

**SUSANVILLE CITY COUNCIL**  
**Regular Meeting Minutes**  
**March 15, 2017– 6:00 p.m.**

Meeting was called to order at 6:00 p.m. by Mayor Garnier.

Roll call of Councilmembers present: Brian 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 De Boer, 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:** No business.

**3      CLOSED SESSION:** At 6:01 p.m. the Council entered into Closed Session to discuss the following:

- A      CONFERENCE WITH LABOR NEGOTIATOR – pursuant to Government Code §54957.6
  - 1      Agency Negotiator:    Jared G. Hancock
  - Bargaining Unit:      All
- B      CONFERENCE WITH REAL PROPERTY NEGOTIATOR – pursuant to Government Code 54956.8:
  - 1      Property:                      APN: 101-110-33 and a portion of 101-060-18
  - Agency negotiator:    Jared G. Hancock
  - Negotiating parties:    City of Susanville/Bureau of Land Management
  - Under negotiation:      Property Acquisition
  - 2      Property:                      APN: 116-180-04
  - Agency negotiator:    Jared G. Hancock
  - Negotiating parties:    City of Susanville/Various Ground Leases
  - Under negotiation:      Lease Terms
- C      CONFERENCE WITH LEGAL COUNSEL Anticipated litigation – pursuant to Government Code 54956.9(d)(2): one

**4      RETURN TO OPEN SESSION:**

At 7:06 p.m. the City Council recessed Closed Session and reconvened in Open Session.

Staff present: Jared G. Hancock, City Administrator; Jessica Ryan, City Attorney; 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 prior to Closed Session, the City Council approved the agenda as submitted, and there was no reportable action. The Council would be reconvening in Closed Session at the conclusion of Open Session.

Mayor pro tem Franco offered the Thought of the Day.

Mayor Garnier read a proclamation honoring Vietnam Veterans and recognizing April 1<sup>st</sup> as Welcome Home Vietnam Veteran's Day.

Mayor Garnier read a proclamation in recognition of National Crime Victims' Rights Week. Events during the week of April 2 to 8, 2017 would be held to recognize and support local victims of crimes, including the Walk a Mile in Their Shoes event scheduled for April 8, 2017.

Mayor Garnier presented Councilmember Rod E. De Boer with a plaque honoring his 20 years of service on the Susanville City Council. She thanked him for his positive support and advice that he shared with her as a new councilmember.

Councilmember De Boer spoke highly of the community, City staff and Council, and thanked everyone for the opportunity to represent the citizens of Susanville.

**David Teeter**, District 1 Supervisor, thanked Councilmember De Boer for his service and for mentoring younger politicians in the community.

**Lino Callegari** spoke regarding Councilmember De Boer's service to the community through his service on the Council and through his career with the Lassen County Sheriff's Office. He stated that it had been an honor to serve so many years with him.

**5      BUSINESS FROM THE FLOOR:**

**Susan Christensen**, representing Lassen County Chamber of Commerce, spoke to the Council regarding the annual Main Cruise event scheduled for June 23-24, 2017. She requested that the request for fee waiver include the use of the Community Center from 7:00 a.m. to 5:00 p.m. on event days. The use of the facility had not been included on the original request.

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

- A      Approve minutes from the City Council's February 15, 2017 meeting
- B      Approve vendor warrants numbered 99781 through 99884 for a total of \$252,172.41 including \$148,810.80 in payroll warrants

Motion by Councilmember Wilson, second by Councilmember Stafford, to approve the Consent Calendar; motion carried unanimously. 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 approval of Resolution No. 17-5356 authorizing street closure, waiver of park fees and approve service of alcoholic beverages for the Main Cruise event on June 23-24, 2017** Mr. Hancock explained that the Main Cruise event is hosted by the Lassen County Chamber of Commerce and it was moved from its traditional location on Main Street to Memorial Park. The event was very successful

and the Chamber has requested to expand this year to a two-day celebration to include activities on Friday from 5:00 p.m. to 9:00 p.m. and on Saturday from 7:00 a.m. to 5:00 p.m. The proposed schedule includes a Friday night motorcycle show and slow drag races and Main Cruise, a Saturday poker run, soapbox derby races and the car show at the park. City staff will work with the Chamber to mark and flag areas of the park that need to be avoided, and the sale of alcoholic beverages requires City authorization to complete the permit process through the Department of Alcoholic Beverage Control. Staff indicated that they would bring back an item to authorize the use of the Community Center as has been requested.

