

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

**Regular Meeting Minutes
December 16, 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, Rod E. De Boer, Lino P. Callegari and Brian R. Wilson

Staff present: Jared G. Hancock, City Administrator; Jessica Ryan, 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, De Boer, Callegari and Wilson.

2 PUBLIC COMMENT REGARDING CLOSED SESSION ITEMS:

Kristi Choo discussed the effort she and her neighbors put forth to form a community watch group, and the role played by the Police Officers in providing guidance and patrolling the neighborhood. She asked the City Council to help citizens take their neighborhoods back by hiring more police officers.

Mary Piowaty stated that prior to moving to Susanville, she participated in a neighborhood watch program. Crime is so bad in town that her neighbor, who has three big dogs, still had someone prowling around and looking into the backyard with a flashlight. She would like to see more police officers and neighborhood watch groups.

Darrell MacChamber stated that he grew up in Susanville and over the years has been active with many different groups and organizations. He stated that he was sad to learn of someone who wants to move out of the area because of crime. The police department needs dollars, and he asked that the City Council put the police, fire and medical first. If citizens do not feel safe, they will not go out into the community to shop, have dinner, or go to a movie. There are a lot of ways citizens can make the community safer, such as the neighborhood watch group, but they need the support and backing of City Council to be successful.

Mike Pickens stated that he works for another government agency in town and it scares him to think there are people in town who are not able to do what they need to in order to get the job done. He urged the City Council to do what they can to support law enforcement.

There were no further comments.

3 CLOSED SESSION: At 6:12 p.m. the Council recessed to Closed Session to discuss the following:

- A PUBLIC EMPLOYMENT – pursuant to Government Code §54957:
 - 1 Agency Negotiator: Jared G. Hancock
 - Bargaining Unit: SPOA

Closed Session recessed at 6:59 p.m.

4 RETURN TO OPEN SESSION: At 7:02 p.m. the City Council reconvened in Open Session. Staff present: Thomas Downing, Police Chief; Dan Newton, Public Works Director; James Moore, Fire Chief; Deborah Savage, Finance Manager; Craig Sanders, City Planner and Gwenna MacDonald, City Clerk.

Mr. Hancock reported that prior to closed session, the agenda was approved with no changes. He stated that in Closed Session the City Council gave direction but there was no reportable action taken.

Mayor Wilson offered a Thought of the Day.

Chief Downing introduced Police Officer Trainee, Frederic Foulk, stating that Mr. Foulk would be leaving to attend the Police Academy, and returning to work for the City in June 2016.

5. BUSINESS FROM THE FLOOR:

Mayor Wilson announced that in the past few days a lot of information has been shared throughout the community, some true and some not true. The claim that the City would be laying off Police Officers was reported through local media, and it is simply not true. It has never been considered or discussed, and he stated that he was unsure where the information came from. The advertisement in the paper created a discussion that was not necessarily true which added to the rumor. He requested of those present that if they are making decisions, to base those decisions on actual facts, and not rumors. He stated that the City Council has always been supportive of staff, law enforcement, and the Police Department, and while they may not be in agreement regarding negotiations, that is in no way an indication that the City will be laying off Police Officers.

Chris Cole, Sierra Daily News, stated that he was the source of that news story, and unequivocally stands by his sources, and stands by the credibility of those sources.

Mayor Wilson responded that he is at the City Council meetings, and in those discussions at no time has it ever been mentioned to make the choice between the community swimming pool or Police Officers.

Chris Cole stated that his source was reliable, and he stands by the integrity of the information. He pointed out that the City has a competent attorney and could choose to litigate if the City sees fit.

Mayor Wilson responded that the City has no interest in litigation, and reiterated that he is at every meeting, in open session, in closed session, and the story is simply untrue. He added that these are the types of rumors that create problems for the City with forming relationships and trust, and during the bargaining negotiation process, a certain level of trust is required.

Chris Cole responded that he does not deal in rumors, and is a cautious man, and admitted that the information had not been shared at a meeting, and that Mayor Wilson was not in attendance when it was shared.

Mayor Wilson replied that if it was not said at a meeting, then it was not the City Council's position. The Council is at least three members, and anything one says is not representative of the City Council, and the Council has absolutely never discussed laying off any police officers.

Chris Cole stated that he believed the Mayor was strongly supportive of law enforcement.

Mayor Wilson requested comments from the public.

