

**SUSANVILLE CITY COUNCIL**  
**Regular Meeting Minutes**  
**June 19, 2013 – 5:30 p.m.**

Meeting was called to order at 5:30 p.m. by Mayor De Boer.

Roll call of Councilmembers present: Cheryl L. McDonald, Nicholas McBride, Mayor pro tem Wilson, Lino P. Callegari and Mayor Rod E. De Boer.

Staff present: Jared G. Hancock, City Administrator, Peter M. Talia, City Attorney and Gwenna MacDonald, City Clerk.

**1      APPROVAL OF AGENDA:**

Motion by Councilmember Callegari, second by Councilmember McDonald to approve the agenda as submitted; motion carried unanimously.

**2      PUBLIC COMMENT REGARDING CLOSED SESSION ITEMS:** Mr. Hancock introduced Kevin Harper of Kevin Harper CPA & Associates and requested that Item 3D be moved to consideration at the beginning of closed session. There were no comments from the public.

**3      CLOSED SESSION:** At 5:32 p.m. the Council recessed to closed session to discuss the following:

- A      CONFERENCE WITH LABOR NEGOTIATOR – pursuant to Government Code §54957.6:
  - 1          Agency Negotiator: Jared G. Hancock  
            Bargaining Unit:                    Administrative Confidential: 2013/2014  
  Fire: 2013/2014  
  Management: 2013/2014  
  Miscellaneous: 2013/2014  
  Professional/Technical: 2013/2014  
  Public Works: 2013/2014  
  SPOA: 2013/2014
  - 2          Personnel Status report
  - 3          Approved employee position list
  
- B      CONFERENCE WITH LEGAL COUNSEL – Anticipated litigation: Significant exposure to litigation pursuant to Government Code §54956.9 (b): one
  
- C      CONFERENCE WITH LEGAL COUNSEL – Existing litigation pursuant to Government Code §54956.9 (a):
  - 1)        City vs. Northern Sierra Homes, LLC Lassen County Court Case: #50050
  - 2)        United States District Court Case No. 2:10-CV-03048-MCE-GGH, Nancy Schwartz v. Lassen County, et al.
  - 3)        Jordan Drury vs. City of Susanville; Claim SCGA-01653A
  
- D      PUBLIC EMPLOYMENT – pursuant to Government Code §54957:  
Contract Services - Finance Manager
  
- E      PUBLIC EMPLOYEE PERFORMANCE EVALUATION – pursuant to Government Code §54957: City Administrator

**4      RETURN TO OPEN SESSION:** At 7:00 p.m. the City Council reconvened in open session.

Staff present: Craig Platt, Public Works Director; Tom Downing, Police Chief; James Moore, Battalion Chief; Craig Sanders, City Planner; Deborah Savage, Administrative Assistant; and Gwenna MacDonald, City Clerk.

Mr. Hancock reported that the agenda was approved with no changes.

Mr. Hancock reported that action was taken in closed session regarding the Approved Employee Position List and an amendment of Community Services Officer job description to include animal control duties. He announced that after the conclusion of open session, the Council would be reconvening back to closed session.

Councilmember McBride offered the thought of the day.

Chief Tom Downing recognized Officer Christopher Bosson as the recipient of the 2013 MADD California Hero Award for his dedication to protecting the community against the effects of drunk driving.

Mayor De Boer referred to proclamations for the 238<sup>th</sup> birthday of the United States Army, and the National Refuse Collectors Day. There were no representatives present to accept the proclamations.

**5**     **BUSINESS FROM THE FLOOR:** There were no comments.

- 6**     **CONSENT CALENDAR:** Mayor De Boer reviewed the items on the Consent Calendar:
- A     Receive and file minutes from City Council's May 22, 2013 meeting
  - B     Approve vendor warrants numbered 87813 through 87950 for a total of \$446,386.47 including \$128,576.70 in payroll warrants
  - C     Approve **Resolution No. 13-4962** declaring surplus vehicle and authorizing sale
  - D     Approve write-off of delinquent accounts receivable
  - E     Receive and file Finance Report: May 2013
  - F     Receive and file Treasurers Report: May 2013

Motion by Councilmember Callegari, second by Mayor pro tem Wilson to approve the consent calendar; motion carried unanimously.

