



**CITY OF CORNING
SPECIAL CITY COUNCIL
CLOSED SESSION MINUTES
TUESDAY, MARCH 13, 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
Vacant
Jose "Chuy" Valerio
Robert Snow
Douglas Hatley Jr.

Mayor:

All members were present with one vacancy on the Council.

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 – ANTICIPATED LITIGATION PURSUANT TO GOVERNMENT CODE SECTION 54956.9 SUBDIVISION (d):
One Case

E. ADJOURN TO REGULARLY SCHEDULED CITY COUNCIL MEETING AND REPORT ON CLOSED SESSION: 6:30 p.m.

Mayor Hatley reported that Council met in Closed Session and gave Staff direction.

Lisa M. Linnet, City Clerk



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Mayor:

All members were present with one vacancy on the Council.

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

D. **INVOCATION**: Led by Mayor Hatley.

E. **PROCLAMATIONS, RECOGNITIONS, APPOINTMENTS, PRESENTATIONS**: None.

F. **PUBLIC COMMENTS AND BUSINESS FROM THE FLOOR**: None

G. **CONSENT AGENDA**: It is recommended that items listed on the Consent Agenda be acted on simultaneously unless a Councilmember or members of the audience request separate discussion and/or action.

1. Waive reading, except by title, of any Ordinance under consideration at this meeting for either introduction or passage, per Government Code Section 36934.
2. Waive the reading and approve the Minutes of the following meetings with any necessary corrections:
 - a. February 27, 2018 Regular Meeting; and
 - b. March 6, 2018 Special Meeting.
3. March 7, 2018 Claim Warrant in the amount of \$408,856.81.
4. March 7, 2018 Business License Report.
5. February 2018 Wages & Salaries: \$314,413.91.
6. February 2018 Treasurer's Report.
7. February 2018 Building Permit Valuation Report in the amount of \$161,593.67.
8. February 2018 City of Corning Wastewater Operations Summary Report.

Councilor Dickison moved to approve Consent Agenda Items 1-8; Councilor Valerio seconded the motion. **Ayes: Hatley, Dickison, Valerio and Snow. Absent/Abstain/Opposed: None. Motion was approved by a 4-0 vote with one vacancy on the Council.**

H. **ITEMS REMOVED FROM THE CONSENT AGENDA**: None.

I. **PUBLIC HEARINGS AND MEETINGS**:

9. Tentative Tract Map 18-1000; Consider approval to subdivide approximately 9.07 acres and create 7 commercial parcels ranging from 0.75 to 1.32 acres with a 1.08 drainage basin common parcel. Located along the west side of Interstate 5 and the east side of Barham Avenue approximately 200 ft. southeast of the Corning Rd/Barham Ave. Intersection.

This item was introduced by Mayor Hatley and presented by Planning Consultant John Stoufer. Mr. Stoufer informed the Council that this project was initially approved in 2008 for two years. However following the initial approval was the housing crunch and with no action, the map expired. Because the map has since expired, it is now required to go through the approval process again. Mr. Stoufer stated that no new or additional Conditions of Approval are now being requested, however there is a typo correction to a previous Condition, specifically #32 (Mitigation Measure VIII. E.2 (Stormwater Detention) should state Stormwater Retention and refer to "Storm Drain and retention facilities". He informed the Council that if approved the map can be extended for an additional 6 years (at two year intervals).

Mayor Hatley opened the public hearing at 6:38 p.m. Mr. Stoufer introduced the Applicant's Representative who was present to address any questions on behalf of the applicant seeking the Tentative Tract Map. After receiving and responding to a few questions relating to commercial business interest in location and timeframe for development the Public Hearing was closed at 6:42 p.m.