Motion by Councilmember De Boer, second by Mayor pro tem Franco, to approve Resolution No. 17-5356; motion carried unanimously. Ayes: Wilson, Stafford, Franco, De Boer and Garnier.

**9B Consider approval of Resolution No. 17-5357 approving online user license agreement with ParcelQuest and authorizing City Administrator to sign agreement** Mr. Hancock explained that ParcelQuest is a property data program that is used regularly by staff to meet noticing requirement projects, identify property ownership for nuisance abatement as mapping software and is relied upon to process more sophisticated planning related projects. The City has tried to keep the cost as low as possible over the years by sharing discs with other departments and things of that nature, however approximately four or five years ago, ParcelQuest updated the service to user subscriptions, and they were no longer making the CDs available. The City used a low cost trial period for the online service, and has been able to negotiate a user cost of \$2,500 annually for a three-year contract. It allows for unlimited users, and as a contract, it requires City Council authorization.

Motion by Councilmember De Boer, second by Councilmember Stafford, to approve Resolution No. 17-5357; motion carried unanimously. Ayes: Wilson, Stafford, Franco, De Boer and Garnier.

**9C Consider approval of Resolution No. 17-5359 authorizing Mayor to execute annual Certificate of Army materiel Status for Uh-1 Huey and AH-1 Cobra Helicopter at Susanville Municipal Airport** Mr. Hancock explained that this item is related to the lease of display helicopters at the Susanville Municipal Airport, and the Howitzer at Memorial Park. The lease requires that the City provide a statement certifying that the City still has the equipment, and pictures to certify that it is being displayed in the same manner and condition as they were in the original photograph.

Motion by Councilmember Stafford, second by Councilmember De Boer, to approve Resolution No. 17-5359; motion carried unanimously. Ayes: Wilson, Stafford, Franco, De Boer and Garnier.

**9D Consider approval of Resolution No. 17-5360 authorizing annual certification of Materiel Status for the GPF M1917/18 Series Gun at Memorial Park** Mr. Hancock stated that the City is also required to recertify the use and condition of the cannon on display at Memorial Park. The statement of condition is renewed each year with the US Army as per the terms of the original Conditional Deed of Gift.

Motion by Councilmember Stafford, second by Councilmember De Boer, to approve Resolution No. 17-5360; motion carried unanimously. Ayes: Wilson, Stafford, Franco, De Boer and Garnier.

**9E Consider request to sell Susanville Municipal Airport Hangar #28** Mr. Hancock reported that Hangar #28 owned by Judge Sokol has been offered for sale, at a price of \$35,000. The hangar is in good condition, and as part of the agreement between the hangar owners and City, the City has the right of first refusal when the owner decides to sell his or her hangar. The City has normally not moved forward in

exercising this option, allowing the sale to the private party to proceed. He noted that the sale terms are not cash-only, and the hangar is a good value at the proposed sale price and terms.

Councilmember Wilson asked what the rent would be if the City were to purchase the hangar.

Mr. Hancock responded that he did not have those exact figures, but would estimate the rental to be anywhere from \$400 to \$700 per month. There is some merit to the City in having additional rental options for hangars at the airport, and the purchase price of \$35,000 is roughly half the cost of what it would cost to build a new hangar.

Councilmember De Boer stated that the City has not purchased a hangar in a number of years, and if it is in good shape, and the price is right, perhaps that is something that the City Council should consider.

