



**CITY OF CORNING
CITY COUNCIL MINUTES**

**TUESDAY, FEBRUARY 28, 2012
CITY COUNCIL CHAMBERS
794 THIRD STREET**

A. CALL TO ORDER: 7:30 p.m.

B. ROLL CALL:

Council:

**Toni Parkins
John Leach
Darlene Dickison
Dave Linnet
Gary Strack**

Mayor:

All members of the City Council were present.

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

D. INVOCATION: Led by Councilman John Leach.

Persons of no religious persuasion will not be expected in any manner to stand or to participate other than to remain quiet out of respect for those who do choose to participate.

E. PROCLAMATIONS, RECOGNITIONS, APPOINTMENTS, PRESENTATIONS:

1. **Proclamation: March 2012 AMVETS White Clover (Remember Me) Month in the City of Corning.** Mr. Alexander "Buck" Bordeau and Randy Wright were present to accept the Proclamation on behalf of Tehama County Post 2002.
2. **Proclamation: Commemorating the 100-Year Anniversary of Girl Scouts of the USA.** Wini Peterson and members of Corning Troops 70211, 70296, 70298 and 70441 were present to accept the Proclamation.

F. BUSINESS FROM THE FLOOR:

John Richards: Inquired on the status on the new Park. Planning Director John Stoufer stated that Staff is meeting with representatives from Fish & Game next week. He informed the Council that the City Engineer is currently performing the Plan Check on submitted Plans. We plan on going out to bid in 4-6 weeks. He then announced that a Recreation Meeting is scheduled for March 6th. John stated that the City is moving forward and the plans for Phase I are 70 – 80% complete. Construction should hopefully begin this summer. John Richards asked if the City is still considering installing cameras at the Park as suggested by Danny Salado; he was informed yes.

George Freeman: Displayed a T-Shirt for the Corning Skate and Bike Park announcing that they are available for \$12 through John Richards or Teresa Smith.

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 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. **February 22, 2012 Claim Warrant - \$234,102.03.**
5. **February 22, 2012 Business License Report.**
6. **Reject Submittal of a Sustainable Communities Planning Grant Application.**

Mayor Strack introduced each Consent Item by title. Councilor Parkins moved to approve Consent Items 3-6 and Councilor Dickison seconded the motion. **Ayes: Strack, Parkins, Leach, Dickison and Linnet. Opposed/Absent/Abstain: None. Motion was approved by a 5-0 vote.**

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H. ITEMS REMOVED FROM THE CONSENT AGENDA: None.

I. PUBLIC HEARINGS AND MEETINGS:

7. Public Hearing: Fiscal Year 2012-2013 Community Development Block Grant (CDBG) Application.

Mayor Strack introduced this item by title and Planning Director John Stoufer explained that this is the first of 2 required Public Hearings. He explained that this would provide a possible opportunity for a \$100,000 grant (planning and technical assistance grant) that could be used to update the City's General Plan and the City's GIS System.

Mayor Strack then opened the Public Hearing.

George Freeman: Asked if Items 6 and 7 are connected; he was informed that they were not. With no other comments, Mayor Strack closed the Public Hearing and stated that Staff would be bringing a Staff Report back to Council. **No Action Required.**

J. REGULAR AGENDA:

8. Presentation and Acceptance of Annual City Audit for Fiscal Year 2010-2011.

Mayor Strack introduced this item by title and City Auditor Donald Reynolds, CPA referred the Council to his assessment of the City's financial statement in the third paragraph of his Independent Auditor's Report where he states that "the basic financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business type activities, each major fund, and the aggregate remaining fund information of the City of Corning, California as of June 30, 2011 and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended, in conformity with accounting principles generally accepted in the United States of America."

Mr. Reynolds further stated that the City's financial statements reflect over the past year the City has managed to stay at pace with the declining revenues and keep expenditures under control. This is reflective of the Staff and the willingness on the part of the Staff and Council to make the hard decisions. To keep the City viable you have initiated salary cuts through 10% furloughs, etc.

Mayor Strack stated he personally wants to thank Staff from Steve down to the employees. They have made the difference in the City of Corning getting to where we are and hopefully by the end of this calendar year we will be in pretty good shape. It is because of the whole team working together that we are where we are now.

Following the completion of Mr. Reynolds report, Councilor Dickison moved to receive and accept the Annual Audit for Fiscal Year ending June 30, 2011. Councilor Leach seconded the motion.

Ayes: Strack, Parkins, Leach, Dickison and Linnet. Opposed/Absent/Abstain: None. Motion was approved by a 5-0 vote.

9. Application for a Type 20 Off-Sale Beer and Wine License and a Type 42 On-Sale Beer and Wine License, and Finding of Public Convenience or Necessity for the Olive Pit located at 2156 Solano Street.