Councilmember McBride excused himself and left the room prior to consideration of Item 7A.

- 7**     **PUBLIC HEARINGS:**
- 7A**    **Historic Uptown Susanville Association (HUSA) Assessments**  
**Public Hearing: Solicit and consider public comment relative to setting FY 2013/2014 assessments**  
**Action: Consider Resolution No. 13-4961, Setting assessments for FY 2013/2014 (HUSA)**

Mr. Talia reviewed the process for the HUSA District's annual report and the action required by Council to levy assessments for the upcoming fiscal year. At its meeting of June 5<sup>th</sup>, the City Council voted to approve Resolution No. 13-4957, approving the annual budget and scheduling the public hearing to consider setting the assessments. There are have been no protests received, and he recommended approval of Resolution No. 13-4961.

Councilmember Callegari pointed out a typographical error on the agenda which listed the resolution as 12-4961. Mr. Talia verified that the resolution was correctly dated in the staff report and accompanying documentation.

At 7:10 p.m. Mayor De Boer opened the public hearing and requested comments either for or against the proposed assessment. There being no comments, he closed the public hearing at 7:12 p.m.

Motion by Councilmember Callegari, second by Councilmember McDonald to approve Resolution No. 14-4961; motion carried. Abstain: McBride.

Councilmember McBride who had recused himself from the discussion returned to the chambers and assumed his seat on the dais.

**7B Fiscal Year 2013/2014 Budget**

**Public Hearing: Solicit and consider public comments relative to proposed annual budget**

**Action: Consider Resolution No. 13-4955, Establishing appropriations limit for FY 2013/2014 pursuant to California Constitution Article XIII-B and Government Code §7910**

**Action: Consider Resolution No. 13-4954, Adopting the FY 2013/2014 budget**

Mr. Hancock reported that the City Council conducted a workshop on May 22 to discuss priorities and receive input from the public regarding the fiscal year 2013/2014 budget. Staff has incorporated the key points from that discussion into the budget, and has prepared a budget which reflects the priorities of the Council and the Community while allowing the City to maintain existing levels of service.

Mayor pro tem Wilson asked if the entire budget document had been made available to the public, and Mr. Hancock confirmed that it had.

At 7:14 p.m., Mayor De Boer opened the public hearing and requested comments from the public either for or against the proposed budget. There being no comments, the public hearing was closed at 7:15 p.m.

Motion by Councilmember Callegari, second by Councilmember McDonald to approve Resolution No. 13-4955 and Resolution No. 13-4954; motion carried with Councilmember McBride voting No.

**7C CEQA Findings of Fact for the Sierra Community Park**

**Public Hearing: Solicit and consider public comments regarding the adoption of a Mitigated Negative Declaration and Mitigation Monitoring and Reporting program for the Sierra Community Park Project**

**Action: Consider Resolution No. 13-4956, adopting the Mitigated Negative Declaration and Mitigation Monitoring and Reporting program**

At 7:16 Mayor De Boer opened the continued public hearing and requested the staff report.

Mr. Hancock reviewed the discussion and direction received at the June 5 meeting regarding the adoption of the environmental review document for the Sierra Community Park. The public hearing was continued based upon comments received from the public regarding the wording

of several mitigation measures that may lock the City into performing a number of expensive studies or programs for biological species that may not exist on the site.

Staff at Hauge Brueck Associates have worked to revise the language to address the concerns raised and ensured that the mitigation measures protect the City legally. These changes have been incorporated into the mitigated negative declaration that the Council is considering. By approving Resolution No. 13-4956 Council will be finding that the document has been completed in compliance with the California Environmental Quality Act, was reviewed and considered, and reflects the lead agency's independent judgment and analysis.

Mr. Hancock turned the discussion over to Mr. Sanders, who addressed the changes in design features that were implemented as mitigation measures.