Councilmember Wilson asked if the Fire Department is still storing equipment at the airport.

Mr. Hancock replied that the City still owns an older hangar that is in poor condition, and it is still being used to store equipment.

Mayor pro tem Franco asked who is responsible for paying the ground lease if the hangar is purchased through a financing option and not purchased outright for cash.

Mr. Hancock stated that the owner of the hangar is responsible for the land lease payment, so whoever is the owner of record would also be responsible for paying the land lease.

Councilmember Wilson stated that traditionally the City has passed on the option to move forward and purchase the hangar, and he has mixed feelings on purchasing when the assumption is probably made by the seller and buyer that the City will decline to exercise its right of first refusal.

Councilmember De Boer added that there may be merits to purchasing the hangar, but the need for it is not something that has been on the forefront of any airport related discussions, so it may be not worth moving forward on this particular option.

Councilmember Wilson asked where the hangar was located.

Mr. Hancock responded that it is near the second taxiway.

Mayor pro tem Franco suggested researching further to gather more information regarding rental demand and costs, and bring back to the Council for further review.

Mr. Hancock stated that since the purchase options have been typically waived by the City, he would like to do additional research and bring the item back for further discussion.

It was the consensus of the City Council to bring back additional information regarding the possible exercise of the City's first right of refusal option.

**9F Consider request for Park Fee Waiver for the Lassen Family Services 4<sup>th</sup> Annual "Walk a Mile" event** Mr. Hancock stated that Lassen Family Services is holding their 4th Annual "Walk a Mile in Their

Shoes" event Saturday, April 8, 2017. The walk start at Roop's Fort and ends at Memorial Park and Lassen Family Services has requested a police escort both in front of and following behind those who are participating in the event. A fee waiver for the use of Memorial Park has been requested as well, for an estimated cost of \$976.00 for City support of the event.

Motion by Councilmember De Boer, second by Councilmember Stafford, to approve the waiver of park fees for use of Memorial Park and a police escort as requested for the Walk a Mile event scheduled for April 8, 2017; motion carried unanimously. Ayes: Wilson, Stafford, Franco, De Boer and Garnier.

**9G Consider Resolution No. 17-5361 approving fiscal year 2016-2017 mid-year budget adjustment** Ms. Savage reported that every year, the City adopts a budget in June that sets the appropriations for the coming fiscal year. Revenues are based on projections that are received from Lassen County and the State of California and expenses are projected to fund critical operations. The City Council conducts workshops and works with staff to establish priorities for the upcoming year. The budget is reviewed at mid-year and adjusts these projections based upon more up-to-date revenue allocations from the County and State, and any additional expenses that were not predicted or that may have occurred during the first six months of the fiscal year.

The mid-year budget for fiscal year 2016-2017 reflects current projections for Property Tax In-Lieu of VLF and Sales Tax. Staff is not proposing to change projections on any of the other revenues at this time, but will be monitoring them closely. Ms. Savage reviewed the proposed increase to expenditures that are necessary to complete the budget for a total General Fund expenditures budget of \$5,575,418, all other funds budget \$14,074,125 for a total City budget of \$19,649,543.

Councilmember Wilson asked for clarification regarding the SCORE dividend of \$117,000 referred to on page four of the attachment, asking if that revenue was allocated to the reserve account.

Ms. Savage responded that the reimbursement is booked and then transferred to the Reserve fund from Risk Management.

Councilmember Wilson noted the expenses that are listed for the K-9 program, and asked if a separate resolution would be needed to authorize those expenditures. He expressed concern that the program was going to be funded and loaded in the budget without further discussion.

Mr. Hancock responded that there were no items in the proposed increase to expenses that would require a separate resolution, but certainly if the Council chooses to discuss the K-9 program further, those line items could be removed and the item brought back for further discussion and consideration of making the necessary budget adjustments.

Councilmember Wilson asked if the expense of snow removal was still reimbursed at fifty percent.

