

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

**Regular Meeting Minutes**

**June 3, 2015 – 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 Wilson.

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

Staff present: Jared G. Hancock, City Administrator and Gwenna MacDonald, City Clerk.

**1 APPROVAL OF AGENDA:**

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

**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 LABOR NEGOTIATOR – pursuant to Government Code §54957.6:

1 Agency Negotiator: Jared G. Hancock  
Bargaining Unit: Administrative, Firefighters, Management,  
Miscellaneous, Public Works, SPOA

B PUBLIC EMPLOYMENT – pursuant to Government Code §54957:

1 City Attorney Services

Closed session recessed at 6:56 p.m.

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

Staff present: Thomas Downing, Police Chief; Daniel Gibbs, City Engineer; Craig Sanders, City Planner; Deborah Savage, Finance Manager and Gwenna MacDonald, City Clerk.

Mayor Wilson invited Austin Duerksen to lead the Pledge of Allegiance.

Mr. Hancock stated that prior to Closed Session the agenda was approved with no changes and in Closed Session the Council gave direction to staff but there was no reportable action.

Chief Downing provided the Thought of the Day.

Mayor Wilson presented Austin Duerksen with a proclamation to honor his achievement of the rank of Eagle Scout.

**5 BUSINESS FROM THE FLOOR:**

**Chris Mancebo**, representing the Lassen VFW, requested a fee waiver for the use of Memorial Park to sponsor a laser tag event for community youth. The event was held last year at the Veteran's Memorial Hall and was such a success that they would like to hold it in the park this year on the weekend of June 26, 2015.

**Ron Mostovoy** asked if the City has filed paperwork for an exemption to the State's drought conservation mandate. There are a number of cities along the coast which have filed exemptions and it would be worth looking into. He is not suggesting that Susanville become a model of non-compliance and the \$10,000 per day fine is not something that the City could risk being assessed.

Mr. Hancock responded that the City is doing everything possible to comply with the mandate and have been exploring every avenue available. If there is something that staff was not aware of, then further research would be conducted. To date, staff has found that the provisions of the mandate does not have a specific exemption clause.

Mayor Wilson requested the removal of Item 6D for separate discussion.

- 6**      **CONSENT CALENDAR:** Mayor Wilson reviewed the items on the Consent Calendar:
- A      Receive and file minutes from the City Council's May 6, 2015 meeting
  - B      Approve vendor warrants numbered 94048 through 94175 for a total of \$565,628.58 including \$98,455.42 in payroll warrants
  - C      Receive and file Finance Report: April 2015
  - D      Receive and file Quarterly Transient Occupancy Tax report

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

Ms. Savage reviewed the report of Transient Occupancy Tax collected for the third quarter of 2015 with historical comparisons over a fifteen year range.

Mayor pro tem McBride asked if the City had priorities or goals for use of TOT funding, and whether or not an increase was anticipated.

Ms. Savage responded that funding goals are based upon the priorities established by City Council.

Mayor Wilson observed that the expectation has been to commit the funding to supporting economic development, and the Council has consistently supported many community events that are focused on the improvement of economic vitality. He added that it may be worthwhile to present the cumulative support in a more comprehensive way. Mayor Wilson noted that the increase in TOT could be directly related to an increase in sales tax and if the sales tax figures for the upcoming year could be projected to increase as well.

Ms. Savage noted that the increase in TOT is an indicator of warmer weather, and with more travelers coming through town and spending the night which certainly results in more money spent locally.

Mr. Hancock commented that the report is good to see as the comparison to TOT collected last year reflects an increase in hotel stays in the community which does translate into more visitors spending time in the community, dining out, and seeing what the area has to offer as a destination and not a pass

through city. The amount of TOT has not been specifically committed to one particular activity, but the Council has the opportunity to support many civic activities throughout the year due in part to the TOT collected.

Councilmember Callegari observed that many years ago there were tour busses that would come through Susanville on the way to Reno. Now that there are large Indian Casinos allowed in many communities, it has impacted the number of people who travel to Reno for gambling.

Councilmember Garnier stated that she is committed to making Susanville a place that people come to and not pass through, and the increasing TOT is an encouraging sign.

Motion by Mayor pro tem McBride, second by Councilmember Callegari, to approve Item 6D; motion carried. Ayes: Garnier, McBride, Callegari and Wilson.

