

**SUSANVILLE CITY COUNCIL  
SUSANVILLE COMMUNITY DEVELOPMENT AGENCY  
SUSANVILLE MUNICIPAL ENERGY CORPORATION  
SUSANVILLE PUBLIC FINANCING AUTHORITY**

**Regular Meeting Minutes**

**August 21, 2013 – 6:00 p.m.**

City Council Chambers 66 North Lassen Street Susanville CA 96130

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

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

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

**1 APPROVAL OF AGENDA:**

Mr. Hancock requested a revision to the agenda adding Resolution No. 13-4980 to Item 9A, and he noted that an attachment for Item 12C had been provided which had not been available at agenda distribution.

Motion by Councilmember Callegari, second by Mayor pro tem Wilson to approve the agenda with the changes requested; motion carried. Absent: McBride

**2 PUBLIC COMMENT REGARDING CLOSED SESSION ITEMS:**

**Karen Hirst**, representing Immanuel Housing, spoke about the property at 600 Nevada Street and the interest of the group in acquiring the property for a renovation project which would ultimately provide housing for youth aging out of the foster system. Since last speaking to the Council, she had worked to contact many of the neighbors to discuss the potential project with them, and she had received mixed feedback about using the location for transitional housing. The group was still interested in the project as potential office space for the non-profit. She introduced her project architect and invited questions from the Council.

Mayor pro tem Wilson spoke in support of the need for such housing in the community, but he recognized that funding for the rehabilitation is an obstacle. He asked if the various funding options required control of the property or just a commitment to proceed with the project.

General discussion was held regarding funding options for non-profits, and the problems associated with gifting the property to an organization for no monetary exchange.

Max Medina, project architect, explained that everyone involved in the project has a tremendous passion for restoration and community service. He added that in many communities, preserving the historic structures and buildings speaks to what a city is about, and once those old structures are gone the community loses more of its unique character.

**3 CLOSED SESSION:** At 6:00 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

B CONFERENCE WITH LEGAL COUNSEL – Anticipated litigation: Significant exposure to litigation pursuant to Government Code §54956.9 (b): three cases

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.

D CONFERENCE WITH LEGAL COUNSEL – Real property negotiations pursuant to Government Code 54956.8:

Property: APN 103-294-12  
Agency negotiator: Jared G. Hancock  
Negotiating parties: Unknown  
Under negotiation: Price/Conditions/Terms of payment

E PUBLIC EMPLOYMENT – pursuant to Government Code Section 54957:  
Title: Finance Manager

**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; Theodore Friedline, Fire Chief; and Gwenna MacDonald, City Clerk.

Mr. Hancock reported that the agenda was approved with the addition of Resolution No. 13-4980 to Item 9A and an attachment provided for Item 12C.

Mr. Hancock reported that the City Council had voted unanimously in closed session to support the Memorandum of Understanding with the management bargaining unit.

Mayor pro tem Wilson offered the thought of the day.

**5 BUSINESS FROM THE FLOOR:**

**Lorraine Weston** spoke on behalf of Northern California Cancer Advocates, a group whose goal is to bring awareness and support for cancer patients to Lassen County. She thanked the City for its support of a fund-raiser golf tournament, and she distributed flyers with information regarding their group.

**6**     **CONSENT CALENDAR:**     Mayor pro tem Wilson reviewed the items on the Consent Calendar:

- A     Receive and file minutes from City Council's July 17, 2013 meeting
- B     Approve vendor warrants numbered 88345 through 88511 for a total of \$1,245,876.47 including \$206,173.41 in payroll warrants
- C     Receive and file Finance Report
- D     Receive and file Treasurers Report

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

**7**     **PUBLIC HEARINGS:** No business.

**8**     **COUNCIL DISCUSSION/ANNOUNCEMENTS:**

Commission/Committee Reports:

Mayor pro tem Wilson explained that during the budget discussions for fiscal year 2013/2014, he talked about his work with Supervisor Chapman to bring a swimming pool to the community. Since its closure nearly ten years ago, he described the loss of a swimming pool as having a long lasting and negative impact on the quality of life for Susanville residents. Over the years there has always been community support for a pool, but at the same time the voters have also said no to an additional tax. The County Board of Supervisors voted to continue discussions for financial support of a swimming pool in their upcoming budget meetings. He stressed that public safety and streets are very important and it is the City's responsibility to provide those services to the community. The support of a swimming pool is not meant to diminish the value of the services provided by those departments, however a swimming pool is a vital part of the community. He proposed that the City work with Lassen County towards the formation of a Joint Powers Authority, to commit \$200,000 annual funding towards the operations and maintenance, asked for the City Council's support.

Mayor De Boer noted that several people were in attendance to speak to this item, and he invited comments from the public.

**Charles Buehler** commented that nine years ago when the City was considering a vote to close Roosevelt Pool, he showed up at the meeting wearing swim trunks and flip-flops to make his point. The pool has to be a facility open for everyone's use, as many elderly people in the community with health problems are unable to do any other type of exercise. He requested support for this issue.