Ms. Savage confirmed that it was, adding that the expense is incurred in the current fiscal year and will be larger, with the revenue received in the next fiscal year which will reflect the increase in expense.

There were no further comments or questions regarding the mid-year budget.

Motion by Councilmember De Boer, second by Mayor pro tem Franco, to approve Resolution No. 17-5361; motion carried unanimously. Ayes: Wilson, Stafford, Franco, De Boer and Garnier.

**9H Consider Resolution No. 17-5362 approving and authorizing the City Administrator to execute agreement for auditing services with Badawi & Associates for the fiscal year 2016-2017** Ms. Savage explained that the City Council approved a one-year agreement with Badawi & Associates for auditing services for the 2016-2017 fiscal year. The agreement contained a one-year option to renew for an additional two years. Pricing for the additional years would be an increase of \$690 for the City audit, and \$90 for the cost of a single audit. The single audit is only necessary if the City reaches the \$750,000 annual threshold for federal spending.

Motion by Councilmember Stafford, second by Councilmember De Boer, to approve Resolution No. 17-5362; motion carried unanimously. Ayes: Wilson, Stafford, Franco, De Boer and Garnier.

**9I Consider approval of Resolution 17-5363 authorizing Building Permit Fee Waiver for flood damaged properties** Mr. Hancock explained that based upon direction received from the City Council, a resolution has been prepared to authorize the waiver of building permit fees for applicants repairing structural damage that occurred during the flooding events of January and February of this year. It is recommended that a pre-inspection of the damage be performed before granting the waiver to insure that the damage was flood and storm related. The Building division has already performed numerous inspections and has likely inspected most of the damaged structures in the City. The City is in the position of only waiving our fees and applicants will still have to pay required State fees which are expected to be \$1.00 - \$2.00. Applicants who have already paid for building permits for flood related damage may request a refund of fees paid.

Councilmember Wilson stated that he is in the insurance industry, and as such he knows that when a flood insurance policy pays out, the payment includes the permit fees. People are receiving those funds from the insurance company and then will be banking the money. He added that he is not saying that he would not support waiving fees, he just wanted to make it clear that the flood policy pay out includes those charges.

Mr. Hancock responded that it is a valid point, and the City is looking at a pretty tight budget and that is potentially a few thousand dollars in revenue that would be waived. It is a fairly common practice for most agencies to waive fees related to those types of damages, but the City could look into options to verify that the property owners who request the waiver are not covered by flood insurance.

Councilmember Wilson responded that he is not sure what the right mechanism would be for that process, however if it is not considered a gift of public funds then the City should probably consider doing it.

Mayor pro tem Franco asked if there was any way to determine what percentage of the permits would fall into that category.

Mr. Hancock responded that there were people still working with their insurance company, and as a result, staff did not want the process to go on indefinitely, a time deadline was added to the resolution. The pre-inspection by the City Building Official to determine the cause of damage must be completed by the end of April, and application for a building permit must be filed by the end of June.

Mayor pro tem Franco asked if there would be some sort of verification required from people to prove that they are not being reimbursed. When the subject came up at the previous meeting he stated that he assumed there would be payment of building permits through the flood insurance process, but it probably needs to be given another look so that there can be some sort of verification.

Councilmember De Boer suggested looking into the options further and discussing with legal counsel to ensure that there is not any selective enforcement of the process.

Chief Moore stated that the assessment process conducted by OES and the Small Business Administration included five questions, and one of the questions is 'do you have flood insurance.' The information has to be kept on record as part of the declaration of disaster process, and there were at least 25 homes in the City that were uninsured.

Mr. Hancock stated that establishing a simple verification process would be an important component of the fee waiver policy.

Councilmember Wilson commented that it would have to be on the honor system, since it is not a public record and there would be no way to obtain that information other than from the homeowner. He added that he is not opposed to waiving permit fees, he just wanted to make everyone aware that not everyone is impacted in the same way by the recent flood event.

