

**SUSANVILLE CITY COUNCIL**  
**Regular Meeting Minutes**  
**August 17, 2016 – 6:00 p.m.**

Meeting was called to order at 6:01 p.m. by Mayor Garnier.

Roll call of Councilmembers present: Brian R. Wilson, Kevin Stafford, Joe Franco, Rod De Boer and Kathie Garnier.

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

**1      APPROVAL OF AGENDA:**

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

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

Mr. Hancock introduced Zach, a member of Boy Scout Troop 405 who was working towards completion of his rank of Eagle Scout.

Zach explained that he was working towards earning one off the Citizenship Merit Badges that is required to eventually become an Eagle Scout, and asked for feedback from the City Council regarding the subject of marijuana cultivation and the negative effect on the environment and farm crops, and what the City was doing to address it.

Councilmember Wilson explained that the City passed an ordinance banning all cultivation of marijuana, and the County passed an ordinance allowing cultivation on a limited scale and was now experiencing the negative consequences of people disobeying the law. They are currently re-evaluating their stance on marijuana cultivation.

Mayor pro tem Franco stated that as an employee of the U.S. Forest Service, he has experienced first-hand the devastating effect on the environment from marijuana grows. This includes garbage, refuse, and pollution to the native riparian habitat from chemicals used for the growing operation. It has created a tremendous work load and expense for cleaning up the sites, and he added that hopefully Congress will recognize the need and allocate more funding to eradicate the farms.

Mayor Garnier supported the comments expressed, and added that she was concerned with the people who are using and enjoying the forest and public lands who may inadvertently come across a grow. The growers often use traps and other dangerous methods to protect their crop.

**3      CLOSED SESSION:** At 6:08 p.m. the Council recessed Open Session and convened to Closed Session to discuss the following:

- A      PUBLIC EMPLOYMENT – pursuant to Government Code §54957:
  - 1.    Police Chief
- B      CONFERENCE WITH REAL PROPERTY NEGOTIATOR – pursuant to Government Code 54956.8:
  - 1    Property:                      APN: 101-270-10
  - Agency negotiator:      Jared G. Hancock

- Negotiating parties: City of Susanville/Lassen Community College  
Under negotiation: Price/Conditions/Terms
- 2 Property: APN: 103-340-02  
Agency negotiator: Jared G. Hancock  
Negotiating parties: City of Susanville/Ralph Sanders  
Under negotiation: Price/Conditions/Terms

Closed Session adjourned at 7:07 p.m.

**4 RETURN TO OPEN SESSION:** At 7:09 p.m. the City Council reconvened in Open Session. Staff present: Jared G. Hancock, City Administrator; Jessica Ryan, City Attorney; Jim Uptegrove, Interim Police Chief; James Moore, Fire Chief; Dan Newton, Public Works Director; Deborah Savage, Finance Manager; Craig Sanders, City Planner and Gwenna MacDonald, City Clerk.

Mr. Hancock reported that direction was given to staff in Closed Session but there was no reportable action.

Councilmember Wilson offered the Thought of the Day.

Mayor Garnier presented Certificates and Service Award pins to the following employees in recognition of their service to the City of Susanville: Dan Newton, 10 years and Dan Weaver, 15 years.

**5 BUSINESS FROM THE FLOOR:**

**Ted Friedline** expressed his concerns regarding public safety, traffic control, the condition of Main Street with excessive weeds and rubbish, and stated that there is also a problem regarding mail being stolen from private mailboxes.

- 6 CONSENT CALENDAR:** Mayor Garnier reviewed the items on the Consent Calendar:
- A Receive and file minutes from the City Council's June 19, 2016 special meeting
  - B Approve vendor warrants numbered 97890 through 98041 for a total of \$1,356,823.86 including \$112,035.36 in payroll warrants
  - C Receive and file Finance Reports: July 2016

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

**7 PUBLIC HEARINGS:** No business.

**8 COUNCIL DISCUSSION/ANNOUNCEMENTS:** None.  
Commission/Committee Reports:

**9 NEW BUSINESS:**

**9A Consider appointment of 2016 League of CA Cities Annual Conference voting delegate** Mr. Hancock reported that the League of California Cities schedules an annual conference each year, and an important part of the event is the annual business meeting where the members vote on issues and matters relative to League policy. In order to participate in the process, the City Council must nominate a voting delegate and up to two alternates. The City Administrator is also able to serve as a voting delegate.

The conference will be held during the first week of October in Long Beach, and Mr. Hancock invited comments from the City Council regarding who would be available to attend.

