

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

**Regular Meeting Minutes  
December 3, 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 Brian R. Wilson.

Roll call of Councilmembers present: Kathie Garnier, Nicholas McBride, Rod E. De Boer, Lino P. Callegari and Brian R. Wilson.

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

**1 APPROVAL OF AGENDA:**

Motion by Councilmember De Boer, second by Councilmember Garnier, to approve the agenda as submitted; motion carried unanimously. Ayes: Garnier, McBride, Callegari, De Boer and Wilson.

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

**Ron Jarrell** spoke in support of allowing Mr. Almand to operate the golf course for the upcoming season. From the perspective of a golfer, Mr. Jarrell stated that he was pleased with Mr. Almand's performance in prior seasons and urged the Council to consider a full time manager for the course.

**John Shaw** commented that the golf course is a great asset for the community, and that the City was doing a great job of running the course, but that it could be capitalized on to attract more visitors to the community.

**Adam Almand** thanked the City Council for considering the proposal.

**3 CLOSED SESSION:** At 6:09 p.m. the Council recessed to closed session to discuss the following:

- A CONFERENCE WITH REAL PROPERTY NEGOTIATORS – PURSUANT TO Government Code §54956.8:
  - Property: 470-895 Circle Drive
  - Agency negotiator: Jared G. Hancock
  - Negotiating parties: City of Susanville; Adam Almand
  - Under negotiation: Price/Conditions/Terms of Lease
- B CONFERENCE WITH LEGAL COUNSEL – Anticipated litigation: Significant exposure to litigation pursuant to Government Code § 54956.9(b)(2). one potential claim

Closed session adjourned at 7:05 p.m.

**4 RETURN TO OPEN SESSION:** At 7:06 p.m. the City Council reconvened in open session.

Staff present: Thomas Downing, Police Chief; James Moore, Fire Battalion Chief; Dan Newton, Public Works Director; and Gwenna MacDonald, City Clerk.

Mr. Hancock stated that prior to closed session the agenda was approved without changes and that in closed session Council gave direction but there was no reportable action.

Mayor Wilson provided the thought of the day.

Chief Downing recognized Officer Thomas McEachren who was recently honored by the Veterans of Foreign Wars by being chosen as Officer of the Year.

## **5 BUSINESS FROM THE FLOOR:**

**Tara Avilla**, Susanville Peace Officers Association, invited those in attendance to participate in an annual Shop with a Cop event for local children. The sponsorship cost is fifty dollars per child, and the event would allow children to enjoy a Christmas celebration that included shopping for toys while being escorted by an officer. Money raised by the Policeman's Ball has provided funding for the event, but the Association hopes to allow as many children as possible to participate.

Mayor pro tem McBride requested the removal of Item 6C for separate consideration.

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

- A Approve vendor warrants numbered 92541 through 92685 for a total of \$288,200.50 with \$96,289.55 in payroll warrants
- B Receive and file Finance Reports: October 2014
- C Approve Resolution No. 14-5125 determining industrial retirement of Thabiti Mwalozi

Motion by Councilmember Callegari, second by Councilmember De Boer, to approve Item 6A and 6B; motion carried unanimously. Ayes: Garnier, McBride, De Boer, Callegari and Wilson.

## **6C Approve Resolution No. 14-5125 determining industrial retirement of Thabiti Mwalozi** Mr.

Hancock reported that CalPERS requires that local agencies participate in the process of a member who retires through the disability process by making a determination of industrial cause for safety personnel. On August 4, 2014 the City received notification of industrial disability filing and a subsequent determination of industrial cause through the Approved Medical Examiner (AME) report received on October 20, 2014. The City Council must make the determination by adoption of a resolution.

Motion by Councilmember De Boer second by Councilmember Callegari, to approve Item 6C; motion carried unanimously. Ayes: Garnier, McBride, De Boer, Callegari and Wilson.

## **7 PUBLIC HEARINGS:**

### **7A Consider request for variance to minimum lot size, width and front yard setback for parcel located at 1355 North Street and 215 Grand Avenue** Mr.

Hancock stated that the City Council reviewed a request at the November 19, 2014 meeting regarding a variance request for a parcel located at North Street and Grand Avenue. Staff was directed to conduct further research and look at the application and circumstances for requesting the variance and determine what conditions or requirements might be appropriate for approval of the request. The research that staff conducted included a title search and change of title search and in reviewing those documents it was discovered that a fairly unique situation existed regarding the parcel. In the early 1900's it was not uncommon to sell property by grant deed and it would appear that by transferring property and retaining a portion inadvertently created a separate lot. Staff has requested an official determination from the City's contract surveyor to determine if there are in

fact two legal lots that already exist. The applicant and applicant's representative have already been notified, and at this time the City is waiting on final determination from the surveyor. It is unfortunate that this was not picked up at the application stage, but the City does not require an extensive title search at the application stage of the process.

**Jeff Morrish**, NST Engineering, commented that it would be great if the property is already legally considered two lots, and would like the City to consider a lot line adjustment in order to deal with the existing garage.