Jim Chapman asked about the concern regarding the viability of a septic system on site, and the benefits of hooking up to the Susanville Sanitary District.

An unnamed woman asked if the costs which have been incurred up to this point would be covered by the grant.

Mr. Hancock responded that approximately \$25,000 to \$35,000 had been accrued during the application and design phase.

**Jim Hodges** asked if the project costs include a rebuild of Sierra Road to include sidewalk, curb and gutter. He asked if there other sources of funding available from the State to complete those improvements.

Mr. Hancock responded that traffic studies address issues of capacity as opposed to focusing on road quality. He agreed that the road is in poor shape, but to what extent is matter to address when discussing the overall merits of the project. He anticipates having that discussion at the meeting of July 17.

Councilmember Callegari asked Mr. Platt about the surplus funding from the City's STIP project on Riverside Drive, and whether or not that could be dedicated towards improvements on Sierra Road. He is one hundred percent for this project, and the City has worked hard to get to this point due in large part to the amount of mitigation funding that has been dedicated to its completion. The State has worked with the City all through the process, and he supports the project.

There being no further comments, Mayor De Boer closed the public hearing at 7:50 p.m.

Motion by Councilmember McDonald, second by Mayor pro tem Wilson to approve Resolution No. 13-4956; motion carried unanimously.

**7D Adding Chapter 8.40 – Sales and Use of Fireworks to Susanville Municipal Code**  
**Public Hearing: Solicit and consider public comments regarding the establishment of regulations pertaining to the use of fireworks.**  
**Action: Consider Ordinance No. 13-0990 limiting the use of fireworks: Waive second reading and adopt**

Mayor De Boer opened the public hearing at 7:51 p.m. and requested the staff report.

Battalion Chief Moore reported that each year the City Council is asked to pass an emergency ordinance to allow for the sale and discharge of fireworks for the 4<sup>th</sup> of July celebration. Staff has proposed to codify the regulations in Chapter 12 of the Susanville Municipal Code in order to streamline the process. The proposed regulations are based on the City's past emergency ordinance and provisions in the California Health and Safety Code. The ordinance provides for ample seller permits to accommodate all organizations that have obtained vendor permits in the past, and allows for more vendor permits as the population of the City grows. The Ordinance was introduced at the May 15, 2013 meeting and noticed for a thirty day period prior to conducting the second reading. The proposed ordinance has been reviewed and approved by the City Fire Chief and staff recommends approval of the proposed code amendment. Upon approval, the ordinance will be published in the newspaper.

Jim Chapman asked if the population numbers included the prison inmates, and a discussion regarding prison versus household population was held.

Mayor pro tem Wilson asked if there has ever been a problem with the number of vendor permits requested.

Battalion Chief Moore responded that the City has always been able to accommodate the number of community groups that sell fireworks as a fund raising effort.

There being no further questions or comments, Mayor De Boer closed the public hearing at 7:59 p.m.

Motion by Mayor pro tem Wilson, second by Councilmember McBride, to waive the second reading and adopt Ordinance No. 13-0990.

**8**      **COUNCIL DISCUSSION/ANNOUNCEMENTS:** No business.  
Commission/Committee Reports:

**9**      **NEW BUSINESS:**

**9A**      **Consider approval of Resolution No. 13-4963 authorizing agreement with Lassen County Farm Bureau for third annual Rock the Wake event** Mr. Talia reported that the Lassen County Farm Bureau has again approached the City of Susanville regarding the third annual Rock the Wake event. The event has been a tremendous success for two years, and requires City approval for access to Emerson Lake and use of the parking lot of the old clubhouse. The City obtains special event insurance and is reimbursed for the cost through the Farm Bureau.

The Council discussed the City's risk for the event as the owners of the golf course, but not the Lake. Mr. Talia reiterated that the City is assisting in the event only.

Motion by Councilmember Callegari, second by Councilmember McDonald to approve Resolution No. 13-4963; motion carried. Abstain: McBride.

