

**SUSANVILLE CITY COUNCIL**  
**Regular Meeting Minutes**  
**April 3, 2019– 6:00 p.m.**

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

Roll call of Councilmembers present: Brian Wilson, Joseph Franco, Brian Moore, Mendy Schuster and Mayor Kevin Stafford.

Staff present: Mike Wilson, City Administrator; Jessica Ryan, City Attorney and Gwenna MacDonald, City Clerk.

**1      APPROVAL OF AGENDA:**

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

**2      PUBLIC COMMENT REGARDING CLOSED SESSION ITEMS:** No comments.

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

- A      CONFERENCE WITH LEGAL COUNSEL - Anticipated Litigation Pursuant to Government Code Section §54956.9: one (1) case
- B      CONFERENCE WITH LEGAL COUNSEL – SIGNIFICANT EXPOSURE TO LITIGATION – pursuant to Government Code section §54956.9(b): one (1) potential case
- C      PUBLIC EMPLOYMENT – Pursuant to Government Code Section §54957
  - 1          Police Chief – Performance Evaluation

**4      RETURN TO OPEN SESSION:**

At 7:00 p.m. the City Council reconvened in Open Session.

Staff present: Mike Wilson, City Administrator; Jessica Ryan, City Attorney; Dan Newton, Public Works Director; Kevin Jones, Police Chief; James Moore, Fire Chief; Quincy McCourt, Project Manager; Deborah Savage, Finance Manager and Gwenna MacDonald, City Clerk.

Mr. Wilson reported that prior to Closed Session, the agenda was approved as submitted. The City Council met in Closed Session, provided direction to staff on Item 3A and 3C and there was no action taken on Item 3B.

Ms. Savage provided the Thought of the Day.

Mayor Stafford read a proclamation observing Volunteer Recognition Week.

Chief Jones spoke in support of the numerous volunteers throughout the community who dedicate their time to organizations, events, neighborhood watch groups and many other instances in order to make the community better for everyone.

**5      BUSINESS FROM THE FLOOR:**

**Glen Yonan**, Lassen Community College, invited those present to the ribbon cutting ceremony for the dedication of the Frank Ernaga Ball Field at Memorial Park. The ceremony was scheduled for noon on Saturday, April 6<sup>th</sup>, rain or shine.

**John Ripley** discussed the proposed location of the dog park at Skyline Park, and talked about the reasons why the Mesa Street property would be a better place to build the park.

**6**      **CONSENT CALENDAR:**

- A      Approve minutes from the City Council's March 6, 2019 meeting
- B      Receive and file Golf Course Report
- C      Receive and file Public Affairs Update
- D      Approve **Resolution No. 19-5632** authorizing fire department employees to pay under CFAA agreement

Motion by Councilmember Wilson, second by Councilmember Schuster, to approve the Consent Calendar; motion carried unanimously. Ayes: Wilson, Schuster, Moore, Franco and Stafford.

**7**      **PUBLIC HEARINGS:** No business.

**8**      **COUNCIL DISCUSSION/ANNOUNCEMENTS:** Commission/Committee reports: No business.

**9**      **NEW BUSINESS:**

**9A**      **Consider proposal to refinance Water and Natural Gas Bonds Presentation** Ms. Savage explained that the City issued \$36 million in debt to refinance the natural gas and water systems. When the bonds were issued, it was a blend of Series A for the water fund and Series B for natural gas. The utilities were combined during the issuance in order to secure a better rating for the natural gas system which was new and unrated. The City is considering refinancing the debt and removing the cross-collateralization that was set in place when the bonds were issued. She introduced Mark Holmstedt of Westhoff, Cone & Holmstedt to provide information regarding refinance options.

