

SUSANVILLE CITY COUNCIL
Regular Meeting Minutes
June 17, 2020– 3:00 p.m.

Meeting was called to order at 3:00 p.m. by Mayor Schuster.

Roll call of Councilmembers present: Brian Moore, Quincy McCourt, Thomas Herrera, Kevin Stafford and Mayor Mendy Schuster.

Staff present: Kevin Jones, Police Chief/Interim City Administrator; Margaret Long, City Attorney; and Gwenna MacDonald, City Clerk.

1 APPROVAL OF AGENDA:

Motion by Councilmember Stafford, second by Councilmember Moore, to approve the agenda as submitted; motion carried unanimously. Ayes: Stafford, Moore, Herrera, McCourt and Schuster.

2 PUBLIC COMMENT REGARDING CLOSED SESSION ITEMS: None.

3 CLOSED SESSION: At 3:05 p.m. the Council entered into Closed Session to discuss the following:

- A CONFERENCE WITH LEGAL COUNSEL – existing litigation pursuant to Government Code Section 54956.9(d)(1): Case number 61824, 61839 Matthew Wood, Michael Bollinger vs. Susanville City Council, City of Susanville
- B PUBLIC EMPLOYMENT—pursuant to Government Code §54957:
 - 1. Interim City Administrator Evaluation
- C CONFERENCE WITH LABOR NEGOTIATORS - pursuant to Government Code Section §54957.6
 - 1 Agency Negotiator: Kevin Jones
 - Bargaining Unit: SPOA

At 4:08 p.m. the City Council reconvened in Open Session.

4 RETURN TO OPEN SESSION:

Staff present: Kevin Jones, Police Chief/Interim City Administrator; Margaret Long, City Attorney; James Moore, Fire Chief; Deborah Savage, Finance Manager; Daniel Gibbs, City Engineer/Interim Public Works Director; Heidi Whitlock, Assistant to the City Administrator; Ryan Cochran, Police Captain/Acting Police Chief; Kelly Mumper, City Planner and Gwenna MacDonald, City Clerk.

Chief Jones, Interim City Administrator, reported that the City Council approved the agenda with no changes prior to Closed Session and that the Council met in Closed Session and that direction was given to staff.

Mayor Schuster offered the Invocation.

5 BUSINESS FROM THE FLOOR:

Melanie Westbrook requested that the City look at the current permit process and a seeming disconnect between staff at City Hall and Public Works. She stated that it creates frustration with the development process.

John Lightfoot discussed issues related to the camping ordinance.

6 **CONSENT CALENDAR:**

- A Approve minutes from the City Council's, April 15, 29 and May 6, 2020 meetings
- B Approve **Resolution No. 20-5788**, amendment to Prentice and Long Agreement

Motion by Councilmember Stafford, second by Councilmember Herrera, to approve the Consent Calendar; motion carried unanimously. Ayes: Stafford, Herrera, Moore, McCourt and Schuster.

7 **PUBLIC HEARINGS:** No business.

8 **COUNCIL DISCUSSION/ANNOUNCEMENTS:** Commission/Committee reports:

Councilmember McCourt requested that the following items be brought back for consideration on a future agenda:

1. Options to empower the Finance Department by an improved database/software system. Councilmember Herrera supported the request.
2. Implementing a city-wide hiring freeze pending appointment of a City Administrator so that they could be involved in the decision-making process for future staffing. Councilmember Stafford supported the request.
3. Designating a full-time employee to focus on grants and searching for new funding sources for the City. Mayor pro tem Moore supported the request, Councilmember Stafford stated he would like to see someone step in on a volunteer basis to research funding opportunities for the City.

Mayor Schuster stated that she had contacted the FPPC regarding her abstention of voting on the Vendor Warrant report when claims for payment had been issued to Jackson Service Center, which is a business owned by her father. The ruling from the FPPC was that she did not have to abstain from the vote, and she offered to make a copy of the letter available to whomever may want to see the official ruling.

Councilmember Herrera requested that a list of all properties that the City currently rents or leases be brought back for Council consideration. Councilmember McCourt supported the request.

9 **NEW BUSINESS:**

9A **Consider approval of vendor warrants numbered 206706 through 206810 for a total of \$822,767.99 including \$185,358.84 in payroll warrants** Ms. Savage reviewed the vendor warrant report. Motion by Councilmember Stafford, second by Councilmember Herrera, to approve the vendor warrant report as submitted; motion carried unanimously. Ayes: Stafford, Herrera, McCourt, Moore and Schuster.