Councilmember Wilson, Mayor pro tem Franco, and Mayor Garnier all stated that they had scheduling conflicts and would be unable to attend the conference this year.

Councilmember De Boer and Councilmember Stafford could not commit at that time to attend and indicated they would follow up with the City Administrator if they could attend.

It was the consensus of the City Council to appoint the City Administrator as the voting delegate and send Councilmember De Boer and/or Councilmember Stafford to the conference if their schedule allowed.

Motion by Mayor pro tem Franco, second by Councilmember De Boer, to authorize the City Administrator to serve as the City of Susanville voting delegate at the 2016 League of California Cities Conference; motion carried unanimously. Ayes: Wilson, Stafford, Franco, De Boer and Garnier.

**9B Consider approval of Resolution No. 16-5312 notice to award and execute agreement for STIP Pavement Project SC-2** Mr. Newton explained that the Public Works Department has prepared plans and specifications for a paving project on City streets at various locations. The work includes making localized repairs, re-establishing proper street profiles and slopes, pavement overlay, and upgrading existing ADA access ramps at street intersections. Also included are repairs to various areas of damaged curb, gutter and sidewalk. The City received two bids in response to the public bid process, with S.T. Rhoades Construction Inc., submitting the lowest responsive bid at \$846,145, which is six percent higher than the engineer's estimate for the project. Mr. Newton explained that the funding allocated for the project from the State Transportation Improvement Program (STIP) is \$992,000, however costs for this type of work are typically lower than estimated, and staff will make every effort to be mindful of costs and available funding in order to obtain full reimbursement for staff time associated with the project.

Mayor Garnier asked if it was normal for the costs to come in higher than expected for these types of projects.

Mr. Newton responded that the City has the total project programmed to cover expenses, and bids received during the active construction season are sometimes higher due to the increased cost of materials and labor. During the slower season prices tend to be lower and more competitive. The challenge with the project is that each corner calls for its own solution in terms of ADA accessibility, and the improvements require clearance from the State Architect so costs and inspection time can vary widely.

Mayor pro tem Franco asked what the estimated time of completion is for the project.

Daniel Gibbs, City Engineer, responded that the construction period for the project is 60 days.

Mr. Newton added that it was expected to be completed by the middle to end of November.

Motion by Councilmember Wilson, second by Councilmember Stafford, to approve Resolution No. 16-5312; motion carried unanimously. Ayes: Wilson, Stafford, Franco, De Boer and Garnier.

**9C Consider approval of Resolution No. 16-5313 notice to award and execute agreement for STIP Pavement Project SC-3** Mr. Newton reported that the key difference between the Item 9B project

and Item 9C are the street locations. The City would be completing the installation of an asphalt pavement overlay on various streets, with the additional work to include repairs to sub-grade, re-establishing proper street profiles and slopes, and the installation of ADA access ramps as well as isolated repairs to damaged curb, gutter and sidewalk. The City advertised through the formal bid process for this project, and received two bids, with the lowest responsible bid received from S.T. Rhoades Construction, Inc. in the amount of \$774,434.50. The Engineer's most current estimate for the project based on the quantities anticipated and recent unit prices provided with similar projects was \$674,592 for the base bid excluding any contingencies, so the lowest responsible bid was approximately 17 percent higher than the engineer's estimate. Material prices have increased over the course of the 2016 construction season and contractors are much busier than earlier in the year which also increases the price. Funding allocated for the project through the STIP Program is set at \$951,000 and with change orders estimated at less than ten percent, the remaining funding will be used to cover construction engineering related services for inspection and quality control testing which has already been budgeted.

Mr. Newton explained that additive bids were received for improvements desired for Pancera Plaza on South Gay Street between Main and Cottage. These improvements include pavement rehabilitation and other repairs to the concrete, and staff has received permission from Caltrans to replace the stamped concrete with paving stones, so there were two prices received for both options. The bids were considerably higher than anticipated, in the range of \$77,000 to \$85,000 for removing and replacing the stamped concrete, and between \$123,000 and \$127,000 for removing the existing concrete and replacing it with interlocking paving stones. Staff will be researching opportunities for additional funding and utilizing cost savings during the course of the project to free up programmed funds for the additive work desired. This would be brought back and presented for the City Council to consider a renegotiated price with the Contractor.

Mayor pro tem Franco asked if the two pavement overlay projects would be occurring simultaneously.

Mr. Newton responded that they would be working on the same schedule.

Mayor Garnier asked if the pavers have a longer life than the stamped concrete.

Mr. Newton discussed the features of the pavers versus the stamped concrete, citing the disadvantages of both products.

Mayor Garnier stated that the existing stamped concrete was never sealed, and asked if the resurfacing project would include sealing to extend the life of the new product.