Barbara Keeling stated that she lives in Janesville but spends much of her time in Susanville. She moved to the area from Redding where they have dedicated a lot of money to beautification, swimming pools and parks, however the areas are so unsafe that everyone is afraid to use them. The City needs law enforcement, and the officers should be given more than a one percent increase. She totally supports law enforcement and will not take children to a swimming pool, as it turns out to be nothing but a hangout for drug users and pedophiles.

Tater Lohr commented that he moved his family to Susanville in 1987, and it was a small town with little crime and more police officers. The world of criminals and drugs and terrorism have evolved, and it has become a problem. The crime statistics for Susanville are high for a community of its size. His son-in-law was named Officer of the Year by the Veterans Association, and he has moved out of the area along with three other Officers of the Year. The community asks a lot of its officers, and they are understaffed, underpaid and underappreciated. He stated that he would appreciate it if the City could get through negotiations so the officers could fight crime, and not each other.

Officer Brian Rowe spoke regarding the negotiations process, identifying himself as a bargaining unit representative. He explained various daily challenges in his job as a first responder to crime scenes, and community events such as Shop With a Cop that are sponsored by the Susanville Peace Officers Association, stating that they do it for the community. He has seen officers receive injuries, blow out knees, get bitten by dogs, and the big question during recruitment trips is the one of trust between the City and the officers. He would like to continue saying that trust is a top priority for the City Council.

Annie Westerbeke stated that she has been a victim of crime and has called the police department and they are always very responsive. She has tried to help various people over the years who have fallen on hard times, and drug use has continued to be a huge problem, causing people to lose everything. She talked about the rise in theft, and urged the City Council to support the police department. She asked if the one percent increase rumor was even true, and who it is that negotiates with the officers, and if it was an outside firm.

Mr. Hancock responded that the City does not utilize an outside negotiating firm, that the discussions take place between representatives from the Susanville Peace Officers Association and the City Council.

Mayor pro tem McBride commented that, in regards to the one percent cost of living increase, it is not the only monetary increase that the officers receive. They receive monetary incentives for education and training, merit increases, and they have received increases in the last three years. Last year they received 12 percent, 3 percent the year before, and 3 percent the year before that. Prior to his election to the City Council, no City employee had received a raise in six years, and they have received something every year since. The budget is tight and the Council cannot always give as much as the employees may deserve, but they try to give something.

Officer Terra Avilla stated that she moved to Susanville from Nevada where she worked as a peace officer, and she loves Susanville and knows that the members of the City Council love the community too, or they would not be serving as councilmembers. The long term officers are topped out for merit increases, so the cost of living is the only increase they will receive, and one percent does not begin to

keep up with inflation. It is heart breaking that they keep leaving, and she stated that they want to find solutions in order to keep the senior officers from leaving.

Dray Darbet spoke in support of the police officers by sharing an experience she had with the Susanville Police Department, that they were responsive and helpful, and seemed shocked that they were invited into her home and treated respectfully when they responded to the call.

Tina Lohr spoke regarding the salary disparity between the City of Susanville and High Desert State Prison, where she works as a correctional officer. The prison pays three times what they make as police officers, but they chose to work at the City, so the Council should make it worth their while.

Sergeant Mike Bollinger spoke about the sense of family that exists in the community and that he moved back in 2005, and whenever new officers come on board, he prays that they will choose to stay and make Susanville their home too. It builds longevity and trust, improving the relationship between citizens and the officers and makes everyone's job easier. It does not do the community justice to see officers continuing to leave.

Chris Cole stated that many in attendance may not realize it, but the City took out a loan to build the swimming pool, and put the police department building up as collateral. He asked if there were any other alternatives, adding that it sends the wrong message to the community.

Mr. Hancock responded that the decision to move forward with a community facility was weighed through many budget discussions with City Council, along with every other service that the City provides, and it had no impact on the ability to function as a City. Rather than use cash or reserves that the City has saved, a loan for construction was the best option and utilizing a City facility as collateral allowed for a significantly lower interest rate. When considering large projects, the City works with a bonding company, views the assets as a whole and whatever will result in the lowest interest rate is the facility that is used. City Hall has been used as collateral, and in a few years when those bonds are paid, it will likely be the next facility that is used and the Fire Department was used several years ago as well. Mr. Hancock stated that the City is not four separate departments, the City is a whole, and everyone works together to provide the best services possible for the community. The loan model is common among government entities and it is likely one that the City will continue using in the future.

Chris Cole asked if Mr. Hancock had ever gone on a ride along with any of the police officers.

Mr. Hancock responded that he had many times, and he is very engaged in the activities of the City's police and fire divisions.

