

SUSANVILLE CITY COUNCIL
Regular Meeting Minutes
June 21, 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, Mendy Schuster 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: Stafford, Franco, Wilson, Schuster and Garnier

2 PUBLIC COMMENT REGARDING CLOSED SESSION ITEMS: No business.

- 3 CLOSED SESSION:** At 6:02 p.m. the Council entered into Closed Session to discuss the following:
- A PUBLIC EMPLOYMENT – pursuant to Government Code §54957:
 - 1. Public Employee Performance Evaluation: City Administrator

At 7:15 the City Council recessed closed session.

4 RETURN TO OPEN SESSION:

At 7:17 p.m. the City Council reconvened in Open Session.

Staff present: Jared G. Hancock, City Administrator; Jessica Ryan, City Attorney; James Moore, Fire Chief; Dan Newton, Public Works Director; John King, Police Chief; 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 with no changes. The City Council met in closed session and would be reconvening in Closed Session at the end of Open Session. There was no reportable action taken.

Mayor Garnier requested that a moment of silence be observed in memory of Clay Cagle.

5 BUSINESS FROM THE FLOOR:

David Teeter, District 1 Supervisor, referenced the Pancera Plaza improvement project, and thanked the City Council for the effort made to improve the uptown historic district. He talked about the America's Best Cities grant application, and discussed the concept of creating more of a Main Street feeling along the main corridor of town and less of a California Highway feeling.

Richard Parker, Chamber of Commerce President, thanked the City Council for the support that has been demonstrated that improves the community for everyone. He would like to keep the designs and improvements as lined out in the America's Best Cities plan at the forefront of discussions with Caltrans during their upcoming Main Street resurfacing project. All of the improvements should be geared towards

what is best for the City and not just the most economical for Caltrans. He complimented the City on the effort made to complete the Honey Lake Valley Community Swimming Pool.

Councilmember Schuster requested removal of Item 6B for separate consideration. She would be abstaining from consideration of that item because her family members own Jackson's Service Center and there is a payable listed in the Vendor Warrant report to that business.

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

- A Approve minutes from the City Council's May 17, 2017 meeting
- B Approve vendor warrants numbered 100500 through 100632 for a total of \$315,543.92 including \$160,085.96 in payroll warrants
- C Receive and file monthly Finance Report: May 2017

Motion by Councilmember Wilson, second by Mayor pro tem Franco, to approve Consent Calendar Items 6A and 6C; motion carried unanimously. Ayes: Wilson, Stafford, Franco, Schuster and Garnier.

Councilmember Schuster exited the Council Chambers.

Motion by Councilmember Stafford, second by Mayor pro tem Franco, to approve Consent Calendar Item 6B; motion carried. Ayes: Stafford, Franco, Wilson and Garnier. Abstain: Schuster.

Councilmember Schuster returned to the Council Chambers.

7 **PUBLIC HEARINGS:**

7A **Consider approval of Resolution No. 17-5385 Adopting the City of Susanville 2017-2018**

Budget Mr. Hancock reported that the City conducted a budget workshop on June 7, 2017 to solicit input from the community and City Council regarding the fiscal year 2017-2018 budget. Based on those discussions and direction given to staff to reduce the deficit, staff has made adjustments and revised the proposed budget accordingly. Mr. Hancock turned the floor over to Ms. Savage to explain the adjustments.

Ms. Savage explained that the budget is presented as Exhibit A of the resolution, and it reflects the financial data presented during the workshop, with changes as follows:

- Pay-off short term housing loan debt of \$148,857 in the 2016/2017 fiscal year thereby reducing transfers out of the General Fund by \$83,301 in 2017/2018 and \$65,556 in 2018/2019.
- Increase projected building permit revenue by \$10,000.
- Increase building department reimbursement revenue by \$2,000 for inspector services.

These changes reduced the projected General Fund deficit to (\$148,430).

Mr. Hancock added that the building permit was not an increase in permit cost, but an estimate in the number of residential and commercial permits to be issued. The short-term housing loan debt would be paid from Fund Balance, and not General Fund reserves.