Mr. Newton responded that staff was looking into the costs associated with sealing and would be recommending that be included in the overall project cost.

Mayor Garnier responded that with the Farmer's Market now being held at Pancera Plaza and the increase in foot traffic, it would be nice to make the improvements.

Motion by Mayor pro tem Franco, second by Councilmember De Boer, to approve Resolution No. 16-5313; motion carried unanimously. Ayes: Wilson, Stafford, Franco, De Boer and Garnier.

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

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

**12**     **CONTINUING BUSINESS:**

**12A**    **Consideration of Water Rate Moderation** Mr. Hancock reported that the City adopted Resolution No. 16-5297 on June 1, 2016 after conducting a public hearing that was well attended with a number of people commenting and expressing concerns. There was a lot of good discussion regarding the budget, and information provide which allowed staff to educate a lot of residents regarding the revised rates. Resolution No. 16-5297 implemented water rates that were based upon the findings from the water rate analysis and calculations study that was reviewed and adopted by the City Council. This included a restructuring of the existing rate structure and increasing the quantity water rate. The former five tiered system was reduced to two tiers for irrigation and non-irrigation seasonal rates, and the inclusion of a drought surcharge. At the August 3<sup>rd</sup> meeting after receiving bills, members of the community expressed their concerns regarding the rate increase. The City Council directed staff to review the rates and the requirements to lower or revise the rate structure. Staff prepared a rate modification summary outlining several alternatives and the procedural requirements for each.

Option one would result in no increase to the existing base rate which includes 300 cubic feet of water usage per month, per household. This option would require that the City reduce the Capital Improvement Plan project list which currently is estimated at \$4.1 million in system improvements over a five-year period. A reduction in annual revenue would require a subsequent reduction in planned projects.

Option two would include an increase to the base rate, and maintain the existing Capital Improvement Plan project list. This would result in the costs for improvements being shared by customers who use less water.

Option three would be an increase to the base rate, and a reduction of the Capital Improvement Plan project list, thus lessening the existing burden on higher-users while still completing the mot critical system improvements.

Option four, would be the phased implementation of a rate increase over a period of months or years in order to phase in the increase more gradually.

Lastly, option five would be to rescind the current rate structure entirely and go back to the previous water rates.

Mayor Garnier asked Mr. Hancock to explain for those present why the increase was implemented.

Mr. Hancock responded that nobody wanted to raise the rates, however the City is obligated every five years to look at the system needs, costs and be mindful of covering costs with the responsibility to not over-charge for services. It has been identified that the City spends a lot of money each year repairing leaks. Some of the piping is almost 100 years old, and a lot of it is in the 30-100 year range. The crew is putting in patches on top of patches, and there has long been a concern regarding a large system failure. Most of the anticipated revenue would be dedicated to capital improvements. Approximately 30 percent of the existing revenue is used to pay the debt service on the City's existing infrastructure bonds. The bond amount is approximately \$10 million dollars with a 25-30 year anticipated payoff.

Mr. Hancock continued that very little has been done to replace the infrastructure and the question is how long can the City continue to delay addressing the infrastructure needs. The City is responsible for being

good stewards of the system, being mindful of operating and labor costs while also making sure that the infrastructure is in good shape. A lot of effort was dedicated to preparing the study, and the timing of implementation during the peak of irrigation season was unfortunate. This is the time when most people will see the biggest increase while implementing the increase in the winter months may have gone unnoticed but it was implemented when it was ready. One of the questions that came up at the August 3<sup>rd</sup> meeting was how Susanville compares to other communities in the region and staff had prepared a cost comparison for other providers in the region.

Mayor Garnier asked for clarification regarding the drought surcharge.

Mr. Hancock responded that it is associated with the Water Emergency Contingency Plan, that in the event of extreme water shortage or drought, it is designed for implementation in stage 2 or 3. The community is very cooperative and historically has been responsive during times of emergency such as the pipe failure along the Cady Springs line, but in the event of extreme drought or a water emergency, implementation of a drought surcharge is to encourage customers to not waste water. He added that the forced conservation measure mandated by the State which was the implementation of Stage 2 of the Water Emergency Contingency Plan and is no longer in place.

Mayor pro tem Franco stated that he would prefer Option 5, as the rate increase failed one important element which was how it would affect the typical customer, and the Council heard testimony from the public at the August 3, 2016 meeting that demonstrated the negative effect on the typical customer. He does not discount the importance of maintaining the system, and planning for upgrades, however he suggested rescinding the rate increase and at the end of the irrigation season, revisiting to implement a gradual increase or something more reasonable.

