

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

**Regular Meeting Minutes**

**March 5, 2014 – 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, Nicholas McBride, Lino P. Callegari, Mayor pro tem Wilson 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 Mayor pro tem Wilson, to approve the agenda as submitted; motion carried unanimously.

**2 PUBLIC COMMENT REGARDING CLOSED SESSION ITEMS:** No comments.

**3 CLOSED SESSION:** At 6:05 p.m. the Council recessed to closed session to discuss the following:

- A CONFERENCE WITH LEGAL COUNSEL – Anticipated litigation: Significant exposure to litigation pursuant to Government Code §54956.9 (b): six potential claims

**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; Matt Wood, Police Lieutenant; Deborah Savage, Finance Manager; and Gwenna MacDonald, City Clerk.

Mayor De Boer presented certificates of achievement to three young men who had achieved the rank of Eagle Scout: Carson Friedline, Cole McCown, and Jesse Ramirez. The Scouts led those assembled in the Pledge of Allegiance.

Mr. Hancock reported that direction was given to staff but there was no reportable action from closed session.

Councilmember Callegari observed a moment of silence in memory of Henry "Hank" Neidenbach.

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

**6 CONSENT CALENDAR:** Mayor De Boer reviewed the items on the Consent Calendar:

- A Approve vendor warrants numbered 90231 through 90388 for a total of \$327,344.26 including \$97,004.52 in payroll warrants
- B Approve **Resolution No. 14-5032** authorizing 2014 Loan Agreement for Phantom Jet on display at Susanville Municipal Airport

- C Approve **Resolution No. 14-5033** authorizing annual certification for UH-1 Huey Helicopter and AH-1 Cobra Helicopter at Susanville Municipal Airport
- D Approve **Resolution No. 14-5034** authorizing annual certification for GPF M1917/18 Series Gun located at Memorial Park
- E Approve **Resolution No. 14-5035** approving update of City Council Committee list

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

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

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

**9** **NEW BUSINESS:**

**9A Motion to consider waiver of fees for 25<sup>th</sup> Annual Jr. Fishing Derby** Mr. Hancock explained that through the hard work and dedication of many individuals, the Lassen Sportsmens' Club is sponsoring the 25<sup>th</sup> annual Jr. Fishing Derby. He recognized the contributions of Supervisor Jim Chapman, former Councilmember Douglas Sayers, and Rob Hill, who worked over the years to make the derby one of the community's most successful family events. The Lassen Sportsman Club has asked the City to co-sponsor the event by offering Memorial Park as a staging area and provide liability insurance coverage. In previous years, the City has designated "Recreation Roundup" funds to help pay for various other expenses incurred by the event. The current fund balance is \$1,163.71. He turned the floor over to Supervisor Chapman for additional comment.

Mr. Chapman explained that each year, the biggest cost is the purchase of the fish. The group has been meeting since January, and they will be approaching various agencies that continue to generously sponsor not only the cost of fish but prizes as well. The City's waiver of park fees and providing insurance coverage is a big help, and he thanked the Council for their continued support. He encouraged volunteers to help with the event, and he was looking forward to a big celebration of the 25<sup>th</sup> Derby Day.

Mr. Chris Cole added that the benefit to the community extends beyond an event that children and families can enjoy at no cost; it brings many people into the area to fish. They stay at local hotels, eat at local restaurants, and that provides an economic stimulus to the community.

Motion by Councilmember Callegari, second by Councilmember McDonald to waive the park fees and support the 25<sup>th</sup> Annual Fishing Derby; 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. 14-5036 authorizing adoption of fiscal year 2013/2014 mid-year budget** Mr. Hancock explained that on February 19, 2014 the mid-year budget was presented to the City Council for review and consideration of the revenue and expense changes for the current adopted budget. Staff reviewed each fund that would be amended in appropriations and noted positive balances in all funds except for the Airport and Golf Course. By not funding depreciation expense, these

budget deficits are eliminated. There will be a budget surplus in the General Fund as well as Streets, Water, Natural Gas and Geothermal. Staff also proposed increasing revenues in the mitigation funds. He turned the floor over to Ms. Savage.