**9B**      **Consider approval of Resolution No. 13-4964 authorizing agreement with Greendot Transportation Solutions for Planning Professional services** Mr. Hancock reported that the City has been pursuing Transportation Enhancement (TE) funding from the State Transportation Improvement Program allocation for Lassen County. In 2012 the Lassen County Transportation Commission (LCTC) approved the allocation of TE funds to two projects; one for the County and one for the City. The City's project is the known as the Southeast Gateway project which features improvements to Highway 36 entering Susanville from the east. Proposed improvements include installing sidewalk improvements, landscaping, improved parking areas for high profile

vehicles during high wind or snow closure events, and moving the existing "Welcome to Susanville" sign.

A draft TE application for \$950,000 was submitted to Caltrans for comments in early 2012 and a response was received in June which raised several questions, including comments that certain proposed improvements would not be supported by Caltrans and that they would retain forty to fifty percent of the funding to administer the project.

In January 2013, the funding process for transportation improvement projects such as the City's was changed significantly with the implementation of the new Federal surface transportation funding act. The MAP-21 includes a Transportation Alternatives Program which replaces the funding from pre-MAP-21 programs including Transportation Enhancements, Recreational Trails, Safe Routes to School, and several other discretionary programs, wrapping them into a single funding source.

It has been determined that the TE reserves programmed for 2012 are still available for projects but an application must be submitted to the LCTC before the end of the fiscal year. The City proposes to make an application for \$950,000 to fund the Southeast Gateway project including revised improvements that meet Caltrans recommendations, and will streamline costs and approval time. Staff recommends retaining Greendot Transportation Solutions to complete the amended application and project design. Mr. Jeff Schwein brings many years of transportation planning experience to the City and can assist the City in obtaining funding for sidewalk improvements to fill gaps in the City's sidewalk infrastructure through the "Safe Routes to School" program. The proposal submitted by Greendot Transportation Solutions is at a not to exceed cost of \$9,660 for the TE application work and \$2,460 for the Safe Routes to School work. Transportation planning funds will be used to cover these costs.

The Council discussed the merits of the proposed project, the timeline, and the City's ultimate eligibility for funding, and the benefit of having a professional design prepared and ready for future funding opportunities.

Motion by Mayor pro tem Wilson, second by Councilmember McBride, to approve Resolution No. 13-4964; motion carried unanimously.

**9C Consider establishment of Weed Abatement Deadline for June 24, 2013** Battalion Chief Moore reported that in preparation for fire reduction and the July 4<sup>th</sup> holiday, the Fire Department has determined June 24, 2013 to be the deadline for weed and fire hazard abatement. After this date, any conditions which pose a hazard will be mitigated following Susanville Municipal Code Section 8.28. Occupants or property owners may be cited for failure to comply and charged for fire suppression costs.

Motion by Councilmember Callegari, second by Councilmember McDonald to approve establishment of Weed Abatement deadline; motion carried unanimously.

**9D Consider approval of Resolution No. 13-4965 authorizing emergency repair of Main Street water line** Mr. Platt explained that Caltrans will be completing an overlay project on Main Street from Russell Avenue and east to the City limits. In the area of work, there is approximately 1,400 linear feet of existing two inch steel pipe that is deteriorating. Staff became aware of Caltrans' project last fall however recent leaks in the water main have increased concern for the affect the paving project will have on the water line. There have been three leaks in the past month and a half with the most recent occurring on June 12, 2013. Staff is greatly concerned that street repair work, including grinding and vibratory rolling, will cause multiple leaks in the water

line, creating a situation where the City will have to cut the new asphalt on Main Street to repair the water line in several locations.

Mr. Platt continued that there is not adequate time to follow the bid process prior to the State commencing their project. Hat Creek Construction has been awarded the overlay project by Caltrans and at this time they are planning to start in early to mid-July. Caltrans and Hat Creek Construction are willing to adjust their construction schedule to accommodate the water line replacement. If the Council approves the immediate expenditure of funds, the project would not have to be bid and Hat Creek Construction can proceed with the water line work.