Mayor Garnier asked what the total was in Fund Balance.

Mr. Hancock responded that the balance is \$1.4 million dollars.

There were no more questions or comments.

At 7:32 p.m. Mayor Garnier opened the public hearing and requested comments from the public. There being no comments, the public hearing was closed at 7:33 p.m.

Motion by Mayor pro tem Franco, second by Councilmember Wilson, to approve Resolution No. 17-5385; motion carried unanimously. Ayes: Franco, Wilson, Stafford, Schuster and Garnier.

7B Consider approval of Resolution No. 17-5391 establishing Honey Lake Valley Community Pool as eligible for the "Raw Cost" natural gas rate and confirming and continuing previously established rates Mr. Newton reported that at its June 7, 2017 meeting, the City Council approved a Utility Service Agreement with the HLVRA for the Honey Lake Valley Community Pool. It is necessary to modify the natural gas rates so that the Pool facility is listed as eligible for the "Raw Cost" rate. The resolution carries forward previous rates that are unchanged with the only modification being the addition of the Pool receiving a "Raw Cost" rate, which is determined based on the lowest contract price, per MMBTU, that the City pays for natural gas plus transmission costs. It does not include any costs to cover maintenance, operations, principle payments, or debt service and is currently set at \$0.386 per therm. The public hearing has been scheduled and properly noticed in accordance with California regulations.

There were no questions or comments from the City Council.

At 7:34 p.m. Mayor Garnier opened the public hearing and requested comments from the public. There being no comments, the public hearing was closed at 7:35 p.m.

Motion by Councilmember Wilson, second by Mayor pro tem Franco, to approve Resolution No. 17-5391; motion carried unanimously. Ayes: Wilson, Franco, Stafford, Schuster and Garnier.

Mayor Garnier recused herself from consideration of the following item, due to owning property located within the District. Mayor Garnier exited the Council Chambers.

7C Consider approval of Resolution No. 17-5392 setting assessments for Historic Uptown Susanville Association (HUSA) Fiscal Year 2017/2018 Mr. Hancock explained that this is the second phase in the process to establish the assessment for the upcoming fiscal year for businesses located in the Historic Uptown District. The City Council reviewed and approved the HUSA Annual Fiscal Report at its May 17, 2017 meeting, and set the date for the public hearing as required by the Streets and Highways Code. It is staff's recommendation to keep the rates at the same level as the 2016/2017 assessment, and City Council authority is required to levy an assessment for fiscal year 2017/2018.

At 7:38 p.m. Mayor pro tem Franco opened the public hearing and requested comments from the public.

Melanie Westbrook, HUSA President, thanked the City Council for the improvements being made with the Pancera Plaza project and continued support of the uptown district.

There being no further comments, the public hearing was closed at 7:39 p.m.

Motion by Councilmember Stafford, second by Councilmember Schuster, to approve Resolution No. 17-5392; motion carried. Ayes: Stafford, Schuster, Wilson and Franco. Abstain: Garnier.

Mayor Garnier returned to the Council Chambers and resumed her seat on the dais.

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

9 **NEW BUSINESS:**

9A Consider Resolution No. 17-5386 Establishing Appropriations Limitation for Fiscal Year 2017-2018 Ms. Savage explained that this is the second step required each year as part of the budgeting process to establish a budget and appropriations limit for the upcoming fiscal year. The State establishes a "spending limitation" through Proposition 4 that provides a limit to the annual appropriations that are funded by proceeds of taxes for each fiscal year. The limitation for fiscal year 2017-2018 is \$10,573,670, with the City's anticipated appropriation falling well below that threshold at \$4,897,480.

There were no questions or comments.

Motion by Mayor pro tem Franco, second by Councilmember Wilson, to approve Resolution No. 17-5386; motion carried unanimously. Ayes: Franco, Wilson, Stafford, Schuster and Garnier.

