

SUSANVILLE CITY COUNCIL
Regular Meeting Minutes
August 7, 2019– 6:00 p.m.

Meeting was called to order at 6:00 p.m. by Mayor Stafford.

Roll call of Councilmembers present: Brian Wilson, Joseph Franco, Brian Moore, Mendy Schuster and Mayor Kevin Stafford.

Staff present: Mike Wilson, City Administrator; Jessica Ryan, City Attorney and Heidi Whitlock, Deputy City Clerk.

1 APPROVAL OF AGENDA:

Mike Wilson requested that a proclamation be added to the agenda.

Motion by Councilmember Wilson, second by Councilmember Schuster, to approve the agenda with the addition of the proclamation; motion carried unanimously. Ayes: Schuster, Wilson, Franco, Moore and Stafford.

2 PUBLIC COMMENT REGARDING CLOSED SESSION ITEMS: None.

3 CLOSED SESSION: At 6:01 p.m. the Council entered into Closed Session to discuss the following:

- A Threat to Public Services – Government Code Section §54957 – Consultation with:
 Susanville Police Chief

4 RETURN TO OPEN SESSION:

At 7:00 p.m. the City Council reconvened in Open Session.

Staff present: Mike Wilson, City Administrator; Jessica Ryan, City Attorney; Dan Newton, Public Works Director; Dan Weaver, Assistant Fire Chief; Kevin Jones, Police Chief; Quincy McCourt, Project Manager; Deborah Savage, Finance Manager; and Heidi Whitlock, Deputy City Clerk.

Mr. Wilson reported that during closed session, direction was given to staff and the item was to be discussed during open session.

Dan Newton, Public Works Director provided the Thought of the Day.

5 BUSINESS FROM THE FLOOR:

Kevin Singletary requested the Council consider placing a Public Safety Tax discussion on the August 21, 2019 agenda.

6 CONSENT CALENDAR: No business.

7 PUBLIC HEARINGS: No business.

8 COUNCIL DISCUSSION/ANNOUNCEMENTS: Commission/Committee reports: No business.

9 NEW BUSINESS:

9A Consider Resolution No. 19-5679, authorizing the City Administrator to sign an Agreement for Professional Services for Material Testing Services with Pavement engineering Inc. (PEI), for a cost Not to Exceed \$36,000 Mr. Newton stated that the item is in regard to two projects that will begin

soon and are funded through the State Transportation Improvement Program, titled SC4 and SC5. The first is located near the old Sierra Pacific mill and the other is near Cameron and Barbara Streets. The project contracts have been awarded to Dig It Construction and in order to verify that the materials being placed on the streets meet the specifications, a material testing firm is typically hired. The agreement before Council is for that agency to perform the testing. Mr. Newton added that the funding for the projects are received from the State Transportation Improvement Program and no local match is required.

There were no questions or comments.

Motion by Mayor pro tem Franco, second by Councilmember Schuster, to approve Resolution No. 19-5679;; motion carried unanimously. Ayes: Franco, Moore, Wilson, Schuster and Stafford.

9B Consider Resolution No. 19-5680, approving amended HOME and CDBG Program Guidelines Mr. McCourt stated that the City has approved guidelines for HOME as they were previously approved by Council. Staff held a mock meeting with the Loan Committee for training purposes and recommendations were made by the committee. He explained that the changes are reflected in the Guidelines presented and include the separation of CDBG and HOME Program Guidelines, rather than combining them in one document. The HOME guidelines have been amended to require the applicant provide a one percent down payment, the addition of a three percent deferred interest and a loan term of 30 years.

Councilmember Moore asked for clarification on the interest. Mr. McCourt explained that annual interest is charged for the first ten years of the loan, and then a portion forgiven for years 11 through 20. Provided that the homeowner meet certain requirements, by the 20th year of the loan there is no interest due, only principle.

Motion by Mayor pro tem Franco, second by Councilmember Moore, to approve Resolution No. 19-5680; motion carried unanimously. Ayes: Wilson, Franco, Moore, Schuster and Stafford.