Councilor Snow moved to adopt the 9 Factual Subfindings and Legal Findings as presented in the Staff Report and approve Tentative Tract Map 18-1000 subject to the 68 Conditions as presented with the noted correction to Condition 32 as presented in the Staff Report. Councilor Dickison seconded the motion. **Ayes: Hatley, Dickison, Valerio and Snow. Absent/Abstain/Opposed: None. Motion was approved by a 4-0 vote with one vacancy on the Council.**

J. REGULAR AGENDA:**10. Presentation and Acceptance of Annual City Audit for Fiscal-Year 2016-2017.**

City Manager Kristina Miller presented this item. She directed attention to page 4 of the audit, the MD&A which provided the highlights of the audit and briefed the Council on the content. She stated that the total General Fund fund balance at June 30, 2017 was \$1,992,395; this represents a \$1,032,515 increase from June 30, 2016. She then turned the microphone over to the City's outside auditor Don Reynolds who briefed the Council on pension liability ("the elephant in the room") and how it affects the Enterprise Funds. He stated as a member of a JPA, anytime wages fluctuate within the various organizations, up or down, it affects the City's costs for PERS. He also spoke about the effects of Gatsby 68 and its associated costs/expense. He explained the refunding of the City's water and sewer debts, although reducing the interest rates previously paid on the existing debts, came with a one-time fee. He explained how Gatsby 68 has affected the Water Enterprise Fund. He concluded by stating that next year should be better.

Councilor Dickison moved to receive and accept the Annual Audit for Fiscal Year ending June 30, 2017. Councilor Snow seconded the motion. **Ayes: Hatley, Dickison, Valerio and Snow. Absent/Abstain/Opposed: None. Motion was approved by a 4-0 vote with one vacancy on the Council.**

Councilman Snow left the room at 6:57 p.m.

Mayor Hatley paused the meeting at 6:57 p.m.

Councilor Snow returned to the meeting at 6:58 p.m. and Mayor Hatley resumed the meeting.

11. Consider a two-year time extension for Phase II & III, Stonefox Ranch Subdivision, located on the south side of Solano Street at the Del Norte Avenue/Solano Street Intersection.

Mayor Hatley presented this item and Planning Consultant John Stoufer briefed the Council stating that in 2016 Mr. Bergen submitted a two-year extension request and it was approved by the City Council. Mr. Stoufer stated Mr. Bergen is requesting changes to three of the Conditions of Approval, specifically:

- Condition #28 that requires a masonry fence as a land use barrier and requests this requirement be changed to a wood fence. Mr. Stoufer stated that Staff believes a wood fence to be sufficient and recommends the modification requested due to cost and maintenance.
- Condition #34 requiring the construction of a paved trail (7' wide). Mr. Stoufer stated that Staff has reviewed the map and believe it valuable to have the 7' dedication however they don't believe paving would be in the best interest of the City. He suggests the City obtain the dedication for a future trail system; however he doesn't recommend requiring it be paved.
- Condition #43 relating to the shared driveway for lots 65 and 66 which does not specify a width for the driveway apron, that width was shown on the improvement plans and can be modified by the City Engineer's approval. The fees for reviewing the improvement plans have been paid and according to the City Engineer, no additional fees are required. Relocation of the power pole is still being reviewed.

City Manager Miller clarified that if in the future the trail is decided to be paved; the cost to do so would be at the City's expense.

Councilor Snow moved to approve a two-year time extension for Tentative Tract Map 05-1003 subject to the original 53 Conditions with modifications to Conditions 28 and 34 as recommended by Staff. Councilor Dickison seconded the motion. **Ayes: Hatley, Dickison, Valerio and Snow. Absent/Abstain/Opposed: None. Motion was approved by a 4-0 vote with one vacancy on the Council.**

12. Accept the Notice of Completion from SNL Group Inc. for the 2017-8 Revised Street Paving Project.

Public Works Director Dawn Grine presented this item acknowledging that the project is now complete. Councilor Snow moved to accept the Notice of Completion for the 2017-18 Revised

Street Paving Project. Councilor Valerio seconded the motion. **Ayes: Hatley, Dickison, Valerio and Snow. Absent/Abstain/Opposed: None. Motion was approved by a 4-0 vote with one vacancy on the Council.**

13. Accept Contract Change Order #1 and approve final payment in the amount of \$74,475 to Apply-A-Line for the School Crosswalk Striping Project 2017-5 from Budget Line No. 114-9220-300; Thermoplastic/Streets.