Councilmember De Boer stated that he seconded that statement and applauded Mayor pro tem Franco for his position.

Mayor Garnier asked for comments from the public regarding the item.

**Ted Friedline** thanked Mayor pro tem Franco and Councilmember De Boer for their support. He stated that he appreciated all of the work that went into preparing the water study and analysis and the willingness shown by the Council to discuss the issues. The purpose of the utility is to provide a service to the customer at a reasonable price and if the City is unable to do that perhaps it should consider selling the system. He discussed the rate plan, and asked if the City included the water used at the airport and golf course in that study. He stated that there were several counties not included in the rate study that should have been as they are similar in size to Susanville. If the system is leaking 100 million gallons a year, where will all of that water go when the system is fixed? He discussed the need to do something with Cady Springs. He asked about personnel costs and addressed the issue mentioned in the study regarding the morale of employees working outside during the winter months. He stated that it bothered him because police and fire employees work outdoors all year long in inclement weather. He stated that he wants the water rate increase to be rescinded.

Mr. Hancock discussed the status of the Cady Springs project and the State funding the City has attained to complete the next phase in the project which will include bringing the tank online. Mr. Hancock explained that the rate study charts were an independent study and if data was not submitted by an agency, then it was left off, but specific cities are not excluded from the study intentionally. He also explained that personnel cost increases were not due to hiring additional staff, but the increase in costs

associated with system management. The street crew costs for repaving when leaks are repaired are a true reflection of what the system costs the City to operate but the costs were not normally recovered.

An unidentified member of the audience asked why the City did not complete the Cady Springs project, and how far away is it from being completed.

Mr. Hancock explained that the springs are located in a steep canyon with collection boxes located along the pipe that is gravity fed and runs parallel to the Bizz Johnson trail. The project originally was envisioned and designed so that the water would be collected and pumped up the hill to the tank. The goal was to generate enough power from the water flowing down hill to be able to pump it back up to the tank. That proved to be an insufficient power source, so the pumping mechanism had to be redesigned, and the City had insufficient funds to continue with the project. There is an advantage of keeping both routes (gravity line and pumping up the hill to the holding tank) of collection open, and the funding that the City has received through the IRWM program will allow completion of the next phase of the project.

An unidentified member of the audience asked if the equipment that was installed during the project has been maintained.

Mr. Hancock responded that the City inspects periodically and there are some minor items that would need to be completed and brought up to date prior to bringing it online with the system.

**David Teeter** stated that he had attended the public hearing for the water rates and it was poorly attended by the public. There were no comments or input received from the public, in spite of the City advertising and providing a direct mail notice to the system's customers. He stated that he understands the surprise at the increase, and the concerns expressed, however the City needs to fund system improvements with cash, and not continue to borrow. Staff mentioned that the annual bond payments are \$700,000 and that is interest only for improvements that were completed years ago. The fact that the City is making plans to fund these needed repairs to the system ahead of time is a responsible use of the City's money and he believes that the City Council has acted in good faith. He stated that he does not support rescinding the water rates.

**Jeff Morrish** reviewed the historic table presented in the water rate study, noting costs for services, supplies, operations, and a management cost that seems like a new line item. He understands the need to increase the rate, and suggested something like a fifty percent increase which would be more reasonable than a one hundred percent increase.

Councilmember Wilson asked if the rates were rescinded if the City would be required to prepare a new water rate study.

Mr. Hancock responded that the City would not, and if the City Council chooses to start over and implement a revised increase, the current water rate study could still be used.

Mr. Newton explained that the City adopted certain findings when accepting the water rate study, and it is critical to base a water rate on specific study findings in order to meet the requirements of Proposition 218. The City could adjust costs by revising the Capital Improvement Project list.

Councilmember Wilson referred to page 15 of the memo and asked if the City could discuss removal of projects to modify costs.

Mr. Newton explained that the City could rework the Capital Improvement Project list by identifying the projects that are less critical. The list does not represent all of the needed system repairs, but are those which have been deemed to be the most in need of immediate repairs. He reviewed the items on the CIP as follows:

- Development of the Nathan well which is located on the property that the City acquired in the north part of town. Development of the well is not critical but has been identified as having value to the City by incorporating a backup well for redundancy.
- Emergency power upgrades to the system have been identified in order to ensure that during power outages, the system would continue to operate
- Spring Ridge booster station, the generators in place are older, and while they still work, there is a concern with the age of the equipment that may begin to have problems and create issues
- CDBG funding is possible for areas that have been identified as being in the income threshold to qualify for funding, and these include Gilman, South Upland, and Monrovia. Grant funding through the CDBG program is not a quick fix, but would allow for the City to complete an important replacement and upgrade to the system
- Ash to Hall Street had been added to the project list, but has been recently completed and could be removed.

