



**CITY OF CORNING
CITY COUNCIL MINUTES**

**TUESDAY, FEBRUARY 22, 2011
CITY COUNCIL CHAMBERS
794 THIRD STREET**

A. CALL TO ORDER: 7:31 p.m.

B. ROLL CALL:

Council:

Toni Parkins

John Leach

Vacant

Darlene Dickison

Mayor:

Gary Strack

All members of the City Council were present with one vacancy remaining on the Council pending appointment.

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

D. PROCLAMATIONS, RECOGNITIONS, APPOINTMENTS, PRESENTATIONS:

1. RECOGNITIONS: Recognition of Past Planning, Recreation, Library and Airport Commissioners.

Mayor Strack presented plaques to Ron Ostarello (Airport), Loretta Price (Recreation), Shannon Boles (Recreation) and Gloria Church (Library) for their service on the various Commissions.

2. PRESENTATIONS: Presentation by the Senior Center Treasurer Barbara Vandygriff.

Senior Center Treasurer Barbara Vandygriff presented the Council with a breakdown of the current finances for the Senior Center. She informed the Council that the Senior Center has modified their insurance coverage, eliminated internet service due to the fact that their computers are outdated, and they have reviewed and modified facility rental fees. All of these have helped to reduce their costs and improve their revenues. Mrs. Vandygriff informed the Council of some of their fundraising activities and informed the Council that the Board unanimously voted to raise Linda Lima's hourly wages by \$1 effective January 1, 2011 in recognition of the outstanding job she does.

E. BUSINESS FROM THE FLOOR:

No comments were received from the audience.

Mayor Strack announced that a request was received following posting of the Agenda from City Attorney Michael Fitzpatrick to add as an urgency item for Council action, "Provide Indemnity for City Attorney" in relation to recent threats of a law suit in connection with his representation of the City.

Councilor Leach moved to add Mr. Fitzpatrick's requested urgency item, "Provide Indemnity for City Attorney" to the City Council Agenda for discussion and action. Councilor Parkins seconded the motion. **Ayes: Strack, Parkins, Leach and Dickison. Opposed: None. Absent/Abstain: None. Motion was approved by a vote of 4-0 with one vacancy remaining on the Council.**

City Attorney Michael Fitzpatrick presented his request for the City to provide indemnity for him in reference to recent threats of lawsuit from an individual he has been dealing with on behalf of the City. City Manager Kimbrough outlined the indemnification requested.

Councilor Parkins moved to approve the City Attorney's request that the City of Corning protect, defend and indemnify him against any kind of legal action taken against him by others due to his acting on behalf of the City of Corning. Such protection to extend not only to liability and damages of any kind but to all reasonable costs and expenses incurred by him or others on his behalf in providing him a defense. Councilor Dickison seconded the motion. **Ayes: Strack, Parkins, Leach and Dickison. Opposed: None. Absent/Abstain: None. Motion was approved by a vote of 4-0 with one vacancy remaining on the Council.**

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

3. **Waive reading, except by title, of any Ordinance under consideration at this meeting for either introduction or passage, per Government Code Section 36934.**
4. **Waive the Reading and Approve the Minutes of the February 8, 2011 Special Closed Session and Regular City Council Meetings with any necessary corrections.**
5. **February 16, 2011 Claim Warrant - \$ 214,363.76.**
6. **February 16, 2011 Business License Report.**
7. **Authorize Public Works to Seek Proposals for a Three-Year Concrete Contract for Curb, Gutter and Sidewalk Installation.**
8. **Approve Progress Pay Estimate No. 7 in the Amount of \$3,343.32 to Azevedo Construction for the 2010 Rodgers Theater Improvement Project.**
9. **Appropriate \$1,350 from General Fund for Flow Testing 18 Fire Department Self Contained Breathing Apparatus (SCBA's).**
10. **Ordinance No. 643; An Ordinance Amending the Speed Limit on Solano Street from 35 mph to 25 mph from Marguerite Avenue to a Point 1,000 Feet to the East. (Second Reading)**

Mayor Strack introduced each of the Consent Agenda Items by title. Consent Item No. 9 was pulled by Councilor Leach for further discussion. Councilor Parkins moved to approve Consent Items 3-8 and 10. Councilor Dickison seconded the motion. **Ayes: Strack, Parkins, Leach and Dickison. Opposed: None. Absent/Abstain: None. Motion was approved by a vote of 4-0 with one vacancy remaining on the Council.**

G. ITEMS REMOVED FROM THE CONSENT AGENDA:

9. **Appropriate \$1,350 from General Fund for Flow Testing 18 Fire Department Self Contained Breathing Apparatus (SCBA's).**

Councilor Leach clarified that this testing is required yearly and then suggested to add funding for this in the yearly budget. With that noted, Councilor Leach then moved to appropriate funds from the General Fund in the amount of \$1,350 to Account No. 001-6700-2300, Fire Department Equipment Maintenance. Councilor Parkins seconded the motion. **Ayes: Strack, Parkins, Leach and Dickison. Opposed: None. Absent/Abstain: None. Motion was approved by a vote of 4-0 with one vacancy remaining on the Council.**

H. PUBLIC HEARINGS AND MEETINGS:

11. **Request for Disposal Service Rate Increase Public Hearing and Action.**

Mayor Strack introduced this item by title and City Manager Kimbrough outlined the requested increase of 1.19% stating that it is made up of two parts, CPI increase and fuel rate increase. He then stated the total proposed rate with the increase for residential (\$0.23) and senior services

(\$0.12). Mr. Kimbrough stated that as Council can see on the attached cost comparison, only two other Cities receive service at a lower fee, Anderson and Orland and noted that Corning receives services they do not.