Mr. Holmstedt presented a power point to the City Council, and explained the refinancing options. The first option would be a base refunding using the current bond structure, which would result in an estimated annual savings of \$407,409 between the two utilities. This represents an overall savings of \$6.9 million over the life of the bond. Scenario two would be to separate the utilities to remove any encumbrance on the water system by the natural gas system. The annual savings to the City would be nearly the same, at \$408,525. He explained an additional scenario utilizing a direct purchase note. Mr. Holmstedt explained that the primary focus on refinance would be looking at scenario one and two. The overall savings to the customers would be an annual savings of approximately \$120 per customer for gas and water.

Councilmember Wilson asked if the refinance would free up the rate stabilization fund. Mr. Holmstedt responded that it would not make it more restrictive, and it would be the goal to maintain as much flexibility as possible in the rate stabilization accounts.

It was the consensus of the City Council to move forward with pursuing options to refinance the Series 2010 Revenue bonds for the natural gas and water systems.

**9B**      **Consider approval of request to co-sponsor Lassen Sportsmen's Club 30<sup>th</sup> Annual Jr. Fishing Derby** Mr. Wilson reported that the City has received a request to sponsor the 30<sup>th</sup> annual Jr. Fishing Derby by authorizing a waiver of the Park Use Fees and providing a cash contribution of \$1,000 from the Civic Contribution fund. Staff time in support of the event is estimated to be about \$1,500.

Mayor pro tem Franco asked with the recent weather and river conditions, if it was safe to hold the event or if there was consideration to postpone it as it had been the year before.

Mr. Wilson responded that senior staff members had scheduled an April 10<sup>th</sup> walk along the corridor to assess the condition of the river and identify areas in need of clean up prior to allowing children access to the river for the event. The Fire Department has a swift water rescue team that would be on stand-by during the event.

Motion by Councilmember Wilson, second by Mayor pro tem Franco to approve the co-sponsorship of the 30<sup>th</sup> Annual Jr. Fishing Derby as requested; motion carried unanimously. Ayes: Wilson, Franco, Schuster, Moore and Stafford.

**9C Consider Ordinance No. 19-1014 amending Chapter 8.28 Weed and Rubbish Abatement, Section 8.28.040 Abatement Procedure, of the Susanville Municipal Code; waive first reading and introduce** Chief Moore explained that in an effort to be efficient and consistent with the enforcement of regulations that pertain to Weed and Rubbish abatement per the Susanville Municipal Code Chapter 8.28. The section that pertains to the abatement process will more accurately reflect current practices and be consistent with the Property Maintenance section of the Code.

Motion by Councilmember Schuster, second by Councilmember Moore to waive the first reading and introduce Ordinance No. 19-1014; motion carried unanimously. Ayes: Schuster, Moore, Franco, Wilson and Stafford.

**9D Consider approval of Settlement Agreement with the Internal Revenue Service** Mr. Wilson reported that the City was audited in 2015 for tax quarters in the 2012/2013 and 2013/2014 fiscal years. It was determined that the City owed back taxes for those years, and an agreement has been reached with the IRS, and reviewed and approved by City Council. The fiscal impact is \$2,056 and the City is working to mitigate any future situations with an employee/contractor worker classification scenario which resulted in the underpayment of taxes.

There were no questions or comments.

Motion by Mayor pro tem Franco, second by Councilmember Schuster to approve the agreement with the Internal Revenue Service; motion carried unanimously. Franco, Schuster, Moore, Wilson and Stafford.

**9E Consider approval of Resolution 19-5629, approving Agreement for use of Conservation Camp Program with the State of California** Chief Moore reported that the City utilizes the services of work crews for many recurring maintenance tasks that are required at many City properties. These projects include weed clean up on vacant properties, Susanville River trail maintenance, Skyline Park maintenance and many others. Use of these crews is at a cost of \$200 per day plus a 12.5 percent administrative fee and is regulated by a two-year Memorandum of Understanding. The current MOU must be updated for the City to continue using these work crews.

Councilmember Wilson commented that this is a great program for the City.

Motion by Mayor pro tem Franco, second by Councilmember Schuster, to approve Resolution No. 19-5629; motion carried unanimously. Ayes: Franco, Schuster, Moore, Wilson and Stafford.