**Bob Edwards**, Banner Lassen CEO, spoke to the importance of the overall health and well being of the citizens as well as the improved ability to recruit and retain healthcare professionals to the community. A swimming pool provides a valuable recreational opportunity that is important to people of all ages.

**Tracy Langslet** thanked Councilmember Wilson and Supervisor Chapman for the proposal and for bringing it to Council. She explained that every year her family goes to Redding for a week so her children can take swim lessons. The lessons are necessary for safety and it provides a recreation opportunity as well. The money they spend in Redding for meals and entertainment could be spent in Susanville if the community had a pool.

**Marshall and Helen Leve** discussed their experience on the Susanville Recreation Commission and for sixteen years, the annual discussion regarding recreational priorities for the community always included a swimming pool.

**Reesa Rice** stated that she grew up swimming at Roosevelt pool and then became a swim teacher. She had the opportunity to teach hundreds of children to swim, and she is frustrated and angry that her own children do not have the same chance to grow up knowing how to swim.

**Noelle Riggs** commented that a swimming pool is not just for the young people, as had been mentioned. It is a draw for many people moving to a community, and it helps to bring people to town which provides an economic benefit as well.

**Wayne Riggs** added that they are a family of swimming pool people with children who swam competitively and the opportunity for water therapy and other health-related activities is critical. He thanked Mayor pro tem Wilson and Supervisor Chapman for their effort, but if he understands correctly the 15 year projection for the JPA means the community will be 25 years without a swimming pool.

Mayor pro tem Wilson clarified that the proposal is to provide funding to the JPA for 15 years, but the facility would be constructed at the beginning.

**Jim Chapman**, District 3 Supervisor, thanked the Council and Mayor for supporting what he believes to be the single most important recreational issue facing the Board and Council, and it is no way meant to diminish the value of the public safety and public works departments. The County and City have hard working, dedicated employees who have been working to provide the necessary services for the good of the community and he is proud of the people who live and work in Susanville. But this is about children, the elderly, the swim teams, and those folks who are unable to have an opportunity to exercise for various health reasons. He thanked Mayor pro tem Wilson for stepping up to the plate with him, and reiterated the need to keep the plan simple, straight forward, and involve the community, the service groups, the organizations who have always been generous with time and money. He anticipates that the community excitement for the project will build, and it is not the first time that this discussion has occurred. It began several years ago when Councilmember Callegari and former Councilmember Sayers sat down and said "let's do this", but then somewhere along the way the process became complicated and bogged down and everyone left the table.

He continued by stating that the model is simple and already proven in JPA's such as the Air Pollution, LAFCO, or Solid Waste. It needs to be removed from the arena of City and County politics, and with the formation of a JPA that is funded for 15 years, it can become a success. He thanked Mayor pro tem Wilson for his leadership and assistance.

**Todd Eid**, Manager of Susanville Supermarket, commented that as parents, we all want what is best for our children and like most other parents he knows how important a swimming pool is for family recreation.

**Chuck Downs** commented that he is present to represent himself, and urged the Council to not look at it as an expense but as an investment in the community.

Mayor De Boer thanked everyone for their comments and requested comments from the City Council.

Councilmember Callegari remarked that he has never stopped wanting to bring a pool to the community, and he has always been positive and consistently voted to support recreation opportunities for the youth and future well-being of the community. He expressed a number of concerns relating to returning the grant for Sierra Park, the possibility of using the existing Roosevelt pool structure, the current financial obligations of the City as well as a responsibility to represent the needs of all the citizens in the community. He thanked Councilmember Wilson and Supervisor Chapman for getting the discussions started.

Councilmember McDonald supported moving forward with the proposal for a pool.

Chuck Downs remarked that as a Board Member, he understands how difficult it is to sit where the Council is, and in this economic climate finding the money will be difficult but he appreciates the hard work of the Council.

Mayor pro tem Wilson thanked Councilmember Callegari for his encouraging words, and clarified that this is not just about he and Supervisor Chapman, but about rallying support from the community to bring something back that has been gone for nine years. From this point forward this is about everyone working together.

Mr. Hancock indicated that he has received clear direction and he will continue working with the County and while there are many competing priorities and the budget is relatively small, he will set about the business of identifying possible funding sources and methods and he will be bringing options back to the Council.

**9        NEW BUSINESS:**

**9A        Consider appointment of voting delegate for Annual League of California Cities Conference; September 18 – 20, 2013** Mayor De Boer requested a nomination of Mayor pro tem Wilson, Councilmember McBride, and then himself as the appointed voting delegates for the upcoming League of California Cities conference. It was the consensus of the Council to direct the City Clerk to prepare the resolution for submittal to the League with the appointment of the respective delegates.

