



**CITY OF CORNING
SPECIAL CITY COUNCIL
CLOSED SESSION MINUTES**

**TUESDAY, JANUARY 24, 2017
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: 4:00 p.m.

B. ROLL CALL:

Council:

Darlene Dickison

Dave Linnet

Jose "Chuy" Valerio

Robert Snow

Mayor:

Douglas Hatley Jr.

All members of the City Council were present.

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:

D. REGULAR AGENDA:

1. CONFERENCE WITH LABOR NEGOTIATOR PURSUANT TO SECTION 54957.6:

Agency Negotiator: William May, Labor Relations Consultant

Bargaining Units: Management, Public Safety, Dispatcher, and Miscellaneous

E. ADJOURN TO REGULARLY SCHEDULED CITY COUNCIL MEETING AND REPORT ON CLOSED SESSION: 5:15 p.m.

Mayor Hatley reported that the City Council, City Manager, City Attorney and City Clerk met in Closed Session with the City's Labor Negotiator. They received an update on the status of the Bargaining Unit Labor Negotiations and gave the Labor Negotiator direction.

Lisa M. Linnet, City Clerk

**SPECIAL JOINT MEETING
OF THE
CITY COUNCIL and CITY COMMISSIONS
OF THE
CITY OF CORNING**



TUESDAY, JANUARY 24, 2017 AT 5:00 P.M
LOCATION: City Hall Council Chambers
794 Third Street
Corning, CA

A. CALL TO ORDER: 5:17 p.m.

B. ROLL CALL:

City Council:

Douglas Hatley Jr., Mayor
Darlene Dickison
Dave Linnet
Jose "Chuy" Valerio
Robert Snow

Planning Commission:

Diana Robertson, Chairperson
Frank Barron
Melodie Poisson
Brant Mesker
Vacant

Recreation Commission:

Larry Johnson, Chairperson
Khrystie Shoemaker
James Pendergraft
James Dodge
Matthew Barr

Airport Commission:

Barbara Boot, Chairperson
Daniel Salado
Tony Miller
Louis Davies
Jack Beck

Library Commission:

Dean Blankenship, Chairperson
Judy Turner
Sylvia Meents
Susan Olson-Higgins
Carol Mueller

Present were all members of the City Council, all members of the Planning Commission except Commissioner Frank Barron; all members of the Library, Recreation, and Airport Commissions except Commissioners Sylvia Meents, Matthew Barr; and Jack Beck.

C. PUBLIC COMMENTS: None.

D. INSTRUCTION & PRESENTATION BY CITY ATTORNEY:

- 1. Information for New Council and Commission Members (Brown Act, City Council/Commission Meeting Procedures, Rosenberg's Rules of Order, and Conflict of Interest, etc.)**

City Attorney Jody Burgess provided a PowerPoint Presentation explaining the roles, limitations and associated authority granted City Officials, Commissioners and Staff as outlined in various Government Codes. He also briefed the body on issues related to Public Funds and the use limitations associated with them.

Mr. Burgess provided information and guidance relating to regulations of the Brown Act. He explained that the Brown Act was formulated on the premise of transparency when acting on behalf of the people in relation to acts of the Government.

No Actions from the City Council or members of the various Commissions were required, this was an informational/training meeting only.

E. ADJOURNMENT!: 6:10 p.m.

Lisa M. Linnet, City Clerk



**CITY OF CORNING
CITY COUNCIL MEETING MINUTES
TUESDAY, JANUARY 24, 2017
CITY COUNCIL CHAMBERS
794 THIRD STREET**

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

B. ROLL CALL:

Council:

**Darlene Dickison
Dave Linnet
Jose "Chuy" Valerio
Robert Snow
Douglas Hatley Jr.**

Mayor:

All members of the City Council were present.

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

D. INVOCATION: Led by Mayor Hatley.

E. PROCLAMATIONS, RECOGNITIONS, APPOINTMENTS, PRESENTATIONS:

1. Presentation - Corning Patriot members Patty Smith and Jerry Lequia presented Police Chief Jeremiah Fears with \$21,560 for the Corning K-9 Program. They also invited anyone interested to attend their meetings on the first Thursday of the month at the Corning Veteran's Hall.

2. Presentation - Restore Program Coordinator Tara Cory presented the City Council with the benefits of, and a plan for, a Boys and Girls Club in the City of Corning.

Mrs. Cory explained the benefits of having a Boys and Girls Club and the various steps necessary to bring a Club to the City. These steps consist of:

1. Soliciting support/funding from a variety of organizations for the Program; and
2. Find a suitable location for the Club to meet; and
3. Consider having the Administrative duties associated with the Club handled through the established Chico Boys and Girls Club at a cost of 20% of revenues generated by the Club.
4. Consider suggested operating hours to be from 3-7:30 p.m. everyday and on weekends.
5. Have a hired/contracted Director on premises during operating hours.
6. Specified target age group is Middle School through High School.