**9F Consider approval of Resolution No. 19-5630 establishing meeting time for Susanville Airport Commission** Mr. McCourt reported that the Airport Commission is proposing to modify their regular meeting schedule to once per month to discuss issues related to identifying additional funding sources to assist with the City's project match requirements.

Motion by Councilmember Schuster, second by Mayor pro tem Franco, to approve Resolution No. 19-5630; motion carried unanimously. Ayes: Franco, Schuster, Moore, Wilson and Stafford.

**9G Consider approval of Federal Surplus Property Reutilization Program agreement** Chief Moore explained that the California Federal Surplus Personal Property Program (CFSPP) oversees the reuse of State and Federal surplus property. While someone cumbersome to use, it provides the opportunity for the City to secure surplus property from the Sierra Army Depot. City staff must be authorized by CFSPP resolution to be an authorized buyer for the program, suggesting that Department Heads, City Administrator and Finance Manager be added by title as authorized buyers. There was a general discussion regarding the merits of the program, including the option to obtain equipment for nine percent of property acquisition cost.

Motion by Mayor pro tem Franco, second by Councilmember Moore, to approve the agreement with the designation of City Administrator, Fire Chief, Police Chief, Public Works Director and Finance Manager as authorized buyers; motion carried unanimously. Ayes: Franco, Moore, Schuster, Wilson and Stafford.

Councilmember Schuster asked if Item 12A could be moved up for discussion since many members of the audience were in attendance for that item. It was the consensus to do so.

**12A Consider approval of Skyline Multi-use Park Design and authorize the purchase of disc golf baskets and related equipment** Mr. McCourt reviewed the proposed design for the improvements to Skyline Park with the location of the pump track and disc golf course. There has been discussion regarding the location of the dog park at that site or at the Mesa Street property currently owned by the County. A tentative grand opening is scheduled for July 2019, and staff is requesting the approval of the design and authorization to purchase the equipment needed for the disc golf baskets.

Mayor pro tem Franco commented that the City does not have the money to purchase the land on North Mesa Street, and he would like to stick with the design at Skyline Park and focus spending at that location.

Mayor Stafford stated that he did not see that as a good location for a dog park.

Mr. McCourt explained that approving the design as presented does not mean that the City has to move forward with the dog park, but it means that staff will have the ability to move forward with the pump track and disc golf, and take advantage of the momentum for the project that has been generated among the volunteers.

There was a general discussion regarding the availability of water at Skyline Park, the opportunity to utilize volunteer forces to explore the option of building a dog park at Mesa Street, the potential of building a dog park at both locations, the private donor who is prepared to pay a good portion of the cost of the dog park, and the need to have the design approved in order to proceed with the disc golf course.

Mr. McCourt stated that the Council authorized the expenditure of \$15,000 on the Skyline Park improvements, with the requirement to bring the design back to Council before proceeding.

Motion by Mayor pro tem Franco, second by Councilmember Wilson to approve the park design with the exception of the dog park area, and authorize the purchase of disc golf equipment; motion carried unanimously. Ayes: Franco, Wilson, Schuster, Moore and Stafford.

**9H Consider selection of Auditing Firm and authorize staff to draft agreement for services** Ms. Savage reported that staff has circulated a Request for Proposals for professional auditing services. The City has received two proposals; one from Badawai & Associates and one from Van Lant & Fankhanel, LLP. Both firms are qualified to provide professional auditing services, however the City has utilized Badawai & Associates for the past several years and it is a good practice to change firms in order to have a fresh perspective on the City's financials. Staff would bring back an agreement at the next meeting for approval.

Motion by Councilmember Wilson, second by Mayor pro tem Franco, to select the firm of Van Lant & Fankhanel, LLP; motion carried unanimously. Ayes: Wilson, Franco, Moore, Schuster and Stafford.