9B Consider request to write off Accounts Receivable Ms. Savage explained that the Administrative Services Department is responsible for the collection of revenues that are owed to the City. The City follows an established policy for the collection of past due accounts that includes sending delinquent letters, searching for new accounts in the utility billing system and performing a search using the credit reporting agency resources and calling phone numbers from the closed accounts. After all attempts have failed to recover the balance, staff prepares a report for City Council authorization to remove the uncollectable balances from the accounts receivable, and sends the accounts to a collection agency. The agency has access to additional records and has been successful in recovering additional funds. The accounts received in the first 6-12 months have been shown to have the highest potential for recovery and as delinquent accounts age, there are limitations placed on collection options. The City receives 66 percent of delinquencies collected and there is no additional fee charged for this service. Staff is requesting authority to write off \$5,447.16 in uncollected utility revenue for the period of January 2017 thru June 2017.

Mayor Garnier asked if the City charges deposits for the accounts that could be applied to the balance.

Ms. Savage responded that the deposits have already been applied to the accounts.

Councilmember Wilson asked how successful the collection efforts are, percentage wise, once they are turned over to the collection agency.

Ms. Savage responded that she did not have the number available, but could bring it as a future report.

Motion by Mayor pro tem Franco, second by Councilmember Stafford, to approve the Accounts Receivable write-off in the amount of \$5,447.16; motion carried unanimously. Ayes: Franco, Stafford, Wilson, Schuster and Garnier.

9C Consider request to allow the sale of alcoholic beverages concessions at the Diamond Mountain Golf Course Club House on July 15, 2017 and authorizing the T & A Lounge to obtain appropriate licensing Mr. Hancock reported that the City received a request from the Lassen High School Alumni to hold a class reunion scheduled for Saturday, July 15, 2017 at the old club house at the Diamond

Mountain Golf Course. The event will be catered by the T & A Lounge to provide alcoholic beverage sales and they will be responsible for obtaining the necessary license through the Department of Alcoholic Beverage Control. An authorization letter from the City is required as part of the application process to obtain the license.

Mayor Garnier asked how much the facility rents for.

Ms. Savage responded that it rents for \$120 per day.

Motion by Mayor pro tem Franco, second by Councilmember Schuster, to approve the request for an alcoholic beverage concession to be held on July 15, 2017 at the Diamond Mountain Golf Course; motion carried unanimously. Ayes: Franco, Schuster, Wilson, Stafford and Garnier.

9D Consider approval of Resolution No. 17-5394 approving Agreement between Lassen Community College and the City of Susanville Fire Department to use City facilities for the Health Occupation Program Chief Moore explained that the Fire Department staff was contacted by Lassen College Director of Nursing Christi Myers to provide an additional opportunity for EMT students to complete patient assessments to meet some of the clinical skill requirements of the course. The students are currently participating in a ride-along program with SEMSA, however each student is required to complete 10 patient assessments which can take some time for the entire class to complete. The Susanville Fire Department responds to EMS calls for service on a daily basis, and would provide additional opportunities to assist the student in completing the skill requirements of the course.

Councilmember Wilson commented that it sounds like a good program.

Councilmember Schuster agreed, adding that it's a great opportunity for the students.

Mayor Garnier added that it is good to see the agencies working together.

Motion by Mayor pro tem Franco, second by Councilmember Stafford, to approve Resolution No. 17-5394; motion carried unanimously. Ayes: Franco, Stafford, Wilson, Schuster and Garnier.

9E Consider approval of Resolution No. 17-5395 approving wireless service agreement with AT&T Chief King reported that in the course of modern police work, technology is critical in allowing the Officers to do their job and a lot of what they do requires cell phones as it eliminates the need to have separate cameras and recording equipment because cell phones have that technology in one device. At the Department the officers are currently using their own phones and they do not have the ability to immediately transmit information because the cars are not equipped with that technology and the law limits the use of personal devices to communicate certain types of information. In order to improve operational efficiencies and provide necessary communication and data collection equipment, staff is requesting City Council approval to enter into a wireless service contract with AT&T for cellular phones. The devices will be assigned to a vehicle and used by the officer on duty. The unlimited plan cost is included in the existing budget and proposed 2017/2018 fiscal year budget.