Ms. Savage reported that the General Fund is expected to have a \$434,000 budget surplus at the end of the year due to \$540,000 in non-recurring revenues. Without these revenues, the General Fund has a structural budget deficit of approximately \$100,000. This one time money does provide the City an opportunity to address some unmet needs that have developed in the community. Based on the feedback received by the City Council, staff prepared a list of items that could be considered including funding the general fund reserve account; funding a Susanville Enforcement Team; various community facilities improvements including the Skate Park, a neighborhood park in the Skyline vicinity; site clean-up for Sierra Park; Sidewalk projects, street rehabilitation, and economic vitality projects through . Other options are debt reduction or loan pay-offs, including the Golf Course loan, the City Hall remodel loan, and the PERS Side fund refinance loan.

In addition to the one-time revenues, the Risk Management Fund currently has \$500,000 is cash that has accumulated from previously received SCORE dividend payments. Rather than reallocating to the fund balance, it is recommended that \$250,000 be used to pay down the respective funds side fund liability.

It is not feasible to complete all of these items, staff is requesting adoption of the mid-year budget and direction from the City Council as to prioritizing the projects. Staff will then bring back to the City Council at the March 19<sup>th</sup> meeting any budget amendments needed to complete these projects.

Mayor pro tem Wilson likes the \$20,000 enforcement funding, getting the reserve up, and paying off the golf course loan. Paying off the loan would free up more money from the General Fund to build reserves, and he likes the two-for-one idea of that.

Councilmember McBride supported that suggestion, and would like to pay off the debt and just move forward.

Councilmember Callegari agreed, and asked that the City plan on working on the Skyline bike path project next.

**12B Consider Ordinance No. 14-0985 authorizing the abolishment of the City Treasurer position: Waive second reading and adopt** Mr. Hancock reviewed the City Council's action at the February 21, 2014 meeting to waive the first reading and introduce an ordinance to abolish the position of City Treasurer. The City Attorney expressed his confidence in the City's ability to abolish the Treasurer's position by ordinance versus the change in position from elected to appointed which would be put to a vote.

**Richard Stovall**, City Treasurer, informed the City Council that what they propose is in violation of the Elections Code. It was on the ballot once in 1956 and again in 1998 and both times was defeated. He does not intend to run again, and informs the Council that if they approve the Ordinance he has no choice but to go to the Grand Jury and will do it for the integrity of the citizens.

Mr. Talia clarifies the difference between the Elections Code and the Government Code and making the position appointive as opposed to the proposed action of eliminating the position in its entirety.

Mr. Todd Eid asks if the position is one of accountability.

Mr. Talia responded that it is not, due to the City's requirement for an independent annual audit, and the establishment of procedures that ensure the checks and balances in the City's finances are met.

Mr. Hancock responded that the inventory responsibilities are set forth by the City's asset policy and are strictly adhered to with internal controls.

Motion by Councilmember Callegari, second by Councilmember McDonald to approve Ordinance No. 14-0985; motion carried with Mayor pro tem Wilson and Councilmember McBride voting No.

Mayor pro tem Wilson pointed out that the newspaper incorrectly reported that he had also voted No on the introduction and first reading of the ordinance.

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

**14      COUNCIL ITEMS:**

**14A     AB1234 travel reports:**

Mayor pro tem Wilson announced that the election of March 5, 1974 marked Jim Chapman's election into office as the youngest member ever voted to the Susanville City Council. Todd Eid also spoke in support of this achievement, and the City recognized and thanked Mr. Chapman for 40 years of public service.

**15      ADJOURNMENT:** Motion by Mayor pro tem Wilson, second by Councilmember McBride to adjourn the meeting in memory of Hank Neidenbach; motion carried unanimously.

Meeting adjourned at 7:32 p.m.

Respectfully submitted by

\_\_\_\_\_  
Gwenna MacDonald, City Clerk

\_\_\_\_\_  
Rod E. De Boer, Mayor

*Approved on April 2, 2014*