



**CITY OF CORNING
SPECIAL CITY COUNCIL
CLOSED SESSION MINUTES
TUESDAY, JUNE 26, 2018
CITY COUNCIL CHAMBERS
794 THIRD STREET**

This is an Equal Opportunity Program. Discrimination is prohibited by Federal Law. Complaints of discrimination may be filed with the Secretary of Agriculture, Washington, D.C. 20250.

A. **CALL TO ORDER: 5:30 p.m.**

B. **ROLL CALL:**

Council:

**Darlene Dickison
Dave Demo
Jose "Chuy" Valerio
Robert Snow**

Mayor:

Douglas Hatley Jr.

All members of the City Council were present except Councilor Dickison who was ill.

The **Brown Act** requires that the Council provide the opportunity for persons in the audience to briefly address the Council on the subject(s) scheduled for tonight's closed session. Is there anyone wanting to comment on the subject(s) the Council will be discussing in closed session? If so, please come to the podium, identify yourself and give us your comments.

C. **PUBLIC COMMENTS: None**

D. **REGULAR AGENDA:**

1. **CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION PURSUANT TO GOVERNMENT CODE SECTION 54956:**
One Case – David Beggins v. Carol Carpenter, Brian Carpenter, and the City of Corning, Federal Case No. 2:18-cv-01550.

E. **ADJOURN TO REGULARLY SCHEDULED CITY COUNCIL MEETING AND REPORT ON CLOSED SESSION:** Mayor Hatley reported that Council met with Legal Counsel and gave him direction.

Lisa M. Linnet, City Clerk



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A. **CALL TO ORDER: 6:30 p.m.**

B. **ROLL CALL:**

Council:

**Darlene Dickison
Dave Demo
Jose "Chuy" Valerio
Robert Snow**

Mayor:

Douglas Hatley Jr.

All members of the City Council were present except Councilor Dickison who was ill.

C. PLEDGE OF ALLEGIANCE: Led by the City Manager.

D. INVOCATION: Led by Mayor Hatley.

E. PROCLAMATIONS, RECOGNITIONS, APPOINTMENTS, PRESENTATIONS:

- 1. Presentation by Andy Roth, Aircon Energy, Inc.: "City-wide Energy Efficiency Project, a program for critical infrastructure upgrades of equipment to reduce energy usage and maintenance costs."**

City Manager Kristina Miller introduced Andy Roth who provided a brief update on the energy efficiency concept presented to the City Council about a year ago whereas Council authorized Aircon Energy Inc. to conduct an investment rate audit. He stated that at that time they presented 19 efficiency measures identified (updated HVAC, lighting, etc.), perspective savings the City could achieve if initiated, and the estimated associated costs.

Mr. Roth stated that City Staff selected 15 of those identified in six different areas for a total cost of \$355,000. He then introduced Teri Meyers from PG&E and explained that PG&E has funding available and the City would qualify for this funding. Mr. Roth also explained the program payback terms and associated costs. He stated that there is no cost to the City other than the initial construction loan which is reimbursable by PG&E. Ms. Meyers presented information about available funding and terms that would assist the City in completing the 15 projects identified. She stated that the City is eligible for up to \$4,000,000 in funding for the efficiency projects.

Mr. Roth provided information on the process required (i.e. Public Hearing, Agreements, etc.). City Manager Miller stated that the next step would be to hold the public hearings and have the City Attorney review the contract documents.

F. PUBLIC COMMENTS AND BUSINESS FROM THE FLOOR: None

G. CONSENT AGENDA:

- 2. Waive reading, except by title, of any Ordinance under consideration at this meeting for either introduction or passage, per Government Code Section 36934.**
- 3. Waive the reading and approve the Minutes of the June 12, 2018 meeting with any necessary corrections.**
- 4. June 20, 2018 Claim Warrant in the amount of \$209,788.82.**
- 5. June 20, 2018 Business License Report.**

Councilor Valerio moved to approve Consent Agenda Items 2-5; Councilor Snow seconded the motion. Ayes: Hatley, Valerio, Snow and Demo. Absent: Dickison. Abstain/Opposed: None. Motion was approved by a 4-0 vote with Dickison absent.

H. ITEMS REMOVED FROM THE CONSENT AGENDA: None

I. PUBLIC HEARINGS AND MEETINGS: None

J. REGULAR AGENDA:

- 6. County Pharmaceutical and Sharps Collection and Disposal Ordinance – Presentation and Direction to Staff.**

Tehama County Drug & Alcohol Division Director Phil Hernandez and his associates, along with City Manager Kristina Miller presented this item and stated the numerous Agencies involved with and in support of this Ordinance. Councilor Snow moved to direct Staff to draft an Ordinance that would allow the City of Corning to "Bolt On" to the Tehama County Pharmaceutical and Sharps Collection and Disposal Stewardship Ordinance. Councilor Demo seconded the motion. **Ayes: Hatley, Valerio, Snow and Demo. Absent: Dickison. Abstain/Opposed: None. Motion approved by a 4-0 vote with Dickison absent.**

- 7. Waive 50% of Building Permit Plan Check and Permit Fees up to \$500 for businesses participating in the Façade Improvement Grant Program.**

City Manager Miller presented this item. Councilor Snow moved to waive 50% of the Building Plan Check and Permit Fees up to \$500 for businesses participating in the Façade Improvement Grant

Program. Councilor Valerio seconded the motion. **Ayes: Hatley, Valerio, Snow and Demo. Absent: Dickison. Abstain/Opposed: None. Motion approved by a 4-0 vote with Dickison absent.**

8. Approve Agreement with MGT Consulting Group for State Mandated SB-90 Cost Claiming Services for fiscal years 2018/2019 through 2019/2021 (3 Years).