9C Consider Resolution No. 19-5681, authorizing Water and Natural Gas bond refinancing Ms. Savage stated that she was going to present an update on the City's bond refinancing. She continued that she and Mr. Newton met with two members of Banner Bank and took them for a tour of the water structure because she, Mr. Wilson and Mr. Newton locked into an interest rate with Banner Bank. She was excited to announce that the rate stabilization amount has been dropped significantly. She introduced Mr. Holmstedt to continue the discussion.

Mark Holmstedt, of Westhoff, Cone & Holmstedt, provided an update on the City's bond refinancing stating that they are allowed to separate the natural gas and water funds, creating two different bond issues. At the last meeting, it was recommended for the water enterprise fund, that we enter into a direct bank purchase option eliminated the need for a trustee/trustee expense as well as other items. At that time, the best option was with Opus Bank but, we requested best and final offers and Banner Bank came back with a 2.75% interest rate. Also, where we used to have \$3 million in a rate stabilization fund, through the negotiations, Banner Bank lowered the fund to a \$767,000 requirement. He added that, since that time, they were notified that the natural gas system is now rated as an A- when it was previously unrated and, because of that, the City also now qualifies for credit enhancement with assured guarantee, previously only on the water bonds. That in turn, allowed them to put up a surety bond to replace the debt service reserve requirement ultimately resulting in an annual savings of approximately \$500,000 for the natural gas utility.

Cameron Weist, Bond Counsel, commended Public Works and City staff on its superior service and agreed that the water and natural gas funds can now be separated. He added that, legally speaking, the resolution

to be adopted tonight approves the submission of all of the related documents for these transactions. Mr. Weist provided a review of the documents provided.

There were no questions or comments.

Motion by Mayor pro tem Franco, second by Councilmember Shuster, to approve Resolution No. 19-5681; motion carried unanimously. Ayes: Moore, Schuster, Franco, Wilson and Stafford.

9D Discussion regarding the replacement of the Police Record Management System Chief Jones stated that a joint RFP was released by the City and County for a Record Management System and that three proposals were received with Sun Ridge (SIMS) appearing to be the most competitive. Chief Jones requested authorization for himself and the City Administrator to begin negotiating contract terms with SIMS.

Mayor pro tem Franco asked what improvements would be seen.

Chief Jones responded that it will improve efficiency with data searching, computers in the vehicles, and use of mobile phones among other things.

Motion by Councilmember Wilson, second by Mayor pro tem Franco, to authorize the negotiation of a contract with SIMS negotiation of a contract with SIMS5; motion carried unanimously. Ayes: Schuster, Wilson, Moore, Franco and Stafford.

9E Consider Resolution No. 19-5682, authorizing award of Project No. 18-03, Cady Springs Pump Station Rebid, to RaPiD Construction Inc. Mr. Newton stated that the Cady Springs project started in 2003 that included the tank and the majority of the piping, but was never completed or utilized. He continued that additional funding of \$1.4 million was secured through a Prop 84 grant to bring the project to code. Staff worked with RaPiD Construction to look at ways to cut costs as all initial bids came in over that amount, and RaPiD was the only company who responded to the second RFP release. Mr. Newton requested that the City award the contract to RaPiD Construction Inc., contingent on negotiating a "best" amount. He added that he requested permission from the Department of Water Resources (DWR) to reduce the scope, taking out the water main replacements and allocating all money to the Cady Springs project.

Mayor pro tem Franco asked what the benefit would be.

Mr. Newton responded, fire protection, as the City would maintain up to 5 million gallons instead of the current 1 million gallons in a storage tank, and with power outages, generators would not be required to have water.

Councilmember Wilson asked what Mr. Newton's plan would be should money be freed up, would there be a price reduction for customers.

Mr. Newton responded that there are some issues such as legacy cross boxes and transmission lines that he would like to see taken care of.

Councilmember Wilson stated that it would be nice to give something back to the consumer if possible.

Motion by Mayor pro tem Franco, second by Councilmember Moore, to approve Resolution No. 19-5682; motion carried unanimously. Ayes: Wilson, Franco, Moore, Schuster and Stafford.