Councilmember Wilson asked what Director Newton's opinion is regarding the overall condition of the system.

Mr. Newton responded that he has a significant amount of concern regarding the condition of the steel pipes. He brought samples of pipe sections that had been replaced during a past project. He stated that not all leaks in the system have come to the surface, and the City maintains an electronic system that identifies leaks and pressure changes in the system. Since 2007, the Department has repaired over 600 system leaks, and in many cases, the crew will repair a leak in one location, and it forces a new leak further down the street in the same pipe.

Mayor pro tem Franco commented that there is a universal acknowledgment that the rates need to be increased, and he believes that the City only failed to do a reality check on the impact of the increase on real users. The City needs to be transparent and upfront regarding the condition of the system, the need to fund infrastructure replacement and the amount that will be contributed by all users of the system.

Councilmember Wilson asked what the timing would be to start over with a new rate structure.

Mr. Newton responded that the process requires a 45 day notification, direct mailers to customers, a development of what the rate should look like, and at best it would take approximately two months. The City Council is permitted to reduce the rate, but if the consideration is to spread it over all customers by increasing the base rate, it would require full notification.

Councilmember Wilson stated that the City voted to not increase the base rate, and to give people the ability to control their own rate based on usage and conservation practices. He stated that the City Council chose the right direction by not increasing the base rate.

Mr. Newton agreed that the rate as implemented does affect each customer differently depending on usage practices and the amount of turf a home may have. It is unfortunate that it hit at the beginning of irrigation season at a time when the temperatures rose to the peak of summer. The City was pressured by



the State pretty significantly to look at rates, and they wanted to see a plan that encouraged conservation, and the concept was to implement a method that reflected a higher cost for higher usage.

Mr. Hancock suggested that the City Council could leave the base rate unchanged, reduce the usage rate increase, and modify the Capital Improvement Project list according to the reduction in projected revenue. This option is listed on page 11 of the memo.

Mr. Newton directed the attention to page 10 of the memo which illustrates a cost comparison for options one, two and three.

Mayor pro tem Franco stated that the reality is as the State moves forward with implementing more stringent water regulations, water is going to become more expensive, and it is prudent for people to make changes in water usage, whether that includes more efficient landscaping and water usage habits and those types of things.

Ted Friedline expressed his frustration at the fact that the customers were not able to follow what it was actually going to cost, and would just end up surprised again next month when they receive their bill. He wants to know where the 100 million gallons of lost water goes if the City fixes the leaks.

Mr. Newton explained the analysis and that the water that goes into the system is different from what goes through a meter. Water used to fight fires, for example, is not metered.

Mayor Garnier stated that the City needs to involve the public in the process and that it is great for the audience to participate, and for the community to come together and conserve what is a valuable resource.

Jeff Morrish stated that the rate is still a one hundred percent increase for water usage.

Mr. Newton explained that the rate was based upon a projected revenue increase of 40 percent, and the old system was based upon a tiered rate that averaged out over the course of the year due to the irrigation and non-irrigation season. The tiered rate was replaced with an irrigation and non-irrigation season usage rate which resulted in the quantity rate used by many of those with higher usage in a higher cost bracket than they had been before.

Councilmember Wilson stated that Mr. Newton and his department have done a tremendous amount of work to develop the water rate study, and the reality is that the system is deteriorating faster than the City can repair it. It is being addressed in this manner because the City has to come up with money to begin addressing the deficiencies in the system, and this proposed five year CIP project list is just a band aid. The City did not put the increase in the context of 'your bill is going to double', and the Public Works department is doing a great job with what funding they do have. Unfortunately it is not enough given the age and condition of the system.

Ted Friedline stated that if the result of the rate increase was such a shock to the City Council, then they obviously need to conduct more workshops and discuss it. A one hundred percent increase in a utility bill is a lot of money to most people in the community, and people have a lot of questions that they would like to have answered.

Mr. Newton discussed deferred maintenance issues and the cost spent each year on leak repairs which was often times going back to the same sections of pipe and patching previous repairs. He discussed the water rate study and the necessity of building the cost structure from the ground up based upon a study that is vetted and accepted by the City Council. This provides assurance that the rates that the City charges are defensible and will not be challenged or considered to be unsubstantiated. He explained that the court has deemed that the tiered rate structures are unconstitutional because they are charging different prices for users of the same system. It is important for the City to be able to charge a rate that is defensible.