Mayor Strack then opened the public hearing.

Ross Turner: Asked for a clarification of age for senior service stating he thought it was 62 not 65, Mr. Kimbrough confirmed that Mr. Turner was correct, it was 62.

Larry Williford: Stated his opposition to the rate increase citing that according to the Federal government, no change in the CPI (Consumer Price Index) occurred last year. He was informed that there are a number of different Consumer Price Indexes and according to the conditions of this Franchise Agreement the Annual Consumer Price Index – All Urban Consumers West – C is used.

Mr. Tim McGill of Waste Management stated that there are about four different CPI's and the Franchise Agreement the City has refers to the western States CPI. He stated that the City has a bulky waste pickup service and street sweeping service that some of the other communities don't receive. He also outlined some of the services they have consolidated with the County to also save residents money whereas they supply the site for the collection at no additional costs.

Councilor Leach stated that he is not ignorant to the cost in the waste operation industry. He stated his concerns as a taxpayer, stating that costs are increasing for everything, yet many of the taxpayers are not receiving raises and CPI increases seem to be the only area for negotiation.

Councilor Dickison stated her agreement with Councilor Leach stating that they provide an excellent service, but explained that a number of our residents are unemployed, our own employees have taken a 10% cut in pay, our City Manager and Police Chief are going to part-time to save our budget. She stated her concern that many residents won't be able to afford to pay their bill.

Dave Linnet, Joyce Lequia and Dean Blankenship stated their satisfaction with the service and would have no problem with the proposed fee increase.

With no further comments Mayor Strack closed the public hearing.

Councilor Leach suggested possibly reviewing the current services and reducing them in order to not raise the fees and help our citizens. Councilor Dickison voiced her agreement. Mayor Strack stated that possibly the City Manager and Public Works Director can review possible cuts in service. Mayor Strack suggested approving the proposed raise with a motion to explore means to reduce costs in the future.

Councilor Parkins moved to having conducted the public hearing and received all protests, consider and approve the proposed CPI increase of 0.31% and the fuel cost adjustment of an additional 0.88% for a total rate increase of 1.19%. Mayor Strack stated that he will second the motion with the amendment to the motion to state that Council will look at the contract to see if they would like to adjust some of the services and bring back to the Council at the March 8th meeting for discussion. **Ayes: Strack, Parkins, and Dickison. Opposed: Leach. Absent/Abstain: None. Motion was approved by a vote of 3-1 with one vacancy remaining on the Council.**

I. REGULAR AGENDA:

12. Ratify Memorandum of Understanding with the Corning Management Association.

Mayor Strack introduced this item by title and City Manager Kimbrough presented the Agreement stating it is for one year only, and emphasized that there will be no wage increases. He outlined the changes in retirement for new management employees hired after the date of Agreement

ratification. Mayor Strack also stated that the employees have also agreed to extend the furloughs as currently written for another full fiscal year.

Ross Turner: Confirmed that there will be no retirement savings for existing employees and that these changes will not affect the contracts for the City Manager and Police Chief. He also confirmed that the City Manager would not accrue 900 hours between now and June 30, 2011 and Chief Cardenas would not accrue 960 hours within this same time frame.

Susan Price: Confirmed that the Planning Director was working part-time for the County and stated that this Agreement doesn't reference the Planning Director's situation. Mayor Strack and the City Attorney explained that Mr. Stoufer is considered a full-time employee of the City, emphasizing that the City, not Mr. Stoufer, has the contract with the County.

Mrs. Price also stated that surrounding Cities are requiring employees to also pay a percentage of their retirement.

Councilor Dickison moved to ratify the Memorandum of Understanding with the Corning Management Association for the period of January 1, 2011 through December 31, 2011. Councilor Parkins seconded the motion. **Ayes: Strack, Parkins, Leach and Dickison. Opposed: None. Absent/Abstain: None. Motion was approved by a vote of 4-0 with one vacancy remaining on the Council.**

13. Introduction of Ordinance 644 Amending Chapter 13 of the Municipal Code Regarding Maintenance of Backflow Prevention Devices. (First Reading)

Mayor Strack introduced this item by title and Public Works Director John Brewer stated that the City requires installation of backflow prevention devices to ensure that backflow contamination from irrigation or other waste lines doesn't affect our water distribution system. He stated that there are currently about 60 devices in town. Mayor Strack confirmed that this was for commercial, industrial and multi-family units not residential.