Ron Mostovoy stated that he has been a resident of the City for 18 years and has had reason to call the police many times over the years, and they always pull him out of the depths of whatever problem he has found himself in, with no questions asked. He stated that the training money the City invests in officers just goes to waste if they leave the community for a better job somewhere else.

Frank Avilla, Training Coach, Lassen Community College, stated that as the spouse of a police officer, there is a certain level of concern when he knows that his wife goes out on calls without the right level of staffing or backup. She works as the School Resource Officer, and that can be a pretty scary deal at times. The community is great, and people do want to move here, which is outstanding, but how can the City attract younger people who want to actually stay.

An unidentified woman stated that she moved here from Reno due to medical treatment, and there is a big drug problem in the community. Criminals know how many police officers the City has, and they take advantage of the low staffing to come here because they know they can get away with more crime.

Chris Cole asked Mayor pro tem McBride if he has ever gone on a ride along with a police officer.

Mayor pro tem McBride responded that as a volunteer with the Susanville Fire Department, he has worked side by side with the Officers on many occasions, and he knows how hard they work. The City dedicates seventy-five percent of the entire General Fund to public safety, which includes police and fire. It is a priority to him personally and to the Council as a whole, adding that if the City had a penny more to give, they would.

Chris Cole stated that he works between eighty and ninety hours a week, is a single parent, is involved with numerous boards, and often does not feel well, but he thinks it is a Councilmember's responsibility to ride along with the police officers. He asked for an assurance from Mayor pro tem McBride, as a future Mayor of the City of Susanville, that he will go on a ride along with the officers.

Mayor pro tem McBride responded that he absolutely can promise his support of law enforcement. He stated that when he was elected to the City Council four years ago, none of the City employees had been given an increase in six years, and he fought to give raises, and every year since they have been given something. He stated that he fought for them because he cares about the community and the employees, and has worked with the officers through numerous emergency events, knows how hard they work, and he appreciates them and knows exactly what is at stake for them when they are on the job.

Chris Cole responded that the criminal element that is coming into town is more sophisticated, and it requires that the Council remain engaged and involved to know what is going on in town. If you do not, the town is going to fall apart and as elected leaders it is imperative that you get into a car with a police officer and see what they deal with on the job every day.

Mayor Wilson asked Mr. Cole why he had not asked Councilmember De Boer, Councilmember Callegari or himself whether or not they had gone on a ride along with an Officer.

Chris Cole responded that it was because he knew the Mayor had been on ride alongs, and that Councilmembers Callegari and De Boer were retired law enforcement. The City has some serious issues related to economic growth and the crime crisis, and he understands that some of the stories have been harsh, but he is probably not done with covering the issues due to principle. The City has a remarkable police force, and they should be paid what they are worth.

Rita Luallen stated that as a citizen of Susanville she cannot walk outside at night alone without fearing for her safety. The City is concerned about a swimming pool, but they should be concerned with citizens feeling safe.

Barbara Keely commented that her son attends the Long Valley Charter school located at Main and Lassen Street, and he is 14 years old, and she does not feel comfortable having him wait outside to be picked up because of the foot traffic in the uptown area. She is a State of Jefferson committee member, and requested more information regarding borrowing money against the police station to build a pool. The City needs more police officers, and they need to pay the officers they do have more money.

Mr. Hancock responded that the City Council has never had a discussion regarding the swimming pool versus police officers. The Council has taken steps to improve the salary and benefits for all city employees, and public safety continues to be a top priority.

Barbara Keely asked what is more important, a beautiful community or money for police officers so the citizens are safe.

Mr. Hancock responded that there is no one answer to the question; if there are no shops for customers, or homes to buy, or jobs for people to work at and support their families, if there are no public facilities, or roads that are paved, then there is no community. These are all of the priorities to provide the most economically vibrant community as possible and it takes every one of its citizens working together to make that happen. There has never been a discussion or decision made by the City Council to prioritize one over the other.

Mayor Wilson commented that he moved to Susanville eight years ago and at that time, the shopping center in the middle of town where DMV is located was nearly vacant, and now every space has been filled with businesses. The development across the street has three new businesses and the Rite Aid store is relocating to a much larger building in the center of town. It is all part of the over-all plan to increase property taxes and sales tax. The City budget is \$5 million per year, with the police department getting over fifty percent, and much of that is salaries. When the Fire Department is included the budget for public safety is over seventy-five percent, so to claim that the City Council does not care about or prioritize public safety is untrue, and unfair. Before the recession, the City's revenue was \$7 million, and if the City does not do something to increase revenues, there will not be any raises for anyone. Everyone can all agree that they deserve more than what the City is able to give, but there is a limited amount of funds, the City does not have it to give. A person can claim that a swimming pool is a waste, but others may believe the airport is not needed, or the golf course is not a necessity, but those are things that play a key part in the economic vitality of a community. Every time a person gets in their car and goes to Reno, or Redding, or Chico to shop and spend their time, those are dollars that could be spent in Susanville. As a Council, the City is doing everything we can to increase the revenues so that we can do more for the employees and the community.