9B **Consider Resolution No. 20-5783 adopting the City of Susanville 2020-2021 Budget and Amending Budget Policies Adopted by Resolution No. 19-5621** Ms. Savage reported that the City conducted budget workshops on April 29 and May 27, 2020 to solicit input from the community and the City Council on the proposed fiscal year 2020-2021 budget. The workshop focused on the General Fund revenue and expense projections, pension costs and the major Enterprise Funds. The budget presented for adoption reflects the financial data presented during the workshop and contains deficit budgets for the General Fund (\$23,954), Public Safety Police (\$517,517) and Public Safety Fire (\$295,360). Public Safety Police has a vacant Sergeant position and Public Safety Fire has a vacant Engineer position. These vacancies will provide an offset and reduce the deficit amount in the Police and Fire departments for fiscal year 2020/2021 but it does not solve the problem for the future. The budget as presented reflects the priorities set by the City Council to maintain current level of services with no cuts to public safety.

The City is also updating its budget policies to remove the reference to distribution at year end of the out of area fire account. Any funding received for out of area fires is being requested to remain in the Fire department budget to offset them with upcoming increases to CalPERS. A 4/5 vote by the City Council is required to amend or bypass any of the budget policies. Ms. Savage requested comments or questions.

Councilmember McCourt asked what would happen if the Council did not adopt the budget.

Ms. Savage responded that if the budget is not adopted before July 1, then the City stops cutting checks. She reminded the Council that the budget is a living document and if the budget is adopted, it can be amended and changed at any time.

Councilmember Stafford stated that he does not support adopting a deficit budget, and that every year the Council just keeps kicking the can down the road and it is way past time to start making hard decisions and cuts. Nothing is changing and the deficit gets larger every year.

Mayor Schuster requested a quarterly look at the budget with more information and detail regarding line items.

Ms. Savage responded that while the budget is adopted at the Fund level, monthly reports could be brought to Council that provides more line item expenditure detail.

Councilmember McCourt discussed the advantages of improved software for the Finance Division.

Ms. Savage suggested waiting for the new City Administrator to come on board before considering that change.

Councilmember Herrera stated that the City should look at the Golf Course as an opportunity to cut expenses. He urged the community to get involved in working towards solving the problem and stated that it was not just the Finance Manager's responsibility, and that it would take everyone working together to bring forward solutions.

Councilmember Stafford stated that he agreed with what the others were saying, however the City is spending more than it brings in, and cuts are the only way to balance the budget.

Mayor Schuster asked if any members of the public had any questions.

An unidentified member of the public suggested that the City focus on eliminating retail leakage to Reno as a way of increasing revenue.

Melanie Westbrook stated that the City could look at streamlining processes to encourage development.

Chief Jones asked Ms. Savage what the estimated deficit is for June 30.

Ms. Savage responded that the estimate was a negative \$300,000 by June 30, 2020 and \$800,000 by June 30, 2021.

There were no further questions or comments.

Motion by Mayor pro tem Moore, second by Councilmember Stafford, to approve Resolution No. 20-5783; motion carried by polled vote. Ayes: Moore, Herrera, McCourt and Schuster. No: Stafford.

9C Consider Resolution No. 20-5784 Establishing Appropriations Limitation for Fiscal Year 2020-2021 Ms. Savage explained that Government Code Sect. 7910 require cities to establish appropriations for each budget year. The tax limit may be adjusted each year for the percentage change in population plus the percentage change in Per Capita Personal Income (PCPI) for California, or the percentage change in the

local assessment roll due to the addition of local non-residential new construction. The amount determined to be the appropriation limit for FY 2020-2021 was computed by using the information provided by the State of California Department of Finance is \$12,109,959. The anticipated appropriation for 2020-2021 is \$5,047,264. There were no questions or comments.

Motion by Councilmember Herrera, second by Mayor pro tem Moore, to approve Resolution No. 20-5784; motion carried unanimously. Ayes: Herrera, Moore, McCourt, Stafford and Schuster.

9D Consider Resolution No. 20-5785 authorizing the Interfund Loan from the Natural Gas Fund to various funds for loan pay-off to Umpqua Bank for 2013 CalPERS Refunding Loan Ms. Savage reported that in 2013, the City issued debt in the form of a loan to pay-off its "Side Fund" with CalPERS. At the time, the City was considered a small public agency with CalPERS (under 100 employees) and was placed in a risk pool with other small agencies that offered the same contract benefits. When we were placed in this risk pool, we had accumulated a side fund amount of approximately \$4.9 million dollars. The City has been making debt service payments to Umpqua Bank since 2013 and the current principal balance as of June 30, 2020 is \$3,390,000. The City currently pays 4.75% interest and the loan has a defeasance date of June 2028. Under the terms of the loan with Umpqua Bank, the City may make an optional prepayment in whole or in part on any payment date (December 30, 2020) with a 1% prepayment premium. It is estimated that the City would owe on December 30, 2020 \$3,390,000, \$80,512.50 in interest and \$33,900 in prepayment premiums for a total of \$3,436,612.50. We are waiting for final amounts from Umpqua Bank as the City has given notice that it may pay-off the loan in December.