The cost to complete the work is estimated at \$300,000 plus a 25 percent contingency of \$75,000 for a total cost of \$375,000. The project plans are 60 percent complete and the work could proceed through an Agreement with Hat Creek Construction on a time and material basis.

Mayor pro tem Wilson asked if there are natural gas stubs included in the project area. Mr. Platt responded that the gas lines do not run down Main Street, and unfortunately the water lines were run down Main Street before Caltrans assumed responsibility for Highway 36.

Mayor pro tem Wilson remarked that he does not like to use the emergency system to bypass the bid process, and that it would seem if the City knew about Caltrans project since last fall, that there was ample time to coordinate the water line repairs.

Mr. Platt stated that the City has approximately ten projects on standby, and unfortunately cannot afford to do them all. They prioritize by need, and sometimes one project has to be moved up the list before the others.

Mr. Hancock clarified that even though the City knew about Caltrans scheduling, it was only in the past several weeks that the condition of the water line began to deteriorate to the point to cause increased concern regarding the urgency to replace it.

Councilmember Callegari commented that there are few things worse than having to go in after an overlay project and cut into new black top.

Jim Chapman remarked that it would be prudent to work with Caltrans to coordinate their projects with the City's because as a citizen, it is aggravating to see a new street overlay completed, only to have the City crew come in shortly after and start cutting it up.

Motion by Councilmember McDonald, second by Councilmember Callegari to approve Resolution No. 13-4965; motion carried unanimously by polled vote.

**9E Consider approval of Resolution No. 13-4966 authorizing allocation of Board of State and Community Corrections funding for fiscal year 2013/2014**

Chief Downing explained that in January 2013 funding was provided by the State of California through the Board of State and Community Corrections (BSCC) to assist municipal law enforcement agencies in addressing the impacts of AB109. It is commonly referred to as Public Safety Realignment. The funding of \$24 Million statewide was allocated at the county police chief level with one city police chief in each county serving as the fiscal agent. Being the only police chief in the county of Lassen, he is the appointed fiduciary. The City received \$24,674.00 as its portion of this funding. In accepting these funds, the California Police Chief's Association agreed to a framework for the use to guide the police chiefs as to how they can work collaboratively to best leverage this funding for the public safety in our communities. The funds are to be used to impact crime regionally in partnership with the county probations department, and employing best or promising practices

to address serious, violent and habitually non-compliance offenders. These funds can also be used to backfill or offset the cost of current positions and are legislatively identified for a period of three years. There is no ability to determine at this time whether this funding will continue beyond that period, or at what level. It is the plan of the Chief's Association to seek an increase in funding in future years.

In considering the framework provided and the City's needs, staff has developed a plan for the expenditure of these funds which will assist the department with addressing the local issues related to public safety realignment. The plan would give the police department the ability to improve monitoring the local offender population, to detect, investigate and solve crime being committed by these offenders, and to collaborate closely with the local agencies addressing this population. Further, the plan for the use of these funds to offset and backfill currently authorized positions, would free up unrestricted funds to be used in other areas.

It is staff's determination that the most effective use of funding is to backfill a portion of the currently funded narcotics task force agent position. This grant funded position is partially funded at \$32,878.00 and the City also received approximately \$18,000.00 to fund a portion of this position for one year to initiate a multiagency compliance check team. The remainder of the officer's salary is paid for out of the general fund. The \$24,674.00 would be used to augment this position, saving the general fund the equivalent amount. The position would be required to perform tasks related to public safety realignment, including compliance checks of offenders, detecting and investigating crimes committed by suspected realigned offenders and collaborating with the probation department on the supervision of this offender population.

There was a discussion regarding funding sources for permanent positions and various options available to maximize use of State law enforcement funding.

Motion by Councilmember Callegari, second by Councilmember McBride to approve Resolution No. 13-4966; motion carried unanimously.

**9F Consider approval of Lassen Land and Trails Trust request for sponsorship** Mr. Hancock reported that the Lassen Land and Trails Trust sponsors many events throughout the year that promote appreciation of the outdoors. Their continued dedication to the preservation of the area's natural resources offers a significant contribution to the quality of life enjoyed by residents and visitors alike. The Lassen Land and Trails Trust has requested a donation from the City of Susanville to support their continued contributions to our community in the amount of \$2,000 from the Civic Promotions fund.