Mayor pro tem McBride commented that he grew up swimming at Roosevelt Pool, and it kept him away from bad things and out of trouble that he would have gotten into, and the kids in Susanville today deserve the same opportunity.

Councilmember Callegari discussed the lack of citizen participation that resulted in the City Council voting to return a \$2 million dollar grant that had been awarded by the State for the construction of a park. He stated that he sees the pool as a utility and none of the enterprises should be subsidized from the General Fund. He was happy to see so many citizens present and participating in the process, and thanked everyone present for their comments.

Tina Lohr asked how citizens could be encouraged to come and participate in the process to let the Council know what their priorities are. She does not golf and will not use the pool, and nobody will if they do not feel safe, adding that building those facilities is pointless if nobody uses them.

Tater Lohr asked if the City applies for grants or additional money to assist in the budget.

Chief Downing responded that the department does not use a professional grant writer, and many of the grants require a substantial local match in order to apply. The City does receive \$100,000 per year to fund school resource officers, but things such as traffic grants to pay for a patrol officer are very competitive.

Paul Stanley stated that he is a retired Peace Officer, and one percent represents fifteen cents per hour. A career in law enforcement means a shortened life span, heart attacks, diabetes and a high divorce rate. Nobody does it for the money, it is a calling, and you are spit on and abused, but it is a sacrifice that you are willing to make to protect your community.

Darrell MacChamber quoted from Scripture, and stated that he prays for the police officers for when they are called out, he wants to know that they are responding and that God is watching over them.

Brandon Vincent stated that he has worked at the Sheriff's office for nine years, and recently became a citizen of Susanville. It's a great city and he understands the restrictions that budget place on the City's ability to staff the Department. He participated in negotiations at the County and through that process learned a lot. At the County, the staff had not had a raise in the past eight years, and the new officers did not necessarily care what had happened in the past eight years. For the long term officers, they negotiated an offer to add a sixth pay step as a means of providing something to longevity employees without increasing the entry level pay for new people joining the department. He encouraged the City to look to the future, and recognize that crime statistics are getting worse, and the increased need for Officers due to business expansion. He stated that the department needs to be expanded, as the Department is running four shifts with only three sergeants. He discussed issues related to the homeless problem, including residential and commercial burglaries and theft.

Paul Stanley stated that the recent Active Shooter drill event that the department conducted was very positive and beneficial, and encouraged more training opportunities such as that. He commented that he believes if a person complains, they should offer a solution, and suggested that since the Fire Department has a volunteer program, the City should explore the possibility of implementing one for the Police Department as well. With the number of peace officers and correctional officers in the community, it should be simple to provide a stipend and provide additional help for events such as the fair, traffic control for parades, and assist the neighborhood watch groups. The City has a proven model with the Fire Department, and it should be used.

Officer Jesse Leiss stated that as the President of SPOA, the group receives great support from the community, and he invited the City Council to meet with the Police Officer's association directly. What has been occurring is not working, and while it was great to receive a twelve percent increase last year, nine percent of that was utilized for employees to pay into their own retirement accounts.

At 8:34 p.m. Mayor Wilson thanked those in attendance for their comments and input, and called for a brief recess before continuing on with business.

At 8:37 p.m. the City Council reconvened to consider the following:

- 6 **CONSENT CALENDAR:** Mayor Wilson reviewed the items on the Consent Calendar:
 - A Approve vendor warrants numbered 95827 through 95995 for a total of \$674,849.07 including \$290,554.72 in payroll warrants

Motion by Councilmember De Boer, second by Mayor pro tem McBride, to approve the Consent Calendar; motion carried unanimously. Ayes: Garnier, McBride, De Boer, Callegari and Wilson.