Mr. Hancock stated that Item 7A had been noticed as a public hearing for June 3, 2015, however two of the councilmembers present have conflicts with consideration of the item which means that there will not be the required quorum. The public hearing will be continued to June 17, 2015.

**7 PUBLIC HEARINGS:**

7A *Consider Resolution No. 15-5174 authorizing setting the FY2015/2016 assessments for the Historic Uptown Susanville Association (HUSA) setting assessments fiscal year 2015/2016.*

**8 COUNCIL DISCUSSION/ANNOUNCEMENTS:** None.

Commission/Committee Reports:

**9 NEW BUSINESS:**

**9A Consider Resolution No. 15-5178 authorizing Mayor to execute a Service Agreement between Aramark Uniform Services (Aramark) and the City of Susanville** Mr. Gibbs reported that the City's Public Works Department has been utilizing the services of Mission Linen Supply since 2012 to provide uniform rental, linen services and janitorial supplies. The service agreement between Mission Linen and the City expires June 25, 2015. On April 14, 2015, staff released a request for proposals for uniform rental and linen services and received proposals from Mission Linen Supply and Aramark Uniform Services.

Mission Linen submitted a proposal that was unresponsive to the requirements outlined in the RFP. Specifically, their cost proposal did not address all charges that the City would incur during a week. In addition, during the service agreement period, Mission Linen has not consistently provided uniforms which meet the professional appearance required of City employees. Aramark provided a competitive proposal that was responsive to all areas of the RFP with a reduction in weekly charges of \$48. The City has requested an addendum to address uniform replacements and service agreement renewal. Aramark has agreed to this addendum. The Service Agreement outlines the scope of services to be provided by Aramark, including uniform rental and linen services for approximately fifteen employees and janitorial supplies to be provided on an as needed basis, and an addendum to address uniform replacements and service agreement renewal.

Motion by Councilmember Callegari, second by Mayor pro tem McBride, to approve Resolution No. 15-5178; motion carried. Ayes: Garnier, McBride, Callegari and Wilson. Absent: De Boer.

Mayor Wilson requested that the City Council consider Item 13B prior to consideration of Item 9B.

**13B Receive and file Golf Course Update** Ms. Savage reviewed the monthly Golf Course update, explaining that the golf season is from April through October, and that winter play through the honor system does not include rounds played for annual members. The weather has been somewhat rainier which reduces the amount of rounds played, but there have been more annual passes sold for the current golf season than for the prior year. Ms. Savage noted that a substantial improvement has been made in restaurant operations which she attributed to the Golf Course Manager and Restaurant Manager working together to improve the efficiency of operations.

**9B Consider Resolution No. 15-5179 approving amendment to FY2014/2015 Golf Course Budget** Ms. Savage reported that the Diamond Mountain Golf Course, because of the warmer than normal winter season, opened earlier than anticipated for the remaining 2014/2015 year. Opening the course earlier than anticipated brought on additional expenses for increased utility costs and labor costs. In addition, failures in two of the well pumps have created additional expenses for repairs and maintenance. Opening earlier creates a longer golfing season which will result in increased revenues. Staff is requesting the Golf Course budget be increased by \$34,000 in revenue and \$34,000 in expenses in order to meet the financial obligations for the remainder of the 2014/2015 fiscal year. This represents \$16,000 of additional revenue projected from Golf Course operations and the additional \$18,000 transferred from Golf Course Fund Balance or General Fund in order to meet expenses.

Councilmember Callegari recommended that the transfer be made from the Golf Course fund balance, as he does not agree that the General Fund should be supporting the enterprises to the extent that it has in the past. If the enterprise cannot sustain itself then it should be shut down rather than depleting the General Fund.

Mayor Wilson commented that the General Fund had been subsidizing the operations for a number of years, and the City Council voted to zero the balance owed by the enterprise in order to allow for a decision to be made on an annual basis as to whether or not the enterprise should be subsidized and if so, by what amount. He supported that decision and stated that the General Fund should be covering the additional \$18,000 expense for fiscal year 2014/2015 operations.

Mr. Hancock stated that for years, the shortfalls accumulated each year to an increasing debt to the General Fund with no plan or strategy in place and while the City is headed in the right direction of self-sustaining enterprises, unfortunately it is not quite there yet. He strongly believes that looking at the shortfall each year and discussing the true cost of the enterprise is the most prudent action.