Mr. Hancock stated that based upon direction from City Council at the previous meeting where it was the consensus to waive fees, staff knew that some people had already been charged a permit fee, but no other applicants had been after that date. The intent was, that once the resolution was formalized, a refund would have to be issued for the people who were already charged. In moving forward, staff will calculate the fees, let the homeowner know the amount, and let them know that the City is looking at options to waive the fees and have them proceed with the project. The approval process would include verification from the Building Official that the damage and work related was as a result of the flood, so it could not be stretched out or added to projects that they may have already had in mind for their home.

Mr. Hancock added that the question of whether or not the homeowners who had flood insurance would be reimbursed for the building permit costs if the City had waived the fee associated with that building permit. It was a question that would be looked into and then brought back for further discussion.

Mr. Hancock stated that on a related topic, the Small Business Association will be in town to meet with commercial and residential property owners who have experienced damage to their property due to the floods. They have very low-interest funding opportunities for those people who may not otherwise be able to pay to repair the damage on their homes. They've asked to set up a staging area to meet with the public at the fire station, and are looking to get started tomorrow. There is no cost for the interviews and public outreach process, and staff is asking for City Council authorization to use the City's facility for that process.

Mayor Garnier stated that it would be a benefit to the community and would support allowing the use of the fire hall.

It was the consensus of the City Council to allow the use of City property at no cost to the Small Business Administration.

**9J Review of Options to Fill City Council Vacancy created by the Resignation of Rod De Boer** Mr. Hancock explained that with the resignation of Councilmember De Boer, the City Council has 60 days to act to either appoint a replacement, or move forward with holding a special election. The person appointed or elected would fill the remainder of Councilmember De Boer's term which ends in June 2018. He referred to materials that were included from the League of California Cities that provide a comprehensive overview of filling vacancies on the City Council. He requested comments from the City Council.

Councilmember Wilson asked what the cost of a special election would be.

Mr. Hancock stated that the City normally consolidates its elections with the County, however we could obtain a cost estimate to hold a special election.

Councilmember Wilson commented that he would prefer to appoint a successor to fill the vacancy.

Mayor pro tem Franco stated that he has no problem with appointing someone to fill the vacancy, as long as the process is as fair as possible.

Councilmember De Boer added that if the term is only for one year, it did not make sense to spend the money to conduct a special election.

Mr. Hancock explained the review of candidates must take place in open session in order to meet the requirements of the Brown Act, and staff could begin advertising to solicit letters of interest and hold interviews at either a special meeting, or during a regular meeting if the Council so chooses. It would be necessary to have time to review the applicants to verify that they meet minimum qualifications prior to administering the Oath and seating them on the Council.

It was the consensus of the City Council to make an appointment to fill the unexpired term of Councilmember De Boer. Applications would be solicited through April 7, and a special meeting tentatively scheduled for April 11 to conduct interviews and make the appointment. The newly appointed councilmember would be sworn in and seated at the April 19 meeting.

**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 K-9 Program Update

Mr. Hancock clarified that Chief King had a prior commitment out of town and could not be present at the meeting. He requested that the report regarding the K-9 Program be postponed until the next meeting so that Chief King could be in attendance to lead the discussion.

It was the consensus of the Council to do so.

The report was continued to the meeting of April 5, 2017.

**14**     **COUNCIL ITEMS:**  
**14A**    **AB1234 travel reports:**

**15**     **ADJOURNMENT:**

At 8:28 p.m., Mayor Garnier called for a five minute recess prior to reconvening in closed session.

At 8:33 p.m. the City Council reconvened in closed session.

The City Council adjourned closed session at 10:15 p.m.

Mr. Hancock announced that direction was given but there was no reportable action taken.

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

Meeting adjourned at 10:16 p.m.

Respectfully submitted by

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Kathie Garnier, Mayor

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Gwenna MacDonald, City Clerk

*Approved on: April 19, 2017*