7 PUBLIC HEARINGS:

7A Consider approval of Resolution No. 15-5227 approving Commercial Operator rate structure for Susanville Municipal Airport Mr. Hancock explained that the City has current commercial operators that conduct business at the Susanville Municipal Airport. In order to establish a standard fee that is fair and equitable, staff has developed a standard commercial operator fee based upon Federal Aviation Administration Guidelines, which state that the rates charged to commercial operators be fair and reasonable, but they do not require utilizing a single rate-setting approach. He explained that the proposed method calculates annual operating costs and charges a percentage of those costs to be recovered from commercial operators. The annual operating costs do not include depreciation expenses for FAA-funded improvements, but would include depreciation expense for City funded improvement which would be matching funds to complete airport projects as well as annual maintenance costs. The annual operating cost for the current fiscal year, minus depreciation, is \$141,059.37 and a 7.5 percent rate would be an operator fee of \$10,579.45 per year.

The establishment of a 7.5 percent Commercial Operator Fee plus the addition of a 5 percent annual inflation factor would be included in the negotiation of each new commercial operator lease and existing businesses would continue to pay the rate as negotiated in their current lease, and upon the expiration of the current lease, the City would negotiate a new rate as established by resolution.

Mayor pro tem McBride stated that when the City first began discussions regarding a standardized fee, he envisioned larger commercial operations, and \$10,000 seems minimal, however for small commercial operators that amount would be very high. He stated that staff may reconsider an approach to offer smaller businesses an opportunity for an affordable rate when they start up a business.

Mr. Hancock asked if the Council would like to propose another rate category and if so, the current category could be adopted with direction to create another tier for smaller businesses.

Councilmember Garnier asked what other airports in other counties are doing, adding that staff has conducted a lot of research.

Mr. Hancock responded that a lot of areas are not really similar and those with an established structure tend to be larger airports with a lot of different categories for commercial operations, and would like an opportunity for the FAA to weigh in if the City is going to create a second rate category for smaller commercial operations.

Mayor Wilson opened the public hearing at 8:43 p.m. and requested comments.

There being no comments or questions, at 8:44 p.m. he closed the public hearing.

Motion by Councilmember Callegari, second by Councilmember De Boer, to approve Resolution No. 15-5227; motion carried unanimously. Ayes: Garnier, McBride, De Boer, Callegari and Wilson.

The City Council directed staff to research and develop a rate appropriate for small commercial operators, and bring back for City Council consideration.

8 **COUNCIL DISCUSSION/ANNOUNCEMENTS:**

Commission/Committee Reports:

9 **NEW BUSINESS:**

9A **Consider approval of Resolution No. 15-5238 approving a Streambed Alteration Agreement with the California Department of Fish and Wildlife (CDFW) for routine maintenance activities along rivers and streams with the City** Mr. Newton explained that over the years the City has had a number of verbal agreements with various agencies to allow the City to perform clean up and maintenance activities along the streams, creeks, and river corridor areas in the City of Susanville. In an effort to provide one larger umbrella of agreements and in order to improve accessibility and prevent flooding, staff has met with the California Department of Fish and Wildlife representative to discuss the ongoing activities that are needed on an annual basis, as well as address specific areas of concern along Paiute Creek and the Susan River. The agreement that has been developed provides the City permission to perform a variety of functions specific to our needs from June through October each year as listed under Exhibit B in the agreement. The Agreement includes special permission granted to enter these areas and perform activities conducive to allowing access in April each year for the Junior Fishing Derby.

Mr. Newton added that the new Agreement includes language that the City will prepare reports for submittal to the Department of Fish and Wildlife on the intended projects and actual projects performed as allowed under the permit. Once the Agreement is executed by the City and returned to CDFW, the Department will process and pursue the needed environmental document in order to issue an official Agreement.

There were no questions or comments.

Motion by Councilmember De Boer, second by Mayor pro tem McBride, to approve Resolution No. 15-5238; motion carried unanimously. Ayes: Garnier, McBride, De Boer, Callegari and Wilson.

Mayor Wilson thanked Mr. Newton for the clean-up conducted by staff on Paiute Creek and Main Street.

9B **Consider approval of application submittal for Federal Emergency Management Agency (FEMA) Assistance for Firefighters Grant** Chief Moore reported that FEMA offers grant funding through the Assistance for Firefighters Grant, and this year \$306 million is available to departments with an emphasis on Operations & Safety and Vehicle Acquisition. The Susanville Fire Department is proposing to submit an application to acquire a new ladder truck. The Department's current ladder truck is a 1976 model purchased in 2009, and a newer truck would provide a higher level of safety for the community and to Fire Department personnel.

The total cost for a new truck would be approximately \$755,000 and if funded, the grant would require a five percent City match. The current authorization would be to allow submittal of the application only, and if funded, it would be necessary for City Council to authorize acceptance of the award, and commit the matching funds. Chief Moore added that the grant application period is open December 7, 2015 and closes January 15, 2016.