There was a general discussion regarding the processing of applications through the Planning Department, and normally applications are submitted and processed by the Department with a commitment to low fees and expedient processing times. This situation raises awareness of exceptions to the rule, and specific language in the grant deed is not something that would have been readily observed during the normal application processing.

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

Commission/Committee Reports:

## **9 NEW BUSINESS:**

**9A Consider approval of Resolution No. 14-5122 accepting the City of Susanville's Audited Financial Statements for the Fiscal Year ending June 30, 2014** Mr. Hancock reported that the firm of Badawi & Associates, CPAs has completed the audit of the City's Financial Statements for the fiscal year ended June 30, 2014. The audit included the financial statements of the governmental entities, business-type activities, each major fund, and the aggregate remaining fund information of the City, which collectively comprises the City's basic financial statements. The City has received a clean audit opinion, and typically Mr. Badawi would be present to address the Council and review the report, however due to unforeseen circumstances, Mr. Badawi would be providing a report via conference call. Mr. Hancock turned the floor over to Mr. Ahmed Badawi.

Mr. Badawi thanked the Council for allowing him the opportunity to present the report and referred to a PowerPoint handout that had been provided to the City Council and made available to the public. Mr. Badawi reviewed slides pertaining to the engagement team, deliverables and scope of audit, the audit report, required communications, and new accounting standards. He reviewed the City's assets, liabilities, net position and changes in net position, net cost of services to tax revenue, and expenditure coverage. Mr. Badawi noted that the City has the ability to continue operations with no revenues using available net position for six months, with the general recommendation being between two and four months. Mr. Badawi concluded his presentation, stating that the staff in Susanville is always very welcoming and cooperative throughout the process.

Mayor Wilson asked for clarification regarding the increase in debt limit as indicated on page 165 of the Comprehensive Annual Finance Report (CAFR).

There was a general discussion regarding the process of determining debt limit, and the impact of the City refinancing the CalPERS Side Fund to gain long term savings on pension cost obligations.

Mayor Wilson asked if the audit revealed any issues with internal controls at the Golf Course.

Mr. Badawi responded that there was nothing of concern noted during the audit, and the City is doing a good job considering the challenge of maintaining control at an off-site location.

The Mayor thanked Mr. Badawi for his presentation and the telephone call was disconnected.

Motion by Councilmember De Boer, second by Councilmember Garnier, to approve Resolution No. 14-5122; motion carried unanimously. Ayes: Garnier, McBride, De Boer, Callegari and Wilson.

**9B Consider approval of Resolution No. 14-5126 approving South Street Extension Easement**

Mr. Newton reported that the City of Susanville owns property at the end of South Street over which an unpaved road known as South Street Extension runs as it connects to Cheney Creek Road. The road is unimproved and has never been established as a public road. Over the years the City has granted easements to property owners in the vicinity which allows complete legal access rights to their properties. The City owned property is shown on the parcel map attached as Exhibit B.

The City has been notified by a property owner on Cheney Creek Road that she has experienced difficulty in obtaining financing on her property due to a cloud on the title relating to the legal access to her property, and she is requesting the City approve an easement over the South Street Extension. Resolution No. 14-5126 would provide this authorization by granting the easement and the easement agreement mirrors other easements granted over the same property in the past.

There was a general discussion regarding the responsibility for road maintenance and the benefits of designating a portion of the street a public road.

Motion by Councilmember Callegari, second by Councilmember De Boer, to approve Resolution No. 14-5126; motion carried unanimously. Ayes: Garnier, McBride, De Boer, Callegari and Wilson.

**9C Consider approval of Resolution No. 14-5124 authorizing expenditure of mitigation funds for refurbishment of Susanville Fire Engine 621**

Battalion Chief Moore reported that Engine 621 is Susanville Fire Department's initial structure fire and emergency response vehicle. The engine has 7,634 engine hours, 658 pump hours, 63,922 miles and has served the Fire Department well, but due to age, use and inclement weather, is in critical need of refurbishing. He described the repairs needed and that the department received three quotes to complete the work. The lowest quote was received from Hi-Tech E.V.S., Inc. of Oakdale in the amount of \$43,796.88 to include materials, labor and tax. The project was budgeted two years ago but since that time some of the work has been done in house, resulting in a reduced scope of work and cost than the initial proposal.

Motion by Councilmember Callegari, second by Councilmember De Boer to approve Resolution No. 14-5124; motion carried unanimously. Ayes: Garnier, McBride, De Boer, Callegari and Wilson.

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

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

**12 CONTINUING BUSINESS:** No business.

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

**14**     **COUNCIL ITEMS:**

**14A**    **AB1234 travel reports:**

A        AB1234 travel reports:

**15**     **ADJOURNMENT:** Motion by Councilmember De Boer, second by Councilmember Callegari to adjourn; motion carried unanimously. Ayes: Garnier, McBride, De Boer, Callegari and Wilson.

Meeting adjourned at 8:19 p.m.

Respectfully submitted by

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Brian R. Wilson, Mayor

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Gwenna MacDonald, City Clerk

*Approved on: January 7, 2015*