

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

**Regular Meeting Minutes
February 3, 2016 – 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, Lino P. Callegari and Brian R. Wilson. Absent: Nicholas McBride and Rod E. De Boer.

Staff present: Jared G. Hancock, City Administrator; Jessica Ryan, City Attorney; and Gwenna MacDonald, City Clerk.

1 APPROVAL OF AGENDA:

Mr. Hancock requested that Item 6A be removed from the agenda due to an incorrect date listed on the agenda.

Motion by Councilmember Callegari, second by Mayor pro tem McBride, to approve the agenda with the removal of Item 6A; motion carried. Ayes: Garnier, McBride, Callegari and Wilson. Absent: De Boer.

2 PUBLIC COMMENT REGARDING CLOSED SESSION ITEMS: No comments.

3 CLOSED SESSION: At 6:02 p.m. the Council recessed to Closed Session to discuss the following:

- A PUBLIC EMPLOYMENT – pursuant to Government Code §54957:
 - 1 Employee Status Report
 - 2 Public Employee Performance Evaluation: Police Chief
- B CONFERENCE WITH REAL PROPERTY NEGOTIATOR – pursuant to Government Code §54956.8
 - Property: APN 103-340-01
 - Agency Negotiator: Jared G. Hancock, City Administrator
 - Negotiating Party: Lassen Community College
 - Under negotiation: Price/conditions/terms of lease
- C CONFERENCE WITH LEGAL COUNSEL – Existing litigation pursuant to Government Code §54956.9 (a):
 - 1 United States District Court Case No. 2:10-CV-03048-MCE-GGH, Nancy Schwartz v. Lassen County, et al.

Mayor pro tem McBride arrived at 6:04 p.m. and assumed his seat on the dais.

Closed Session recessed at 6:59 p.m.

4 RETURN TO OPEN SESSION: At 7:03 p.m. the City Council reconvened in Open Session.

Staff present: Jared G. Hancock, City Administrator; Jessica Ryan, City Attorney; Thomas Downing, Police Chief; James Moore, Fire Chief; Dan Newton, Public Works Director; and Gwenna MacDonald, City Clerk.

Mr. Hancock reported that prior to Closed Session, the City Council approved the agenda with the removal of Item 6A. During Closed Session, the City Council gave direction but there was no reportable action taken.

Chief James Moore provided the Thought of the Day.

5 BUSINESS FROM THE FLOOR:

Stephanie Wolf asked if the negotiations with the Susanville Police Officers has gone to State Mediation.

Mr. Hancock responded that the current status of labor negotiations with the Susanville Peace Officer Association is that they are at impasse and scheduled to meet with the State Mediator next week.

Ms. Wolf asked if the City was prepared to fight crime with the potential loss of key personnel and does the City have a plan.

Mr. Hancock responded that there had been a rumor in the community that the City planned to lay off officers or reduce the size of the Police Department. It had been stated at a prior meeting that it was never a plan that had been considered or discussed by the City Council, it is not happening and there is no plan for reduction of the Department.

Ms. Wolf asked the City Council if they thought it was sending the wrong message to the Police Department in stating that the City does not have money but that you are still moving forward with funding a pool.

Mayor Wilson responded that it was not appropriate for the City Council to discuss or respond to the comments related to labor negotiations.

Mr. Hancock responded that the commitment made to support a community swimming pool was not tied in any way to labor negotiations with the City's bargaining groups, even though there are individuals who are attempting to make that connection. The City has had available funds and provided cost of living increases and other benefits to employees, and while there are people who want to tie the swimming pool to bargaining negotiations, the City has to consider all of the services that are provided to the community, including streets, police, fire, administrative and financial services. When the Council reviews the annual budget they consider at all of the priorities which includes parks and recreation and other quality of life services. It is not appropriate to say that because of one service the City is not providing another, as the City Council considers the needs of the community and balances those needs with the availability of funds in the budget.

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

- A ~~Receive and file minutes from City Council's January 20, 2016 meeting~~ REMOVED
- B Approve vendor warrants numbered 96216 through 96370 for a total of \$737,744.98 including \$100,523.42 in payroll warrants

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

7 PUBLIC HEARINGS: No business.

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

Commission/Committee Reports:

9 **NEW BUSINESS:**

9A **Consider approval of Resolution No. 16-5253 authorizing execution of Regional Water Management Group (RWMG) MOU for Integrated Regional Water Management of Lahontan Basins**

Mr. Hancock reported that through Proposition 84 and Proposition 1, the State has created a framework for their involvement in water and water management by the creation of water management regions. The City has been a party to the creation of the Lahontan Basins region as one of four signatories on the Regional Water Management Group (RWMG), an existing MOU created for the purpose of developing the Regional Water Management Plan. Since the Plan was created and adopted, it is now time to move forward through the implementation phase for specific projects. The City is acting as lead agency to carry out implementation due to having the management structure and a number of specific projects that have been on the books for a while. Through Proposition 84, the RWMG has been awarded \$1.943 million in funding to implement projects in the region, and it is necessary to enter into an MOU to carry out the implementation. It is a very exciting opportunity, and it opens the door to access millions of dollars for improvements to water infrastructure in the region. Mr. Hancock thanked the City Attorney for her work on the MOU, and noted that the Project Manager would be the lead contact for the implementation phase of the program.