Councilmember Garnier remarked that the five percent match would be \$38,000 and asked if those funds would be available.

Chief Moore responded that the Fire Mitigation fund would be used to provide that match, if needed.

Councilmember Callegari stated that if the City is successful in getting the grant and buying a new engine, that the old one should be surplus locally and not shipped out of the country.

Chief Moore responded that new regulations require that the existing truck be decommissioned and scrapped, and they are no longer allowed to declare as surplus and donated to another agency.

Mr. Hancock added that as development occurs within the City, fees are paid into Police, Streets, and Fire mitigation funds, and those funds are utilized for equipment purchase, facility improvements, and related expenses.

Motion by Councilmember Garnier, second by Councilmember Callegari, to authorize submittal of FEMA AFG grant application; motion carried unanimously. Ayes: Garnier, McBride, De Boer, Callegari and Wilson.

9C Consider options for ownership of 71 acre parcel on Skyline Drive APN: 101-271-16 Mr. Hancock reported that the City discussed an item at the December 2, 2015 meeting regarding a 71 acre parcel on Skyline Drive that the City acquired in December 2014. The City paid \$39,736 in back taxes and \$7,338 in attorney fees and court costs from the General Fund for this property which is located within the Miller-Fletcher Assessment District. There are additional unpaid assessments associated with the property, with an anticipated pay off date of September 1, 2017. The property is undeveloped with one large well which would be an asset to the water system. There are options available for the Council to consider in determining the best options for ownership of the asset and corresponding payment obligations, to include having the Water Fund reimburse the General Fund for the back taxes and attorney fees, and pay \$98,000 to the Miller Fletcher Debt Service Fund for the unpaid assessments. The property would then become an asset of the Water Fund and any future revenue from selling or subdividing the property would go to the Water Fund. A resolution formalizing the action would be brought back for consideration at a subsequent meeting. Mr. Hancock requested comments or direction from the City Council.

Mayor Wilson stated that it was not necessarily his intention to transfer the property to the Water Fund, as there are advantages to keeping it as an asset owned by the General Fund, it was the intent to provide clarity and ensure that the City Council understands and authorizes the ownership of what is a potentially valuable asset.

Mr. Hancock responded that at the time of acquisition, discussions took place between the Council, City Administrator and City Attorney and at that time, the Water Fund did not have money available for purchasing the property, so it was purchased by General Fund money. In the event that the Council chooses to leave the property where it exists as a General Fund asset, it would also be an option to create smaller parcels around the location of the well that could ultimately be transferred to ownership by the Water Fund.

Councilmember Callegari asked if there were three wells located on the property.

Mr. Newton stated that there are, however the one large production well on the 71 acre parcel, and the other wells are just casings with no other improvements.

Councilmember Garnier asked which process would be the most straightforward regarding the ownership of the property.

Mr. Hancock stated that it had been requested to bring the item back for discussion to provide clarity as to the ownership of the property, and it would be the simplest to leave it in the General Fund where it is.

Mayor pro tem McBride agreed that ownership should be retained by the General Fund.

Motion by Councilmember De Boer, second by Councilmember Garnier, to retain ownership of the 71 acre Skyline Drive property as an asset in the General Fund; motion carried unanimously. Ayes: Garnier, McBride, De Boer, Callegari and Wilson.

9D Consider approval of Resolution No. 15-5242 authorizing Hangar Lease for Hangar #38 Mr. Hancock reported that on November 4, 2015, the City Council was presented with and declined the option to purchase Hangar #38, owned by Marvin and Eric Hamann. On November 17, 2015, Steve Datema purchased the Hangar and is required to execute an Airport Hangar Land Lease Agreement with the City.

Motion by Mayor pro tem McBride, second by Councilmember De Boer, to approve Resolution No. 15-5242; motion carried unanimously. Ayes: Garnier, McBride, De Boer, Callegari and Wilson.

9E Consider approval of Resolution No. 15-5244 approving Fiscal Year 2017-2021 Airport Capital Improvement Plan for the Susanville Municipal Airport Mr. Hancock reviewed the process of utilized by the Federal Aviation Administration to provide funding for airport capital improvement projects. The City Council reviewed a draft Capital Improvement Plan and authorized submittal of the Plan to the FAA for review and consideration. Often times the FAA will provide comments and feedback regarding the project eligibility for funding due to project scope, or provide recommendations to shift projects from one year to the next based upon the size of the project as it relates to anticipated funding eligibility. At this point it is less of an issue as there is very little predictability in funding to the FAA so they are not able to anticipate which years they will receive more or less funding. The City received the draft ACIP back from the FAA with few comments, so at this time it is necessary for the City Council to review and adopt the final Airport Capital Improvement Plan.