Public Works Director Dawn Grine presented this item. She explained that this project allowed paving of crosswalks in the vicinity of some of the local schools. She further stated with the assistance of Laura Calkins at the Police Department and Tony Cardenas, and funding provided by the BCJI (Byrne Criminal Justice Innovation) Program Grant along with some City funding this project has been completed.

Councilor Dickison moved to accept Contract Change Order No. 1, approve payment to Apply-A-Line for the School Crosswalk Striping Project 2017-5 in the amount of \$74,475 funded in the amount of \$70,575 from the BDI Grant budget line number 166-6300-2105 and \$3,900 from budget line number 114-9220-3000 Thermo Plastic/Street Maintenance. Councilor Snow seconded the motion. **Ayes: Hatley, Dickison, Valerio and Snow. Absent/Abstain/Opposed: None. Motion was approved by a 4-0 vote with one vacancy on the Council.**

14. Annual Mid-Year Budget Review and General Discussion, Fiscal Year 2017-2018.

City Manager Kristina Miller presented this item. She stated that the purpose of the update is to update the Council and public regarding how the City is fairing financially at the mid-point of the fiscal year and stated that this report largely relies on information from the fiscal year mid-point, which is December 31, 2017. She stated that increases in revenues and expenditures when weighed against the General Fund Balance, work out to a projected decrease of \$97,353 in the Fund Balance at year's end as opposed to the \$133,625 increase projected in the FY 2017/18 Budget. That is a \$230,978 negative swing from the projection presented as part of the Budget Staff Report presented on June 13, 2017 as part of the FY 2017/18 Budget. The negative swing is largely due to unbudgeted PERS Unfunded Liability costs. She stated that she expects the budget to be balanced by the end of the year and emphasized that this balancing is primarily due to the increase in sales tax approved by the voters. She stated that we are seeing an impact from the Pilot Truck Stop in Orland; fortunately this impact is currently being deterred by vehicle sales.

We expect TOT's to be up by \$15,000, however we expect vehicle licensing fees received to be reduced by \$7,000. Water and Sewer funds appear to be doing well, slightly above what was estimated. She also stated that the reduction in PG&E costs associated with the Solar Power Purchase Agreement could possibly deter a rate increase in sewer fees in the future.

She then listed the various expenses Council approved and expected such as pool improvements, heat pump replacement at the Senior Center, unfunded PERS liability, and the proposed \$20,000 for completion of the Rodger's Theatre. She also listed refunds to be received for upfront payments on roof repairs to City Buildings.

Councilor Snow moved to approve the proposed budget adjustments as indicated in Exhibit "B" and receive the mid-year Budget Report as presented. Councilor Dickison seconded the motion. **Ayes: Hatley, Dickison, Valerio and Snow. Absent/Abstain/Opposed: None. Motion was approved by a 4-0 vote with one vacancy on the Council.**

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: Stated she would be attending a Senior Center Board Meeting tomorrow at 10 a.m. and the Community Action Tripartite Board Meeting and Executive Meeting on Thursday at 2 p.m. and 3 p.m. here in Corning.

Valerio: Nothing.

Snow: Nothing.

Hatley: Reported that Kenzi May had her surgery and is doing well. The fundraiser held in Paskenta and expected to raise \$20,000 to help with medical costs raised over \$60,000 with many donations coming in after the event. He then announced that tonight is Jody's (City Attorney Jody Burgess) last meeting and wished him well as a Shasta County Judge.

N. ADJOURNMENT!: 7:30 p.m.

Lisa M. Linnet, City Clerk