City Manager Miller presented this item. Councilor Demo moved to approve the Agreement with MGT Consulting Group to provide comprehensive State Mandated cost claiming services at an annual cost of \$1,100 and authorize the City Manager to execute and sign the Agreement. Councilor Snow seconded the motion. **Ayes: Hatley, Valerio, Snow and Demo. Absent: Dickison. Abstain/Opposed: None. Motion approved by a 4-0 vote with Dickison absent.**

9. Adopt Resolution 06-26-2018-01 and extend Contract with John Stoufer, DBA JBS Planning Consultant Services for one year.

City Manager Miller presented this item. Councilor Snow moved to adopt Resolution 06-26-2018-01 and approve the attached agreement with John Stoufer, Independent Contractor DBA JBS Planning Consultant Services through June 30, 2019 and authorize the City Manager to sign the Agreement. Councilor Valerio seconded the motion. **Ayes: Hatley, Valerio, Snow and Demo. Absent: Dickison. Abstain/Opposed: None. Motion approved by a 4-0 vote with Dickison absent.**

10. Approve Emergency Water Services Agreement with Paskenta Community Services; a District within the County of Tehama.

Public Works Director Dawn Grine presented this item. Councilor Valerio moved to approve the Emergency Water Services Agreement with Paskenta Community Services District. Councilor Snow seconded the motion. **Ayes: Hatley, Valerio, Snow and Demo. Absent: Dickison. Abstain/Opposed: None. Motion approved by a 4-0 vote with Dickison absent.**

11. Approve Agreement and authorize Public Works Director to solicit Bids for 2018-7 Senior Center Fire Damage Repairs.

Public Works Director Dawn Grine presented this item. Following Ms. Grine's response to Councilor Snow's questions regarding the repair timeline, Councilor Demo moved to approve the Agreement and authorize the Public Works Director to solicit Bids for the 2018-7 Senior Center Fire Damage Repair. Councilor Snow seconded the motion. **Ayes: Hatley, Valerio, Snow and Demo. Absent: Dickison. Abstain/Opposed: None. Motion approved by a 4-0 vote with Dickison absent.**

12. Accept resignation of Library Commission Chairman Dean Blankenship

City Manager Miller presented this item. Councilor Snow moved to accept the resignation of Library Commission Chairperson Dean Blankenship. Councilor Valerio seconded the motion. **Ayes: Hatley, Valerio, Snow and Demo. Absent: Dickison. Abstain/Opposed: None. Motion approved by a 4-0 vote with Dickison absent.**

13. Accept a Grant Deed Easement from Tehama County in regards to the Pilot Waterline Project.

Public Works Director Dawn Grine presented this item. Mayor Hatley and Councilor Snow requested information on the timeline to get the water on. Councilor Snow moved to accept the Grant Deed Easement from Tehama County and authorize the Public Works Director to issue a letter to Broadbent, Inc. accepting the Notice of Substantial Completion for the Pilot Waterline Extension. Councilor Valerio seconded the motion. **Ayes: Hatley, Valerio, Snow and Demo. Absent: Dickison. Abstain/Opposed: None. Motion approved by a 4-0 vote with Dickison absent.**

14. Adopt Resolution No. 06-26-2018-02 adopting the Tehama County Multi-Jurisdictional Hazard Mitigation Plan.

Public Works Director Dawn Grine presented this item. Councilor Snow moved to adopt Resolution 06-26-2018-02 adopting the Tehama County Multi-Jurisdictional Hazard Mitigation Plan. Councilor Demo seconded the motion. **Ayes: Hatley, Valerio, Snow and Demo. Absent: Dickison. Abstain/Opposed: None. Motion approved by a 4-0 vote with Dickison absent.**

15. Presentation of Fiscal Year 2018-2019 Program of Service and Annual Budget.

City Manager Miller presented this item. She stated that it was a mutual effort of all Departments and she stated her appreciation for their work. She stated that this is the second full year the City will receive revenues from Measure A (the one half cent sales tax). The estimate yield for fiscal year 18/19 is \$1,080,000 and a significant amount of Capital Improvement is purposed to be funded. The entirety of the proposed Budget will provide funding to/for:

- Continue to maintain full time municipal operations at current staffing levels.
- A part-time Planner 1 position, and a grant funded part-time Recreation Coordinator position (New this year). (She stated she will be asking Council to consider approving at the next meeting a combined full-time position, the City has a unique applicant well qualified and suited to fill both roles.)
- Continue the Independent Planning Consultant arrangement with John Stoufer for approximately 7 hours per week during this transition period.
- Continue the CPA Services Agreement with Roy Seiler on an as needed basis.
- The development of a Recreation Program utilizing the grant funding the City is receiving.
- Capital Improvement and Replacement Reserve Accounts for the future replacement of City equipment in the amount of \$500,000.
- Rescue Squad 7 replacement for the Fire Department in the amount of \$150,000.
- Thermal Imaging Cameras for the Fire Department in the amount of \$7,000.
- Police Department Vehicle in the amount of \$50,000.
- Skid Steer Loader for the Public Works Department in the amount of \$75,000.
- Police Department in-vehicle radar equipment in the amount of \$6,000.
- Police Department License Plate Reader in the amount of \$15,000.
- Public Works Department's F-350 Plumbers Truck in the amount of \$70,000.
- Feral Cat Program in the amount of \$3,000.
- Replace the handheld water meter reading device.
- Replacement of 5 desktop computers at City Hall and Office 365 licenses for City Hall.
- Estimated repairs in the amount of \$75,000 set aside for the exterior of City Hall.
- Replacement of the Wastewater Treatment Plant office and shop roofs.
- \$6,200 to support additional Community Events within the City.
- \$25,000 for updated software for the Building Department.
- \$25,000 to support playground improvements at Yost Park.
- Additional funds department-wide for City Staff to maintain up-to-date in terms of training and conference attendance.
- \$520,000 for two street projects in FY 2018/19.
- Increase the City's Operating Reserve by \$6,096 from \$2,038,039 to \$2,044,135.

City Manager Miller stated that we project City-wide total revenues in the amount of \$10,998,065, expenditures in the amount of \$11,314,158. The anticipated General Fund Revenues are \$5,916,900 with expenditures at \$5,910,804. She stated this is the first presentation of the proposed budget whereby the Council and the public can make comments on the budget and it will come back before the Council on July 10th for the final adoption of the budget.

City Manager Miller then provided information on the water and sewer fund. She stated that we were able to save the City quite a bit of money by refinancing the City's water and sewer debt, however we will need to consider sewer rate increases in FY 18/19 to ensure that we are in compliance with our rate covenant as part of the refinancing. In regards to the Water Enterprise fund, it based on usage; if water consumption levels do not start to increase, there may be a situation where the 3.5% increases initiated may not be sufficient to meet the terms of the rate covenant.

The City must continue to be conservative in its budgeting, especially in maintaining an adequate reserve fund for the City as we are so dependent upon sales tax revenue from auto sales and fuel sales. We must be able to fund the City during low times, currently we have a goal of having 6 months of operating reserves, we currently have just over 4 month. The City needs to invest in economic development to expand its tax base to allow us to increase services and maintain existing services going forward. We do need to continue to fund Capital Improvement at appropriate levels.

As a result of Measure A we have been very prudent, we have not been hiring additional employees, we have been using the money to fund capital improvement within the City so that when equipment needs to be replaced we have the money there to do it, we can't serve our residents if we don't have the equipment to serve them with.

She stated that the City does expect some increased development activity this next fiscal year; that is a positive note that could help the City pay down indebtedness attributed to previous water, sewer and wastewater expansion costs.

Mayor Hatley thanked the City Manager and Staff for their work on this budget. Councilor Snow asked Police Chief Fears about the outlook for a Canine Officer. Chief Fears responded that the Canine is completely funded through fundraising donations received, what remains now is having staffing up to par to allow for the three month training required. Chief Fears stated he hopes that something will happen within the next six months.

Informational item only, no action taken.

K. ITEMS PLACED ON THE AGENDA FROM THE FLOOR: None

L. COMMUNICATIONS, CORRESPONDENCE AND INFORMATION: None

M. REPORTS FROM MAYOR AND COUNCIL MEMBERS: City Councilmembers will report on attendance at conferences/meetings reimbursed at City expense (Requirement of Assembly Bill 1234).

Dickison: Absent due to illness.

Valerio: The Chamber of Commerce is hosting dinner with the Chamber President (a meet, greet and eat) tomorrow night at the Senior Center at which time they will announce the new Executive Director. Tickets are still available for \$10.

Snow: Publicly thanked the City Manager, Department Heads and Public Works for their work on the City Parks, they have done a phenomenal job. Mayor Hatley stated that he has received comments from Vendors at the Farmer's Market on how well the parks look.

Jerry Lequia stated he would like to see the same applied to the business people on downtown Solano Street, especially the vacant lot with grass 4 feet high. He was informed that the Fire Chief is working on this, there is a process.

Karen Burnett announced the Bunco event at the Senior Center on Thursday.

Demo: Thanked Public Works Director Dawn Grine and the Public Works Crew for the work completed at Clark Park prior to the Major Girls All Star Softball Tournament. He also stated that the Chief and two members of the Volunteer Fire Department were in Red Bluff on Saturday assisting with the fires. Fire Chief Tom Tomlinson stated they left at 2 p.m. and returned at 8 a.m. on Sunday.

Hatley: Nothing

N. ADJOURNMENT!: 7:37 p.m.

Lisa M. Linnet, City Clerk