Mayor Wilson asked what the balance was in the account the City funds each year to provide project matching funds for Airport projects.

Ms. Savage responded that there is currently approximately \$3,000 in the account, and that the City pre-funded the account for the 2015-2016 fiscal year, so there was no transfer made in the current fiscal year.

Mayor Wilson asked if any matching contributions have been made in the current fiscal year.

Ms. Savage replied that no matching funds have been committed in the current fiscal year.

Mayor Wilson referred to the Apron Reconstruction project, and the bids coming in under budget which allowed a larger project to be completed, so that the transfer did not have to be made during the current year. He remarked that it seems as if there should be more than \$3,000 in the account.

Mr. Hancock confirmed that some of the funds in the prior year were not spent because the lower-than anticipated project cost resulted in a lower City match requirement, and action was not taken to carry forward the savings. He clarified that the current discussion is looking only at the current budgeted year.

Mayor Wilson responded that the account was set up to be funded at \$15,000 in order to plan and provide for City match requirements for airport projects. If the City looks ahead to 2018 and 2020 projects, there will not be adequate money in that account to fund the required match amounts. He stated that he was very concerned and that the City begin planning and preparing now for some of those larger projects.

Mr. Hancock stated that the Mayor had expressed similar concerns the last time the Council considered this item, and it all relates back to an updated strategy at the airport. The Council took one step towards that direction by approval of the standard Commercial Operator rates, and staff is continuing to look at lease rates and opportunities to generate more revenue at the airport so that it can become as self-sustaining as possible. The FAA will provide more flexibility if they see that the City has programmed more projects than we receive entitlement funding for, and they will look at their funding options to identify additional grant funding and money that may be available to put towards some of the bigger projects.

Mayor Wilson asked how much money is available through the federally funded entitlement payments.

Mr. Hancock responded that the City just received an update from the FAA and there is approximately \$177,000 available.

Mayor Wilson commented that the Federal contribution will not be sufficient to fund the projects scheduled for 2018 and 2020.

Mr. Hancock stated that project funding for the design of the PAPI project will be tied to Federal funding, and with money tied to the Federal budget process, it is not anticipated that the 2016 money will be allocated for some time.

There was no further discussion.

Motion by Councilmember De Boer, second by Mayor pro tem McBride, to approve Resolution No. 15-5244; 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.

Mayor Wilson announced that Item 12B and 12C would be considered before Item 12A, due to conflicts of interest for two councilmembers.

12B Consider approval of Resolution No. 15-5240 authorizing amendment of FAA Grant AIP No. 3-06-0251-13 Mr. Hancock stated that this item was related the Airport, and provided a summary of the Apron Reconstruction project, explaining that the cost of the entire project was originally estimated to be approximately \$1 million, so it was set up in phases when it was put out to bid. There was a Base bid, Alternate 1 and Alternate 2. The bids received were lower than anticipated, so the City was able to budget for the Base bid plus Alternate 1 which was funded by FAA Grant 3-06-0251-13. A lot of the work has been completed, however the work represented by Alternate 2 has not been completed and it would be advantageous to complete the design work, including plans and specifications, for Alternate 2. Originally the City brought forward the option of using savings from the AIP 14 Grant to fund the design work, however after further review the FAA requested that the City increase the AIP 13 Grant in order to

complete the design work. The FAA is willing to increase the grant by \$25,546 which requires a corresponding \$1,985 match from the City. Having a shovel ready project in place for the Apron Reconstruction Alternate 2 project will put the City in a more competitive position to obtain funding.

Mayor Wilson confirmed that the matching funds would be paid out of the \$3,000 balance.

Mr. Hancock confirmed that it would.

Motion by Councilmember Callegari, second by Councilmember De Boer, to approve Resolution No. 15-5240; motion carried unanimously. Ayes: Garnier, McBride, De Boer, Callegari and Wilson.

12C Consider approval of Resolution No. 15-5241 authorizing the Mayor to execute grant application with FAA for construction of PAPI project at the Susanville Municipal Airport Mr. Hancock explained that this item is also related to the airport, and the construction and installation of the safety lighting system. The first step is to apply for funding through the FAA, and once approved, City Council approval would be required to apply for matching State funds, and then the final action would be to take formal action to accept the grant funding for the project.

Mayor Wilson asked where the City is at on receiving the State match, and if there is a good chance of receiving it.

