Official Statement and Indenture of Trust.

LIVE OAK PUMP STATION & FORCE MAIN

Work continued during January on excavating the pump station wet well. The Contractor has placed 2,250 LF of 24" diameter force main pipe in off-road easements between Live Oak Avenue and the bore pit located on the southerly side of Deadman Gulch. The Contractor is now working in the roadway at the south end of Midway Avenue, so local residents may experience minor travel delays. Staff met with the Contractor in a partnering meeting on January 31 to develop project strategies for timely project completion.

CODE ENFORCEMENT

A new dumpster was been dropped at 326 Oak Ave. on Wednesday, January 30, after the previous filled dumpster was removed on January 25. The abandoned mobile home, located at the end of Amador Drive, has been removed from the property along with four dumpsters of junk and debris.