Motion by Councilmember Stafford, second by Mayor pro tem Franco, to approve Resolution No. 17-5395; motion carried unanimously. Ayes: Stafford, Franco, Wilson, Schuster and Garnier.

10 SUSANVILLE COMMUNITY DEVELOPMENT AGENCY: No business.

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

12 **CONTINUING BUSINESS:**

12A **Consider approval of Resolution No. 17-5393 amending the Fiscal Year 2016-2017 budget**

Mr. Hancock explained that the City provides various services to the Honey Lake Valley Recreation Authority through the Administrative Services Agreement. The agreement was updated at its April 17th meeting to include Operational Services to the HLVRA. The City will provide employees to fill the additional positions of Pool Director, Assistant Pool Director, Swim Instructors and Lifeguards. The employees will be City employees and all costs associated with those employees including staff time, office expenses and other direct costs will be reimbursed to the City by the HLVRA. The costs associated with the agreement were not included in the City's fiscal year 2016/2017 budget, so staff is requesting to load a revenue and expense budget in the amount of \$60,000 to be reimbursed through the Honey Lake Valley Recreation Authority.

Councilmember Schuster asked if the Pool Director was going to present a report to the City Council regarding the revenue and expenses of the facility.

Mr. Hancock responded that the primary duty of the Pool Director was to provide the information to the HLVRA Board, and the City's representatives on the Board could then request the information be presented at a City Council meeting. It would not really be appropriate for the City Council to receive the report before the JPA.

Mayor Garnier suggested providing a quarterly report.

Mayor pro tem Franco remarked that an end-of-season report regarding the facility would be reasonable and appropriate.

Mayor Garnier agreed, given that the facility is a new operation and the revenue and expense will be new information for the City to have at the end of the season and prior to the mid-year budget discussions.

Motion by Mayor pro tem Franco, second by Councilmember Wilson, to approve Resolution No. 17-5393; motion carried unanimously. Ayes: Franco, Wilson, Stafford, Schuster and Garnier.

12B **Consider approving the establishment of a revenue and expense budget to provide State of California OES Haz-Mat team training as authorized by Resolution No. 17-5380**

Chief Moore explained that the resolution approved at the May 17th City Council meeting approved executing an agreement with the State of California OES for Hazardous materials team training. Since approval of the agreement, staff received additional information from OES regarding the payment process. Initially the State would be paying the contractor directly to provide the training, however now the City will be requesting reimbursement from the State, and making the necessary payments to the contractor. It will be necessary to establish a revenue and expense budget to cover the pass-through costs. The first class is scheduled to begin on July 10, 2017.

Councilmember Wilson asked if there was an estimated time for the reimbursement to be processed.

Chief Moore responded that 30 days in arrears was average with the State.

Motion by Councilmember Stafford, second by Councilmember Wilson, to approve Resolution No. 17-5380; motion carried unanimously. Ayes: Stafford, Wilson, Franco, Schuster and Garnier.

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

14 **COUNCIL ITEMS:**

14A **AB1234 travel reports:**

Mayor pro tem Franco asked when the deadline for weed abatement is, as the weeds are drying up and dying, and some areas such as the corner of North and Grand Avenue are getting out of control.

Chief Moore responded that Monday, June 26th is the deadline for removal of weeds that present a dangerous or hazardous condition.

15 **ADJOURNMENT:**

At 8:07 p.m. Mayor Garnier called for a five minute recess prior to reconvening in Closed Session.

At 8:12 p.m. the City Council reconvened in Closed Session.

Closed Session adjourned at 10:45 p.m. Mr. Hancock announced that there was no reportable action taken.

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

Meeting adjourned at 10:46 p.m.

Respectfully submitted by

Kathie Garnier, Mayor

Gwenna MacDonald, City Clerk

Approved on: August 2, 2017