**9B        Consider approval of Resolution No. 13-4976 authorizing the purchase of mobile radios for natural gas meters** Mr. Platt reported that in 2008 the City Council voted to approve a plan to begin funding maintenance projects for the City's water system. The first project was an upgrade of the meter reading system from hand-held to a drive-by system. In addition to the upgrade water meters, the City needs to upgrade the natural gas meters in order to make reading the gas meters compatible with the drive-by system. He discussed the benefits of improved accuracy with the radio reads, adding that with the improved technology the City will be able to read all of the gas and water meters in one day, which will greatly reduce the lapse in time between manual reads and billing. The upgrades will need to be complete by summer 2014.

Mayor pro tem Wilson asked what that would mean down the road for the meter reader employees. Mr. Platt responded that it would free up their time for expanded duties to include valve maintenance, leak detection, and other such tasks that would improve the efficiency and accuracy of billings and usage.

Motion by Councilmember Callegari, second by Councilmember McDonald to approve Resolution No. 13-4976; motion carried. Absent: McBride

**9C Consider approval of Resolution No. 13-4977 supporting HUSA Annual Events** Mr. Platt reported that HUSA is requesting City Council support for the Fall Crafter's Festival to be held September 14, 2013 and the Safe and Sane Halloween event to be held October 31, 2013. City staff from the public works and police department are necessary for set up and traffic control. Kathie Garnier, HUSA President, explained various changes for this year's event. She thanked the Council for their continued support of the events.

Motion by Mayor pro tem Wilson, second by Councilmember McDonald, to approve Resolution No. 13-4977; motion carried. Absent: McBride

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

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

**12 CONTINUING BUSINESS:**

**12A Consider approval of Resolution No. 13-4970 approving contract amendment with Dig It Construction, Inc. for 2012 Susanville Rehab B project** Mr. Platt reported that the City has been working with Dig It Construction for the Riverside Drive Susanville Rehab B Project. The project was funded through 2012 State Transportation Improvement Program funds and Dig It has completed the scope of the current agreement with a balance of approximately \$105,000 remaining in the project budget. Dig It is willing to leave the contract open to allow the City to add additional work items, and the City is working on plans to complete Laurel Street or a portion of another street with the remaining Susanville Rehab B funds.

The current contract contains language that states the City will withhold ten percent retention until final completion of the project. Final completion and acceptance can only be determined by City Council. Staff suggested a contract amendment to allow for eight percent of the project retention to be returned to Dig It Construction based on substantial completion, a designation made when all of the contract items have been completed. The funds that would be released to Dig It Construction would be for work that they have already completed.

Motion by Councilmember McDonald, second by Councilmember Callegari, to approve Resolution No. 13-4970; motion carried. Absent: McBride.

**12B Consider approval of Resolution No. 13-4978 authorizing execution of loan agreement to refinancing outstanding side fund debt** Mr. Hancock reported that as a participant in the California Public Employee Retirement System (CalPERS) the City is subject to the requirements associated with the creation of and repayment of pension obligations including the City's Side Fund. As a small public agency the City is required to participate in a risk pool and in addition to pension modifications that have occurred in years past, the City's side fund balance has accumulated to a total obligation of approximately 5 million dollars. The City has worked with Myers Nave and Brandis Tallman to obtain the most competitive interest rate and facilitate the refinance of the side fund. The City has completed the debt validation process and filed the necessary legal paperwork. Once the 30-day appeal period is complete the City will be able to close the loan based on the terms included in the loan documents and lock in the final interest rate. The City is also awaiting the final payoff amount from CalPers which is anticipated to be just

under \$5 million dollars. Mr. Hancock added that the full savings which had originally anticipated will not be achieved, however the refinance will protect the City from known increases in premium and it provides considerable savings in the long term.

Motion by Councilmember McDonald, second by Councilmember Callegari, to approve Resolution No. 13-4978; motion carried. Absent: McBride

**12C Consider approval Resolution No. 13-4979 approving agreement with Jacobs, Anderson, Potter & Chaplan LLP for attorney services related to City vs. Northern Sierra Homes LLC Lassen County Court Case #50050** Mr. Hancock reported that from time to time, issues arise that require specialized legal services. The firm of Jacobs, Anderson, Potter & Chaplan is a respected firm that the City has utilized in a previous bankruptcy matter. They provide an essential and worthwhile service that will assist the City with bankruptcy related cases. The cost of services is covered by the fiscal year 2013/2014 budget.

Motion by Councilmember Callegari, second by Councilmember McDonald, to approve Resolution No. 13-4978; motion carried. Absent: McBride

**13 CITY ADMINISTRATOR'S REPORTS:** No business.

**14 COUNCIL ITEMS:**

**14A AB1234 travel reports:**

**15 ADJOURNMENT:** Mayor De Boer announced that no meeting would be held on September 18<sup>th</sup> and that the next regularly scheduled meeting would be held October 2<sup>nd</sup>.

Motion by Mayor pro tem Wilson, second by Councilmember McDonald to adjourn the meeting; motion carried. Absent: McBride.

Meeting adjourned at 8:24 p.m.

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Rod De Boer, Mayor

Respectfully submitted by

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Gwenna MacDonald, City Clerk

*Approved on October 2, 2013*