Mr. Hancock stated that over the last few years there has been a lot of uncertainty regarding the State match, but the City has been very successful and received it each time we apply, developing a positive relationship with the State. They have provided assistance and guidance through the process, and this project, since it is considered a safety improvement, will receive priority for funding. He added that it is never a sure thing, but staff is confident that the City will continue receiving the State-funded match for Airport projects.

Mayor Wilson asked if the City's match for the PAPI project would be paid from the current year's \$15,000 funding allocation.

Ms. Savage stated that the City would be paying the match through the General Fund because the contribution had been pre-loaded in the prior year.

Mr. Hancock added that in projects such as this, it is also possible to use staffing and in-kind services to contribute towards the City-required match. Also, it is likely that the construction for this project would land in the 2016-2017 fiscal year.

Mayor pro-tem McBride asked if the revenue the City will be receiving from the Commercial Operator Agreement rate structure has been budgeted for in the current fiscal year.

Mr. Hancock responded that the City has budgeted revenue for the existing agreements, however the increase in revenue received due to the new rate structure has not been budgeted for at this time. There will be new contract revenue as well as expiring contracts that will result in an increase in revenues for the airport.

Mayor pro tem McBride asked if there was any way the City could fundraise, or involve the airport users in the process to fund what are very important projects.

Mr. Hancock stated that the opportunities are more viable now, as the City Council has demonstrated a commitment to airport improvements, and users are noticing some of the bigger projects, and there is much more likelihood of gaining support for the improvements. He suggested meeting with the Airport Manager, and working with the Airport Commission. Many of the users at the airport are business people, and knowing that the City is only contributing 5-1/2 cents on the dollar for these projects is a great reason to get involved.

Mayor pro tem McBride suggested tying it in with a receipt for tax deduction as an added incentive.

Motion by Councilmember De Boer, second by Councilmember Callegari, to approve Resolution No. 15-5241; motion carried unanimously. Ayes: Garnier, McBride, De Boer, Callegari and Wilson.

Councilmember Garnier recused herself from consideration of Item 12A due to owning a residence in the proposed zone.

Mayor Wilson recused himself from consideration of Item 12A due to a business conflict of interest.

Mayor Wilson and Councilmember Garnier exited the Council Chambers and did not return.

Mayor pro tem McBride requested the staff report.

12 CONTINUING BUSINESS:

12A Consider Ordinance No. 15-1004 adding Chapter 8.50 Entitled "Very High Fire Hazard Severity Zone" to the Susanville Municipal Code: Waive second reading and adopt Mr. Hancock explained that in 2007, the State released maps for State and Local Responsibility areas, and required that jurisdictions adopt the maps indicating the Local Responsibility area by ordinance within 120 days, and implement provisions including enforcement of Building Code Chapter 7 and various mitigation requirements. The City had many discussions at that time, and chose to not adopt the map. In the process of updating the City's Housing Element, it was discovered that a requirement for compliance was to have an updated Safety Element. The updating of these documents is tied to various State funding sources that bring a lot of additional revenue into the community through the CDBG program.

At its November 18, 2015 meeting the City Council voted to waive the first reading and introduce Ordinance No. 15-1004. The ordinance meets the criteria set forth in Government Code section 51175-51189 for designation, by ordinance, of Very High Fire Hazard Severity Zones in the jurisdiction. In addition, a workshop was scheduled for Monday, December 14, 2015 to provide property owners located within the Very High Fire Hazard Severity Zone an opportunity to discuss their questions and concerns. The workshop was conducted and staff received great feedback from those who attended. Each had a level of concern, but most agreed that they were in an area that would result in increased danger from wildland fires. They were in favor of providing education and outreach and were very concerned with providing a safer neighborhood. If the ordinance is adopted, staff will move forward with those efforts.

There were no questions or comments from the City Council.

Motion by Councilmember De Boer, second by Councilmember Callegari, to waive the second reading and adopt Ordinance No. 15-1004; motion carried. Ayes: De Boer, Callegari and McBride. Absent: Garnier and Wilson.

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

14 **COUNCIL ITEMS:**

14A **AB1234 travel reports:**

 A AB1234 travel reports:

15 **ADJOURNMENT:**

Mayor pro tem McBride requested that the meeting be adjourned in memory of Dave Foster.

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

Meeting adjourned at 9:36 p.m. in honor of Dave Foster.

Respectfully submitted by

Brian R. Wilson, Mayor

Gwenna MacDonald, City Clerk

Approved on January 20, 2016