Mr. Morrish stated that there has been a lot of comments made that nobody expected the bills to double, but they should have. He stated that he owns three properties in town and wrote three letters to the City Council, one for each property. He said that he predicted that his water bill would be doubling if the City implemented the proposed rate structure, and they did.

Mayor Garnier asked if it would be possible to eliminate the base rate and charge customers strictly on usage.

Mr. Newton responded that it was a possibility, and that staff would have to look at the costs, how the revenue is generated, and a significant portion of the revenue that the department earns is from the base rate.

Several unidentified members of the audience made comments related to senior citizens, residents on fixed income and not watering lawns.

Mayor pro tem Franco asked if a fifty percent increase was something that could be looked at, and possibly rescind the new rate structure. He asked about pursuing block grant funding to complete repairs.

Mr. Newton responded that the City has received \$2.1 million for system improvements through the IRWM group, and that a project has been proposed for the 2016 CDBG funding cycle for approximately \$2 million however the City has not been notified if that application has been successful.

Mr. Hancock stated that the City Council dedicated a significant amount of consideration to the senior citizens and others in the community on fixed income, and were unanimous in the decision to not increase the base rate. This did create a more dramatic effect on the higher end users, and given the example shared by a citizen at the August 3<sup>rd</sup> meeting of using 8,000 cubic feet of water each month, he stated that it is about half of what the Johnstonsville Water tank holds. That is water that is being used by just one customer for one month.

Ted Friedline stated that Mr. Hancock could not buy into it because he does not live in town and cannot be a credible representative of the people.

Mr. Hancock stated that he is very invested in what goes on in the community, citing an example of having an issue with his own well. Not only does he pay for electricity to run the pump, but he had to have a crew come and test the system, and he received a substantial bill for their services. He wished that he could have called the Public Works crew to come out and take care of it. Mr. Hancock also referred to a comment that Mr. Friedline made about employee morale with the public works crew, stating that the morale concern is not related to the outdoor working conditions during the winter months. It is about the crews going out week after week, working hard to put patches on lines that sometimes look like swiss

cheese because of all of the leaks and holes in the piping. They do that work knowing that a new leak will pop up somewhere further down the street and affect different customers and there is no money to fix it. While grant funding is always welcome, there is often no time to develop a plan, conduct engineering studies and identify money to make the repairs. He commended staff for the enormous amount of time that they devoted to developing the study, educating the public and notifying customers of the rate increase, but what really got everyone's attention was their bill. The timing of it was unfortunate but in reality if the City had implemented the new rates at the end of irrigation season, most customers would not have noticed any increase until six months later when they began watering their lawns. The City did not want to do that, and wanted to be as transparent as possible. He commended those present for their respectful tone and demeanor, and having a debate without being rude or negative. When people are discussing a topic that hits close to home, it is a difficult thing to remain calm and have a discussion, and he appreciated the tone of the comments.

David Teeter commented that the City does not pay Mr. Hancock to live in the City, and it is his job to be responsible in managing the City's budget, and he does a good job and has always demonstrated that he has a vested interest in the City's business.

Motion by Mayor pro tem Franco, second by Councilmember De Boer, to rescind Resolution No. 16-5297 and reinstate prior rate structure; motion carried by polled vote. Ayes: Franco, De Boer and Stafford. No: Garnier and Wilson.

Mayor pro tem Franco encouraged those present to look at updated landscaping and other ways to conserve, because a rate increase is coming.

An unidentified member of the audience thanked the City Council and those present for supporting the rescission of the water rates.

Mr. Hancock stated that the City operates under a split billing cycle and requested clarification of the effective date to reinstitute the old billing rates.

Ms. Savage stated that billing for route one and three are mailed on August 18<sup>th</sup>, and billing for route 2 is mailed on the 31<sup>st</sup>.

It was the consensus that the billings should be generated in such a manner that no segment of customers would receive an additional higher billing than another. The lower rate would be in effect for all September usage and reflected on the October bills.

Mayor pro tem Franco asked if the workshop schedule could be fast tracked.

Mr. Newton explained that the notification for a public hearing to increase rates has to include what those rates will be. Staff will prepare a plan, schedule and study elements for the Council to consider a revised rate proposal.

It was the consensus of the City Council to schedule a workshop on Wednesday, August 24<sup>th</sup> at 5:30 p.m.

### **13      CITY ADMINISTRATOR'S REPORTS:**

**13A      Property Maintenance Ordinance update** Mr. Hancock stated that there are chronic issues with property maintenance regulations within the City of Susanville. The City receives complaints related to a

number of items, including nuisance odors, trash, rodents, and other conditions that reduce property values in addition to the number of foreclosures in the City, it has affected many neighborhoods.