Motion by Mayor pro tem Wilson, second by Councilmember Callegari, to approve the sponsorship; motion carried unanimously.

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

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

**12 CONTINUING BUSINESS:**

**12A Consider approval of Resolution No. 13-4952 amending Resolution No. 10-4625 and setting fees and policies for the natural gas utility** Mr. Platt explained that City Council directed Staff to explore options for implementing a natural gas rate reduction on the current small commercial and residential pricing structure for the fiscal year 2013/2014. At its April 3, 2013 meeting, staff recommended a reduction of Tier 2 rates from \$2.20 per therm to \$2.15 per therm and reduction of Tier 2 rates from \$2.12 per therm to \$2.07 per therm with a review in the spring

of 2014. Council directed Staff to bring a resolution implementing this rate reduction for consideration.

An additional recommendation discussed was to issue a per-therm credit rather than to lower the current rate structure. This option was supported by Mark Holmstedt of Westhoff, Cone and Holmstedt, the City's bond counsel. Staff also recommends and supports a six cent per therm discount for the \$2.20 and \$2.12 per therm rate structure that would expire on June 30, 2014. This option would be brought back to Council in May or June 2014 to review and consider continuing, lowering or discontinuing the discount, based upon the impact to the Natural Gas Enterprise Fund.

Mr. Platt also discussed the impact of the weather on natural gas rates. The current forecast is based on a year similar to the last several years, and based on therm usage. Another important factor to consider are the debt service payments which will level off in 2025 to \$1,800,000. The current payment will be \$1.62 million in 2013-2014 and it increases every year by approximately \$20,000 per year. The projected operations and maintenance budget for 2013-2014 is \$2.69 million.

Mr. Platt added that the current cash balance in the Natural Gas Rate Stabilization Fund is \$1.8 million and the current cash balance in the Natural Gas Operating Fund is \$1.48 million. The operating fund minimum cash balance should be no less than \$1.8 million to cover a bond payment in advance and then an additional \$2 million in accessible unrestricted operating reserve for capital improvements, the first meter replacements beginning in 2017, and most importantly to cover changes in the gas market and weather trends so the gas rates remain stable for existing customers.

Councilmember Callegari stated that he prefers offering the lowest rate possible to encourage more usage and attract new customers. He suggests bringing back the free lateral installation that was offered during the first year of the utility.

Mr. Platt responded that the City has added approximately 140 new customers in the last month or two, and he is very cautious about lowering the rate too far, because the very last thing he would want to do is have to come back in a year and raise the rate again. He urged the Council to be conservative in offering rate reductions.

Mayor pro tem Wilson questioned where the excess money is allocated to every year, and observed that at some point, the City should look at a permanent rate reduction.

Motion by Councilmember McBride, second by Councilmember McDonald to approve Resolution No. 13-4952; motion carried unanimously.

**CITY ADMINISTRATOR'S REPORTS:**

**13A Lassen Land and Trails Trust Summer Camp** Mr. Hancock reported that the City Council voted to support the donation of a City Bus for use by the Lassen Land and Trails Trust for shuttle transportation to and from their annual Summer Nature Day Camp. The Camp provides an opportunity for children ages 8 to 12 years old to learn about the wilderness and how to be safe in the out-of-doors. The Lassen Land and Trails Trust has submitted a letter to City Council thanking them for the donation.

**14 COUNCIL ITEMS:**

**14A AB1234 travel reports:** No business.

**15**     **ADJOURNMENT:** There being no further business, at 8:39 p.m. Mayor De Boer called for a five minute recess before returning to closed session. He announced that this meeting would be adjourned in memory of Luke Sheehy. Meeting adjourned at 9:15 p.m.

Respectfully submitted by

---

Gwenna MacDonald, City Clerk

---

Rod De Boer, Mayor

*Approved on August 7, 2013*