Motion by Councilmember Garnier, second by Mayor pro tem McBride, to approve Resolution No. 15-5179 with the transfer funded from the General Fund; motion carried by polled vote. Ayes: Garnier, McBride and Wilson. No: Callegari. Absent: De Boer.

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

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

**12 CONTINUING BUSINESS:**

**12A Consider Ordinance No. 15-1000 approving General Plan Amendment and Rezone GZ 14-022 for Rite Aid project: Waive second reading and adopt** Mr. Sanders reported that a project has

been brought forward by PM Design Group to construct a new Rite Aid Pharmacy on the property located on Main Street and bordered by First Street on the north, Park Street on the west, and Ash Street on the east. There are a total of eight parcels at the location, with three properties currently zoned residential. The request is to change the land use designation to General Commercial/Shopping Center and to rezone the parcels to C-2. The three parcels will create a 1.65 acre property and will require the demolition of the three existing residences and a 7,124 square foot commercial building.

The Planning Commission at its hearing on April 28, 2015 adopted Resolution No. 15-1024 recommending to the City Council an amendment to the General Plan Land Use Map from Single-Family Residential to General Commercial/Shopping Center and rezoning the properties from R-1 to C-2. When constructed, the 17,369 square foot commercial project will generate approximately \$30,400 in mitigation fees and additional revenue with increased property taxes and a small potential increase in sales tax revenues.

On May 20, 2015 the City Council approved Resolution Number 15-5169 which amended the General Plan Land Use designation on the three subject parcels from Single Family Residential to General Commercial/Shopping Center. The proposed Ordinance will implement C-2 zoning which is consistent with the General Plan designation. The City Council introduced Ordinance No. 15-1000 at a Public Hearing scheduled on May 20, 2015 and final adoption of the Ordinance requires a second reading.

Motion by Councilmember Callegari, second by Councilmember Garnier, to approve Ordinance No. 15-1000; motion carried. Garnier, McBride, Callegari and Wilson. Absent: De Boer.

Mr. Hancock requested that the report for Item 13A be continued to the June 17, 2015 due to conflicts of interest, there would not be a quorum available for the discussion of possible uses for the property located at 600 Nevada Street.

**13      CITY ADMINISTRATOR'S REPORTS:**

*13A      600 Nevada Street Property Improvements*

*13B      Receive and file Golf Course Update – Considered after Item 9A.*

**14      COUNCIL ITEMS:**

**14A      AB1234 travel reports:**

A          AB1234 travel reports:

Councilmember Garnier requested an update regarding the State's water conservation mandate, asking why Susanville is expected to cut back thirty-six percent when some areas of the state are only required to reduce by 12-20 percent.

Mr. Hancock responded that the calculations used by the State to determine the water reduction mandate are based on several factors including historical use, population and due to the higher outdoor water usage in the summer for agricultural purposes the City showed a lot of usage as compared to other communities who have been dealing with water shortages and restrictions for a number of years. The intent of the restriction imposed by the City is to reduce outdoor watering by fifty percent during the summer months to achieve an overall reduction of thirty six percent without having to regulate indoor usage.

Councilmember Callegari suggested a mailer to residents to notify them of the assigned watering days.

Mr. Hancock responded that the mailer has been sent out.

Mayor pro tem McBride shared with those in attendance that the Susanville Area Bicycle Association held an event at Ranch Park over the weekend that is a qualifying event for a national race series. There were 97 entries in the event with 72 participants from out of the area. It was a good opportunity to showcase what Susanville has to offer for competitive sportsman.

Mayor Wilson requested an update regarding the Roop's Fort project.

Mr. Hancock responded that the City was waiting on the submittal of engineered design plans and for a licensed contractor to take out permits for completion of the work. Staff had requested an opportunity to comment on the design plans prior to final submittal but the opportunity was not provided and the plans were circulated directly to City departments for review and comment. It is expected that the plans will be finalized, and he has been told that there are three licensed contractors that have been contacted, and staff is hoping to receive a building permit application soon.

**15     ADJOURNMENT:**

Motion by Councilmember Callegari, second by Mayor pro tem McBride to adjourn; motion carried. Ayes: Garnier, McBride, Callegari and Wilson. Absent: De Boer

Meeting adjourned at 8:05 p.m.

Respectfully submitted by

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Brian R. Wilson, Mayor

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Gwenna MacDonald, City Clerk

*Approved on: July 22, 2015*