With no further comments, Councilor Dickison moved to waive the first reading and introduced Ordinance 644 by title as an Ordinance to authorize the City to inspect and repair backflow prevention devices and to collect the associated costs through the regular water billing. Councilor Parkins seconded the motion. **Ayes: Strack, Parkins, Leach and Dickison. Opposed: None. Absent/Abstain: None. Motion was approved by a vote of 4-0 with one vacancy remaining on the Council.**

14. Approve Contract Change Order No. 6 Amending Scope of Work and Increasing the Rodgers Theater Improvement Project by \$12,542.37 for a Total Project Cost of \$213,080.71.

Mayor Strack introduced this item by title clarifying that we are still within the budget for this project. Mr. Brewer informed Council that PG&E has agreed to pay for half of the undergrounding cost because the utility provider gave the City misinformation.

With no further comments, Councilor Leach moved to approve Contract Change Order No. 6 revising the scope of work to complete the unanticipated undergrounding of the electrical service at the Rodgers Theater Improvement Project, increasing the contract amount by \$12,542.37 for a total project cost of \$213,080.71. Councilor Dickison seconded the motion. **Ayes: Strack, Parkins, Leach and Dickison. Opposed: None. Absent/Abstain: None. Motion was approved by a vote of 4-0 with one vacancy remaining on the Council.**

15. Approve Request for Assistance from the Corning Chamber of Commerce to Prevent Theft of Transient Occupancy Taxes (TOT'S).

Mayor Strack introduced this item by title. Councilor Leach asked whether the City receives any of the 10% TOT taxes collected from the hotel where he works; he was informed no, that particular hotel is located in the County.

Mr. Kimbrough stated that the League of California Cities has requested assistance from local governments in an effort to stop the theft of local TOT revenues occurring through bookings with online travel companies.

Councilor Parkins moved to authorize Staff to request assistance from the City's Chamber of Commerce for communicating the importance of transient occupancy tax (TOT) to Corning residents and businesses, and coordinating a correspondence effort to our State Assembly Representatives and Senator to request they oppose the theft of Transient Occupancy Tax by out-of State- travel companies. Councilor Dickison seconded the motion. **Ayes: Strack, Parkins, Leach and Dickison. Opposed: None. Absent/Abstain: None. Motion was approved by a vote of 4-0 with one vacancy remaining on the Council.**

16. Mid-Year Budget Review and General Discussion.

Mayor Strack introduced this item by title and City Manager Kimbrough outlined the current status of our sales tax revenues. He stated that according to the Board of Equalization, three of our major businesses have noted an increase in sales in this last quarter and stated that the fourth quarter also looks good.

Mr. Kimbrough noted that the City intends to end the fiscal year with \$505,000 in the General Fund. He informed the Council that the funds the City will be receiving from the Indian Gaming Commission (\$19,320) is essentially found money and was not included in the approved budget. He stated that we have met our original policy statement and have not had to lay-off any of our employees. Mr. Kimbrough explained the necessity of the General Fund Reserve stating that it floats the City throughout the year in times when the City is awaiting incoming revenues from the State, Federal Aviation Fuel Tax Revenues, etc.

Discussion item only, no action required.

Susan Price stated that the Streets in Corning look like that of a third world country and hopefully the City will be able to do something about that in the future. She also stated that she is very concerned about the City's sustainability; we can't keep spending more than we are taking in.

Ross Turner asked whether there was any possibility of paying off the indebtedness on the water reserve fund early to save on the interest. City Manager Kimbrough responded stating yes, there is a possibility and noted that there is no penalty clause with USDA for early payment of the loan.

Dave Linnet stated that he totally disagrees with the statement comparing our City Streets with that of third world roads.

17. Invocation, Discussion and Action.

Mayor Strack introduced this item by title and City Attorney Michael Fitzpatrick provided the City with information regarding the legalities of prayer at the City Council meetings. Councilor Leach stated that in the past it was the practice to have local Clergy take turns providing the invocation at the meetings. Following discussion, Council by consensus requested that the City Attorney prepare a Staff Report for outlining the procedure for presentation to the Council for adoption.

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

K. COMMUNICATIONS, CORRESPONDENCE AND INFORMATION: None

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

Parkins: Suggested that in future when having the budget review we have a shorter Agenda.

Leach: Nothing.

Dickison: Nothing.

Strack: Stated if the applicants for the vacant Council position have questions relating to Conflict of Interest, etc. please contact the City Manager and he will refer these questions to the City Attorney for an answer. Mayor Strack announced that a Special Open Meeting will be held on March 1 at 7:00 p.m. to interview the applicants. He then thanked City Manager Kimbrough and Police Chief Cardenas for their years of service to the City – noting that Mr. Kimbrough had 18 years as of February 24th and Mr. Cardenas 21 years as of January 8th and invited those present to enjoy some cake and punch provided to show appreciation for this service.

M. ADJOURNMENT!: 9:35 p.m.

Lisa M. Linnet, City Clerk