9F Consider Resolution No. 19-5683, Labor Compliance Program Mr. Newton stated that the Prop 84 grant requires the City to have an approved Labor Compliance Program and he reviewed the proposed Program attachment.

There were no questions or comments.

Motion by Mayor pro tem Franco, second by Councilmember Moore, to approve Resolution No. 19-5863; motion carried unanimously. Ayes: Wilson, Franco, Moore, Schuster and Stafford.

9G Sale of Surplus City Vehicles and Equipment Mr. Wilson stated that the City maintained equipment that is currently not being used based on age, condition, etc. A survey of the equipment has determined that it is in such a condition that it costs more to repair and maintain than its actual value. Staff requested permission to sell said equipment at public auction, using BidCal Auctions.

A brief discussion occurred regarding what some of the listed equipment was.

Motion by Mayor pro tem Franco, second by Councilmember Wilson, to authorize staff to sell the equipment through public auction as requested; motion carried unanimously. Ayes: Wilson, Franco, Moore, Schuster and Stafford.

9H Consider Resolution No. 19-5685, Police Department Vehicle Purchase Chief Jones stated that the Police Department is looking to replace old vehicles that have over 130,000 miles on them. He continued that they received quotes and, at this time, the fiscal impact would be \$21,000 for the purchase and \$6,000 to equip it, for a total of \$27,000.

Motion by Councilmember Wilson, second by Councilmember Schuster, to approve Resolution No. 19-5685; motion carried unanimously. Ayes: Wilson, Franco, Moore, Schuster and Stafford.

9I Consider Purchase of Hangar #24 at the Susanville Municipal Airport Mr. Wilson stated that, as part of the agreement between the City of Susanville and those currently owning hangars at the Susanville Municipal Airport, the City has first right of refusal when a current owner decides to sell his/her hangar. At this time, Sandra and Eric Thompson, owners of Hangar #24, submitted their official notice of intent to sell said hangar for the price of \$45,000. Mr. Wilson inquired of the Council whether or not they desired to purchase said hangar.

It was the consensus of the Council to not purchase Hangar #24.

10 SUSANVILLE COMMUNITY DEVELOPMENT AGENCY: No business.

11 SUSANVILLE MUNICIPAL ENERGY CORPORATION: No business.

12 CONTINUING BUSINESS:

12A Consider amendment to the School Resource Officer Agreement Chief Jones stated that the agreement was presented in closed session and would now require approval of the Council.

There were no questions or comments.

Motion by Councilmember Schuster, second by Councilmember Wilson, to authorize the amendment of the School Resource Officer Agreement; motion carried. Ayes: Wilson, Franco, Moore and Schuster. No: Stafford.

13 **CITY ADMINISTRATOR'S REPORTS:**

13A **Evaluation of body Worn Cameras** Chief Jones stated that the cameras have been working great as well as the policy, as it allows us to require officers to record at all times. He continued that the approved budget for continuing has already been accounted for should we renew.

Mr. Wilson stated that the item is for evaluation only and will be brought back at the next meeting for approval by resolution.

Mayor pro tem Franco asked who determined when the cameras were to be on and if it was for the safety of the officers.

Chief Jones responded that he makes the determination. He would prefer them always on as, in the heat of the moment, one may forget to turn it on and the purpose of the cameras is for evidentiary proof. He concluded by stating that it was a great program.

14 **COUNCIL ITEMS:**

14A **AB1234 travel reports:**

Councilmember Wilson asked whether or not there was enough time to consider SPOA's request.

Mr. Wilson responded that it would be on the next agenda.

Councilmember Moore expressed his appreciation for Officer Rowe, his time with the Susanville Police Department and wished him luck in his future endeavors.

15 **ADJOURNMENT:**

Motion by Councilmember Wilson, second by Mayor pro tem Franco, to adjourn; motion carried unanimously. Ayes: Schuster, Franco, Moore, Wilson and Stafford.

Meeting adjourned at 8:00 p.m.

Kevin Stafford, Mayor

Respectfully submitted by

Heidi Whitlock, Deputy City Clerk

Approved on: September 18, 2019