The City currently has approximately \$256,623 in cash sitting in the CalPERS Refunding Debt Service Fund (Fund 4004). With this cash amount, the City will need to borrow approximately \$3,179,989. The City will transfer that amount into the CalPERS Refunding Debt Service Fund until the call date of the loan. Debt Service payments due from the General Fund, Public Safety Police, Public Safety Fire, Streets, Water and Public Works Administration will begin July 1, 2020 as set forth in the attached amortization breakdown. This new debt service payment schedule will save the City approximately \$400,000. Approval of this borrowing requires a 4/5 vote of the City Council.

Motion by Councilmember Herrera, second by Council McCourt, to approve Resolution No. 20-5785; motion carried by polled vote. Ayes: Herrera, McCourt, Moore, Stafford and Schuster.

9E Consider Resolution No. 20-5786 accepting SCORE Loss Control Grant Funding and authorizing City Hall Security Camera Project Ms. Savage explained that the City has received an allotment from the Small Cities Organized Risk Effort Loss Control Grant funds. The City is a member of SCORE and these grant funds are to be used by members of the JPA for projects or equipment that will decrease losses that might affect liability claims, worker's compensation claims, etc. The City has used these funds in the past to purchase rifle rated ballistic vests and outer carries for the Police Department and has been approved to use the current funds in the amount of \$13,315.46 to install security cameras in and around City Hall. A quote for \$15,150 for the security system and cable installation for camera placements throughout City Hall was received and funds from the Administrative Facilities and Equipment reserve fund in the amount of \$1,834.54 will be used to complete the project. Staff is requesting authorization for the Interim City Administrator to accept the quote from Computer Logistics for the CCTV system installation.

Motion by Councilmember McCourt, second by Councilmember Herrera, to approve Resolution No. 20-5786; motion carried unanimously. Ayes: McCourt, Herrera, Moore, Stafford and Schuster.

9F Campground Proposal Chief Jones provided to the city a cost breakdown to the Council for a site within the City limits to establish a campground to assist with the lack of housing for homeless. The site is approximately one acre located on Springridge Drive and if the Council chooses to go through with this option, basic necessities would need to be provided to keep the site from becoming an environmental health issue. A cost estimate has been prepared to establish a safe and complete campground, and it is a significant expense, however there would be the possibility of removing certain items from the estimate to reduce costs.

Councilmember McCourt discussed the possibility of utilizing volunteer labor, citing the Community Garden project as an example of utilizing free labor to create something that benefits the community. He urged the Council to approach problems with the attitude of a 'Possibilities Project' approach.

Councilmember Herrera discussed the possibility of utilizing mini-home structures and taking advantage of volunteerism and businesses who would support the creation of a place for people to go that would eliminate camping in front of their business establishments.

Chief Jones stated that if the Council wants to support it, then a vote would be required to direct staff because it will take a significant amount of time to coordinate the project.

Mayor Schuster asked about the liability to the City if the campground were created.

Margaret Long stated that while the Boise decision, there have been other cases that are also affecting the way cities and counties approach the issue of homelessness, and at this time, she would not recommend moving forward with the establishment of a campground.

Tony Jonas asked if the City were contemplating moving forward with establishing a campground without the benefit of environmental reviews and observing the public hearing process.

Chief Jones responded that the purpose of today's meeting would be to determine if it is an avenue that the Council wants to explore. If the answer is yes, then part of the process to move forward would include community outreach, public hearings and the necessary environmental work.

John Lightfoot discussed the challenges of homelessness and living at the Susan River. He asked for a grace period if it was determined that people would be asked to move to an established campground.

Melanie Westbrook talked about her experience with property in town that had been considered to be offered up for an emergency shelter, and her frustration with the City's permitting process.

Motion by Councilmember McCourt, second by Councilmember Herrera, to direct staff to continue working on the project; motion carried unanimously. Ayes: McCourt, Herrera, Moore, Stafford and Schuster.