**9I Approve Resolution No. 19-5631 appointing loan committee members and authorizing loan committee chairperson to execute loan documents and rescinding Resolution No. 13-4921** Mr. McCourt reported that the City's CDBG program requires that applications for housing rehabilitation and home buyer assistance loans be reviewed by a committee made up of staff members, city council representatives and a member of the public. The resolution granting authority to the loan committee has not been updated for several years, and staff recommends updating the resolution to reflect current staffing and grant programs, and suggests that the Council appoint a second representative to serve on the Committee.

Councilmember Wilson commented that having a six-member committee may not be a good idea, and that if another councilmember was interested in serving he would be fine with stepping down.

Mayor pro tem Franco stated that he appreciated having Councilmember Wilson's experience on the Committee.

Councilmember Schuster suggested adding a second public member in order to have a 7 person Board.

It was the consensus of the City Council to appoint Councilmember Schuster to serve as the second council representative, and modify the language of the resolution to include a Loan Committee comprised of two council representatives, two public representatives, the City Administrator, Finance Manager, and City Planner.

Motion by Mayor pro tem Franco, second by Councilmember Moore to approve Resolution No. 19-5631 as amended; motion carried unanimously. Ayes: Franco, Moore, Schuster, Wilson and Stafford.

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

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

**12 CONTINUING BUSINESS:**

*12A Consider approval of Skyline Multi-use Park Design and authorize the purchase of disc golf baskets and related equipment*

**12B Consider approval of Resolution No. 19-5628 accepting funds from the Susanville Police Officers Association (SPOA) to be used solely for the purpose of the SPD Canine program** Chief Jones explained that the Susanville Police Officers Association is a non-profit organization and they have been dedicating effort to fund raising for the establishment of a Canine Program at the Susanville Police Department. In order to expend these funds for the program, SPOA must gift the money raised to the City, to be used exclusively for the purpose of the program.

Motion by Mayor pro tem Franco, second by Councilmember Schuster, to approve Resolution No. 19-5628; motion carried unanimously. Ayes: Franco, Schuster, Moore, Wilson and Stafford.

**12C Consider Police Officer Trainee Update and provide direction** Chief Jones reviewed the costs associated with sending a police officer trainee candidate to academies at the College of Redwoods and Butte Community College. The cost options are approximately \$29,200 to \$32,700 per trainee, with the variation dependent upon lodging. Chief Jones requested direction from the Council regarding sending one trainee, or two. There was a general discussion regarding deadlines for admission to the academy, cost savings on health benefits for the six-month duration of the training, and the constraints related to the housing shortage in Butte County.

Motion by Councilmember Moore, second by Councilmember Wilson, to proceed with two candidates; motion carried unanimously. Ayes: Moore, Wilson, Schuster, Franco and Stafford.

**13 CITY ADMINISTRATOR'S REPORTS:**

**13A City of Susanville Theme Discussion** Mr. McCourt proposed the concept of developing a unified theme for Susanville by soliciting feedback from the community. Development of a theme would allow the citizens to participate in the process of improving the appearance and presentation of the city to visitors and residents. Susanville is known for its quality of life, beauty of the surrounding outdoor recreation opportunities, and incorporating that into future development and upgrades to buildings would allow the community to present a unified, positive theme. The proposed concept would include making an announcement at the Lassen County Fair regarding the chosen theme.

There was a general discussion regarding the various aspects of the community that is appealing to visitors and residents. It was suggested to include the Chamber of Commerce in the discussion, and refer to the Lassen County CEDS document that had been developed in 2012, and updated in 2016. It was the consensus of the City Council to move forward with the development of a community theme.

**14 COUNCIL ITEMS:**

**14A AB1234 travel reports:**

**15 ADJOURNMENT:**

Motion by Councilmember Schuster second by Councilmember Moore, to adjourn; motion carried unanimously. Ayes: Franco, Schuster, Moore, Wilson and Stafford.

Meeting adjourned at 8:46 p.m.

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Kevin Stafford, Mayor

Respectfully submitted by

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Gwenna MacDonald, City Council

*Approved on: May 1, 2019*