Ruth Dike stated that it is a very good program, and asked who the City would be partnering with.

Mr. Hancock stated that the City was one of four signatories that include the Lassen Irrigation Company, Susanville Indian Rancheria, and Honey Lake Valley RCD. In addition, there are numerous stakeholders including the Forest Service, Lassen Land and Trails Trust, Ducks Unlimited, and the group has received a lot of support from other federal and local agencies. He noted that the stakeholders are also eligible for funding, and that it is not necessary to be a signatory to submit a project for consideration. The group is looking forward to finalizing some of the bigger projects in the region.

Councilmember Garnier asked how soon the funds would be available.

Mr. Hancock responded that the funding award letter had been received, and the group was working to finalize project details.

Mayor Wilson asked if it was a single project or multiple projects.

Mr. Hancock responded that the City had two projects, and the original application request was for \$2.4 million, and the award of \$1.9 million will require a modification of the project scope. For the City, the two large projects include finishing Cady Springs and some water mainline replacement. The Lassen Land and Trails Trust is sponsoring two projects in the Ravendale area. The community is taking over two water systems, which has been operated through the railroad. Transferring the systems to an appropriate agency will require the completion of various studies and preparation of documents which will cost between \$20,000 and \$30,000. There is also one project in the Eagle Lake area. Overall, the RWMG ranks the submitted projects, determines eligibility for funding, and prioritizes accordingly. An additional advantage for the City is that Susanville is considered a disadvantaged community so it will not be necessary to provide the 25 percent matching funds for the projects.

There were no further comments or questions.

Motion by Councilmember Callegari, second by Councilmember McBride to approve Resolution No. 16-5253; motion carried. Ayes: Garnier, McBride, Callegari and Wilson. Absent: De Boer.

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

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

12 **CONTINUING BUSINESS:** No business.

13 **CITY ADMINISTRATOR'S REPORTS:**

13A **Susanville Municipal Airport Commercial Operator Fee Schedule Report**

Mr. Hancock reported that staff has been engaged with the FAA in discussions regarding the structuring of rates for small Commercial Operators at the airport. The method preferred by the FAA is to develop a long list of operator categories, and due to the small size of the airport and unpredictable nature of what types of businesses may be interested in basing their operation there, it is not a practical method. Staff is continuing to explore options to identify a different criteria such as the number of employees, type of organization, or sole proprietor versus corporation. The City is trying to avoid having the rate tied to the income of the business operator, as that creates issues regarding disclosures for private corporations. Staff is working with the FAA, and while not required, with the FAA's approval the City will know we are on solid ground if the rate methodology is ever challenged. The key issue is to have a structure that meets the federal requirements of non-discrimination, which prohibits discriminating between operations of the same type. Mr. Hancock clarified that it was Council's preference to limit the categories to large businesses and small businesses, with as few categories as possible.

13B **Susanville Municipal Airport Apron Project Report**

Mr. Hancock stated that staff recently brought an item forward regarding the first phase of the Susanville Airport Apron Reconstruction project. The paving project funded by AIP 14 was finished, and some project savings were realized. Staff worked with the FAA in order to utilize the excess funding towards the creation of plans and specifications for the next phase of the project. The FAA was supportive of the proposal, however they did not want the City to utilize funds from AIP 14, which was a construction project, but rather their request was to amend AIP 13, which was for design. Based upon that direction, a request was brought to City Council to modify AIP 13. Since that time, the FAA changed their minds and decided they wanted to be able to close out AIP 13 and get it off the books. Utilizing excess funds from AIP 14 will result in savings to the City, and there is no resolution required, however staff wanted to provide an update to City Council.

14 **COUNCIL ITEMS:**

14A **AB1234 travel reports:**

Mayor Wilson asked if any progress had been made regarding utilizing the Johnstonville Water Tank for fire protection at the airport.

Mr. Newton responded that the system has been integrated very well into regular operations related to monitoring, testing and compliance. As far as putting together an infrastructure plan to extend services to the airport, animal shelter or homes in the region, staff has not scoped that project yet. It is something that will be looked at as part of the Water Capital Improvement Plan, and will require reviewing the existing structures, capacity, and coming up with rough costs. The City will have to look for outside

funding sources, as it is not tied to the City's water system so utilizing any funding from the water enterprise to pay for system expansion is prohibited.

Mayor Wilson requested an update regarding the Housing Element.

Mr. Hancock responded that the City was on schedule with the Housing Element update. The draft document has been considered and approved by the Planning Commission and sent to the State for consideration. Staff had a conference call with the State, and the person reviewing the document was very complimentary regarding the content, as it had been very well tailored to the community. She had five or six comments to address that were fairly minimal, and the edited document has been submitted back to the State. It will be ready for review and adoption by City Council very soon. In addition, the release date for the State CDBG Notice of Funding Availability (NOFA) has been pushed back, which will delay the due date of the application.

15 ADJOURNMENT:

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

Meeting adjourned at 7:31 p.m.

Respectfully submitted by

Brian R. Wilson, Mayor

Gwenna MacDonald, City Clerk

Approved on March 2, 2016