Mayor Strack introduced this item by title. Councilor Parkins excused herself due to a possible conflict of interest due to her employment at Safeway. She left the Council Chambers at 8:10 p.m.

A member of the audience asked if they propose to have a tasting room, or will they be selling alcohol, or both. Mayor Strack stated both. Councilor Leach asked Chief Cardenas his opinion on possible law enforcement issues should the license be issued. He responded stating he didn't believe it would pose a problem. Mayor Strack confirmed with Planning Director Stoufer that the licenses could still be obtained without Council approval however the waiting period is longer...approximately 90 days before issuance.

City Manager Kimbrough provided a brief legal history regarding the licensing and required steps for the licensing.

Councilor Linnet moved that Mayor and Council consider Type 20, Off-Sale Beer and Wine License and Type 42, On-Sale Beer and Wine License at the Olive Pit, 2156 Solano Street, and having considered any public and Staff input, find that the "Public Convenience or Necessity" will be served, as required under Business and Professions Code Section 23958.5(B)(2), and direct Staff to complete the ABC Form and return it to the State Department of Alcoholic Beverage Control. Councilor Dickison seconded the motion. **Ayes: Strack, Leach, Dickison and Linnet. Opposed/Absent: None. Abstain: Parkins. Motion was approved by a 4-0 vote with Parkins abstaining.**

Councilor Parkins reentered the meeting at 8:18 p.m.

10. Approve Proposed Independent Contractor and Public Safety Consultant Contract for effective March 1, 2012 for Chief Anthony Cardenas and Authorize City Manager to Sign Contract on behalf of the City.

Mayor Strack introduced this item by title and provided a brief explanation of the proposal. City Manager Kimbrough stated that because of the uncertainty of the PERS Laws, Chief Cardenas is choosing to give up his part-time contract and come back as a Consultant. He is also recommending concurrence with City Staff of the appointment of Donald Atkins as Police Chief. Chief Cardenas will assist Don with budgetary issues and train him for the next four months.

Councilor Linnet confirmed that the proposed contract is through the end of June 2012. A member of the audience asked if the proposed new Police Chief would be apprised of the continuing issue relating to one of her neighbors. Mayor Strack responded stating that Sgt. Atkins is aware of the situation. City Attorney Fitzpatrick stated that he would be happy to meet with her to discuss the issue.

Councilor Leach confirmed that the City would be saving more money than it currently is with the existing contract.

John Richards: Confirmed that the proposed contract is a four month contract.

Councilor Dickison moved to:

Approve the proposed contract for Chief Cardenas to work for the City of Corning as an Independent Contractor and Public Safety Consultant effective March 1, 2012 and authorize the City Manager to sign the Contract on behalf of the City; and Concur with the City Manager's appointment of Sergeant Don Atkins as Police Chief effective March 1, 2012.

Councilor Parkins seconded the motion. **Ayes: Strack, Parkins, Leach, Dickison and Linnet. Opposed/Absent/Abstain: None. Motion was approved by a 5-0 vote.**

11. Mid-Year Budget Review and General Discussion.

Mayor Strack introduced this item by title and City Manager Kimbrough briefed the Council on the Mid-Year Budget Review. He stated that there are a couple of key things to watch for such as the loss of the Chevrolet Dealership (safety net of an estimated \$200,000 in sales tax revenue), and fuel rate hikes that slow sales. Water and Sewer Enterprise Funds have been extremely stable and are building adequate reserves to provide for the future. He stated that the City still hasn't received the sales tax revenues from the mis-allocated funds of \$159,660 that were mistakenly sent to Butte County.

Mr. Kimbrough went through the funds needed to address the shortfall:

- \$289,326 in revenue growth,
- \$264,058 to end furloughs,
- \$68,662 to fill the Public Works Director,
- \$122,634 (\$61,317 ea.) needed to fill the Public Works (2) positions;
- \$119,000 to fill the vacant Police Sgt. Position, and

- \$61,317 to fill the third PW's job.

He stated that the Public Works Inspector/Building Inspector Position that is vacant will not be filled until new development begins again. Mr. Kimbrough then briefed the Council on Revenues (Sales Tax, TOT's, etc.) listed on page 4 of the Staff report.

By consensus of the Council, the Mid-Year Review was accepted and approved.

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).

Parkins: None.

Leach: None.

Dickison: None.

Linnet: Reported that the Pay-It-Forward Committee met today and decided to post-pone the painting of the building adjacent to the Theatre and are planning on painting the building where the former Italian Restaurant (Leona's) was located on Solano Street.

Strack: Thanked Steve and Tony for what they did, recognizing that the outcome was not quite what they had planned. He stated that he appreciates both of them for their years of service.

N. ADJOURNMENT!: 9:00 p.m.

Lisa M. Linnet, City Clerk