The City brought forth a comprehensive property maintenance ordinance and staff was asked to refine it, and the issue of mandatory trash pickup was also discussed. The City Council directed to utilize the ordinance authority that is already in place, and implement as best possible with existing staffing levels. Staff has identified a number of items and the report summarizes what is essentially the top complaints that are received as follows:

- Foreclosed properties - ongoing property maintenance issues
- Substandard rental housing - tenant complaints, poorly maintained rentals
- Weeds/overgrown vegetation/dead and dying trees, shrubs, etc.
- Accumulation of household trash and refuse
- Accumulation of junk/appliances/inoperable automobiles & auto parts
- Use of yard areas (particularly front yard) for storage of autos, RVs, boats, snowmobiles, etc.
- Poorly maintained structures, peeling paint, deteriorating siding and roof, etc

Staff looked at the International Property Maintenance Code (IPMC) that summarizes 19 different categories, and does not cover weeds or animal shelters as those are addressed in the municipal code by different departments. Staff would like feedback from the Council as to what items are deemed to be the most critical. Mr. Hancock reviewed the provisions of the IPMC as follows:

1. Applies to all existing residential and non-residential structures and premises and constitutes the minimum standards.
2. Covers equipment, systems and mechanical devices to be maintained in good working order.
3. Has a provision to collect fees to cover inspections and enforcement costs may be charged as a lien against the property.
4. Makes the Building Official the primary enforcement official with the power to appoint deputies.
5. Violations may be charged as a misdemeanor or infraction at the discretion of the enforcement official.
6. Prohibits the sale or transfer of a property which has a compliance order or notice of violation unless the new owner provides a signed and notarized statement they are aware of the order or notice and accepts responsibility for making the corrections or repairs.
7. Applies to the interior and exterior of a building. Covers structural defects as well as paint and weather proofing. Has requirements for locking doors and windows, for example all openable windows shall "be easily openable and capable of being held in position by window hardware," all exterior doors shall "be maintained in good condition and with locks that tightly secure the door." Basement entrances and windows shall prevent rodent entry, etc.
8. Has criteria which define an unsafe building.
9. Covers concrete work including walkways requiring a proper state of repair free from hazardous conditions.
10. Covers requirements for hand rails and guardrails.
11. Covers rubbish and garbage requiring owners to provide approved covered containers for garbage and to be responsible for garbage removal. Requires occupants to dispose of garbage and rubbish and keep premises clean and sanitary. Requires a waste grinder in each dwelling unit.
12. Covers pests and pest elimination with the owner being responsible for pest control of their own property and at initial renting of a single family dwelling (occupants are responsible after taking possession of a single family dwelling). Owners are responsible for common areas and exterior spaces

in apartments and boarding houses and occupants for their space unless infestation is a result of building defects.

13. Address light and ventilation requiring minimum window area and minimum openable windows for habitable space equal to 8% of the floor area for light with 45% of the 8% being openable for ventilation. Lighting for hallways is included. Require mechanical ventilation for bathrooms without windows.
14. Contains minimum dimensions for habitable rooms requiring a ceiling height of 7 feet and 70 square feet for a bedroom with a minimum of a 7 foot length in any direction for a room. Require access to a water closet on the same floor as a bedroom.
15. Covers plumbing facilities and access to toilet rooms.
16. Covers maintenance of mechanical and electrical systems. Heating systems must be capable of maintaining 68 degrees in all habitable spaces unless outdoor temperatures go below the winter outdoor design temperature for the locality. In areas where the average monthly temperature is above 30 degrees the minimum temperature is 65 degrees. Requires proper venting. Dwelling units must have a minimum electrical service of 3-wire 120/240 volt single phase service with 60 amps. Improper wiring or deterioration of electrical components is required to be corrected. Each habitable room must have 2 electric receptacles, bathrooms one (gfi needs to be installed if replacing bathroom receptacle).
17. Covers fire safety requirements including smoke alarms in all residential structures as follows: In all bedrooms, on each level of the structure, in new construction alarms must be hard wired and interconnected so if one goes off all go off.
18. Has a provision for weed abatement.
19. The code has an appeal process to an independent body that has expertise in property maintenance

Councilmember De Boer stated that all of them are critical, and in driving around Susanville there are more and more dilapidated properties every week.

Mayor pro tem Franco stated that he would not drop any of them, as every issue is very much prevalent in town. He asked if number 10, address poorly maintained structures would apply to sheds.