9G Consider Resolution No. 20-5789 approving the Interim City Administrator to adjust Diamond Mountain Golf Course Fees Chief Jones explained that the City Council sets the fees for the Diamond Mountain Golf Course, and staff is requesting that authority be granted to the City Administrator to adjust fees in an effort to promote interest and generate additional visitors to the Diamond Mountain Golf Course. The changes in rates would be limited to the 2020 golf season.

10 **SUSANVILLE COMMUNITY DEVELOPMENT AGENCY:** No business.

11 **SUSANVILLE MUNICIPAL ENERGY CORPORATION:** No business.

12 **CONTINUING BUSINESS:**

12A **Consider Ordinance No. 20-1026, of the City of Susanville, California, amending penalty provisions and adding a Notice of Violation and Certificate of Compliance provisions of Chapter 16 of the City Municipal Code: waive second reading and adopt** Mr. Mumper explained that the City of Susanville is currently in need of adopting a Certificate of Compliance (CoC) ordinance, application process and fees. A certificate of compliance document is issued by the City Engineer, with concurrence by the City Planner, that is suitable for recordation with the Lassen County Recorder's office stating, with or without conditions, that a certain lot or lots complies with the provisions of Title 16. The Certificate is also reviewed to ensure compliance with the intent of the Subdivision Map Act and that the parcel(s) are legal lots, given the year that they were created. Currently, property owners in Susanville lack the ability to have a Certificate of Compliance showing that their property is a legally compliant lot. The Lassen County Surveyor's office has provided services where needed in the past however it is important for the City to adopt its own process. The Council voted to introduce the ordinance at the July 3rd meeting, and a second reading to adopt is necessary at this time.

Motion by Councilmember McCourt, second by Councilmember Herrera, to waive the second reading and adopt Ordinance No. 20-1026; motion carried unanimously. Ayes: McCourt, Herrera, Moore, Stafford and Schuster.

12B **Consider Ordinance No. 20-1027, amending Section 2.04.140 and Section 2.04.150 of the Susanville Municipal Code: waive second reading and adopt** Chief Jones reported that it was the recommendation of Counsel that the Susanville Municipal Code be amended to reflect that the parliamentary procedure followed by the City Council is more closely aligned with Rosenberg's Rules and not Robert's Rules of Order. Ordinance No. 20-1027 will amend Section 2.04.140 and 2.04.150 regarding Motions and Rules of Order.

Motion by Councilmember McCourt, second by Councilmember Herrera, to waive the second reading and adopt Ordinance No. 20-1027; motion carried unanimously. Ayes: McCourt, Herrera, Moore, Stafford and Schuster.

13 **CITY ADMINISTRATOR'S REPORTS:**

13A **COVID-19 Report** Chief Moore provided an update regarding the status of positive cases in the County, and the steps to position the community for re-opening. He added that none of the patients who tested positive for COVID were hospitalized, and they were able to recover at home on their own.

13B **Update on Buxton** Ms. Whitlock discussed the work that has been conducted to update the City's website, and the businesses that have been considering coming to Susanville. COVID slowed things up, and the City has been in contact with Buxton regarding comping a table at next year's trade show, which had been part of the package that the City purchased. There has been a lot of emphasis on mobile data and offering local businesses access to that information to assist in their marketing efforts. She reiterated that the business matches who have been provided have not been shared as public information out of respect for the business to make their grand opening and marketing decisions according to their own timeline and business plan.

There was a general discussion regarding moving forward with Economic Development, staffing challenges at the City due to the career changes of members of the team, and opportunities to move forward when the quarantine restrictions are lifted.

13C Discussion regarding City Council meeting schedule Chief Jones presented an option to amend the Susanville Municipal Code to change the regular meeting schedule to 4:30 p.m. for Closed Session and 5:30 for Open Session. If the Council is in support of this change, then an ordinance would be brought back at a future meeting.

It was the consensus of the City Council to support the change.

13D Homeless Discussion Chief Jones and Captain Cochran presented information and drone footage video of the Susan River corridor to illustrate the clean up efforts that have been put forth by the Susanville Police and Fire Departments and the success over the past year. One year ago there were 14 camps and this year there are only four. The Departments will continue working to clean up the camps and work on enforcement of the camping ordinance.

There was a general discussion regarding posting no littering signs and implementing an 'adopt a section' project along the trail.

14 COUNCIL ITEMS:

14A AB1234 travel reports:

15 ADJOURNMENT:

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

Meeting adjourned at 4:45 p.m.

Mendy Schuster, Mayor

Respectfully submitted by

Gwenna MacDonald, City Clerk

Approved on: July 15, 2020