Mr. Hancock responded that more information would be needed, as sheds are not intended for habitation and structures less than 120 square feet are not subject to the building permit process. The proposed code is considered a model code, because the City did not draft it and it is geared more towards the maintenance and condition of homes. The City would have the ability to extend it.

Mayor pro tem Franco asked if the City would have to hire additional staff if there were enough employees to enforce it.

Mr. Hancock responded that the City has existing resources and the responsibilities for enforcement of existing codes are assigned to different departments and they work together. In order to enforce the proposed ordinance, staff would have to identify additional resources.

**Raj Baines** stated that the poor condition of sheds is a problem, as they can be broken and damaged and also cause an eye sore for the property. The code should include a standard for sheds. The current code allows property owners to have 100 square feet of junk in their yards. It should not be allowed at all. What if every home in town had a ten by ten foot pile of junk in their front yard. His neighbor has been creating a nuisance for almost ten years, and he has moved from the property. If he had enough money to move, he should have enough money to fix up his property and the City should force him to fix it up. It is

nonsense that he has several years' worth of documented complaints and still the property is in terrible condition.

Mayor pro tem Franco stated that this is a timely discussion as it has become a real problem.

Councilmember De Boer stated that he supports directing staff to fully enforce all of it and find out from the attorney how far the City can go. The landlords should also be held responsible for what the tenants are doing. There are three properties down the street from where he lives that are essentially junk yards, and the City needs to act to eliminate those conditions that are happening all over town.

Mayor Garnier noted that the proposed policy did not include a provision for fines or penalties and asked if staff was looking to establish guidelines and content first.

Mr. Hancock confirmed that the existing laws to address property maintenance are missing some key elements and staff is proposing to round out those regulations and then address enforcement, which would be primarily through an administrative process. To have the process move through the court system makes it more cumbersome and expensive to enforce.

Mayor Garnier stated that she has received feedback from people who say they are told by the police department that unless they actually witness a violation, they can do nothing to address it.

Mr. Hancock stated that with animal control issues, the City can and does respond whenever they receive a complaint.

Mayor pro tem Franco expressed his concern with any regulations that are not enforceable. They are essentially useless unless they can be enforced.

Craig Sanders, City Planner, described the policy currently utilized in Chico that involves an administrative citation process that has been used successfully to address property maintenance violations.

Councilmember Wilson commented that there are hundreds of homes in the City currently affected that would be in violation of the proposed maintenance standards, and at this time, the City does not have the staffing to enforce it which would render the guidelines essentially useless. It is easy enough to pass the ordinance but if it is not enforced and complied with equally across town then the City Council is just passing laws and not really addressing the problem, which is the dilapidated condition of many homes in the City.

Mayor pro tem Franco stated that if the City does nothing, then there is no chance that the situation will improve, and the laws that are in place are not adequate to address a number of the problems that exist in literally every neighborhood in town.

Mayor Garnier commented that the list presented by staff is very comprehensive, and she does not see how it would be possible to remove any of the items because they are all a current problem in the community. Mr. Baines has documented problems with his neighbor for nearly ten years, and she has also experienced problems in the past with neighbors whose dogs are a constant danger and nuisance.

Councilmember De Boer stated that it is a matter of protecting the health and safety of the community, and the children who a lot of the times are just living in filth.

Mayor Garnier noted that a mandate is a bit too much, and telling people to cut grass is one thing, but what about the boat they own that is stored year round in the front yard. A number of people in the community store a lot of belongings in the front yard, and where to make the distinction of what is acceptable and what is not is going to be challenging.

Councilmember Wilson stated that mandatory trash collection is not going to solve the problem of people who choose to clutter their yards with junk. He talked about his neighbor who is an elderly woman that does not pay for trash pickup, but her son comes every week and collects her trash each week.

Craig Sanders stated that the abatement process can and has taken up to 30 days to enforce.

Mayor Garnier gave an example of the City mandating an inspection of rental properties once a year to keep landlords from renting out slum properties.

Mayor pro tem Franco stated that the market for the so-called slum landlords is attracting a different type of tenant who has created different ways to generate the cash needed to pay rent.

It was the consensus to utilize the existing suggested list and continue working towards adoption of a property maintenance policy.

**14     COUNCIL ITEMS:**

**14A    AB1234 travel reports:**

**15     ADJOURNMENT:**

Motion by Councilmember De Boer, second by Mayor pro tem Franco, to adjourn; motion carried unanimously. Ayes: Wilson, Stafford, Franco, De Boer and Garnier.

Meeting adjourned at 9:58 p.m.

Respectfully submitted by

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Kathie Garnier, Mayor

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Gwenna MacDonald, City Clerk

*Approved on: September 21, 2016*