F. 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.

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 January 10, 2017 regular City Council Meeting with any necessary corrections:**
5. **January 18 2017 Claim Warrant - \$160,782.34.**
6. **January 18, 2017 Business License Report.**
7. **December 2016 Building Permit Valuation Report in the amount of \$795,241.75.**
8. **Approve budgeted Business Contributions Matching Fund Payment in the amount of \$4,000 to the Corning Chamber of Commerce.**
9. **Declare Police Department Vehicle C210 as Surplus and authorize disposal.**

Councilor Dickison moved to approve Consent Items 3-9; Councilor Snow seconded the motion. **Ayes: Hatley, Dickison, Linnet, Valerio and Snow. Absent/Abstain/Opposed: None. Motion was carried by a 5-0 vote.**

H. ITEMS REMOVED FROM THE CONSENT AGENDA: None.

I. REGULAR AGENDA:

10. **Presentation and direction to proceed with development of a Business Improvement District.**

City Manager Kristina Miller provided a brief presentation related to the possible development of a Business Improvement District to address various goals such as upkeep and building maintenance of the downtown buildings. Councilor Snow then moved to direct Staff to hold a public information meeting to gather business and community input regarding the creation of a Corning Business Improvement District. Councilor Dickison seconded the motion. **Ayes: Hatley, Dickison, Linnet, Valerio and Snow. Absent/Abstain/Opposed: None. Motion was carried by a 5-0 vote.**

11. **Presentation and direction to proceed regarding the issuance and sale of Water and Sewer Revenue Refunding Bonds for the City of Corning.**

City Manager Kristina Miller introduced Mark Northcross of NHA Advisors and Rick Brandis of Brandis Associates who provided a status update on refinancing all City water and sewer debt (4 outstanding Bonds sold in 1999, 2005 and 2012) in an effort to save the City money. Mr. Northcross stated that interest rates are currently lower than when the debt was initially incurred. He further explained that he is now asking the City Council to consider revising the thresholds originally approved because those thresholds are no longer viable.

Mr. Northcross explained the difference between home mortgage vs the proposed refinancing terms under a "Rate Covenant" (net revenues must be at least 120% of annual debt service) explaining that under a Rate Covenant, should the situation require, the City could raise water rates to help cover loan costs. Drought related cutbacks caused water revenues to fall in 2016. Without the refi, the City would now be obligated under the current "Rate Covenant" to implement water rate increases immediately (no rate increase would be needed for the Sewer System without refinancing).

Mr. Northcross stated that although the savings will be less now than when the City first started this process, (possibly as a result of the recent elections) there is still the opportunity to acquire a substantial savings and allow the City some time before it becomes necessary to initiate a water rate increase. He informed the City Council that the City received an "A" rating for the Sewer Fund and although the City's Water Debt received no rating, the City has been able to obtain "AA+" Insurance and Debt Service Reserve Fund surety was also obtained for both which will reduce the bond size for the City and improve cash flow savings. This Bond Insurance guarantees payment on both loans.

Mr. Northcross stated that the Finance Team would like to amend the savings target because he does not feel that they will be able to meet the targeted 5% as previously predicted. City Staff and the Finance Team now recommend amending the target to:

- Annual reduction in debt service for both the water and sewer funds for the next 10 years averages at least \$25,000 per year for both.

Mr. Northcross then confirmed the cost City would incur should they decide not to move forward as a result of new legislation (\$6,000 in total) and provided the steps necessary to move forward.

Councilor Dickison moved to direct Staff to amend the documents and resolutions necessary to proceed with the issuance of water and sewer revenue refunding bonds, with request for final approval by the City Council to be sought at an upcoming City Council Meeting. Councilor Snow seconded the motion. **Ayes: Hatley, Dickison, Linnet, Valerio and Snow. Absent/Abstain/Opposed: None. Motion was carried by a 5-0 vote.**

12. Approve the proposed Debt Management Policy for the City of Corning as required by Senate Bill 1029, and adopt Resolution 01-24-2017-01 that officially adopts the City of Corning Debt Management Policy.

City Manager Miller explained that in order to go forward with the Water/Sewer Refinancing, the City is required to have a Debt Management Policy in place for at least 30 days prior to sale of Bonds. She explained that she and the City's Certified Public Accountant put the policy together.

Councilor Snow moved to approve Resolution 01-24-2017-01 adopting a City of Corning Debt Management Policy as required by Senate Bill 1029. Councilor Dickison seconded the motion. **Ayes: Hatley, Dickison, Linnet, Valerio and Snow. Absent/Abstain/Opposed: None. Motion was carried by a 5-0 vote.**

13. Authorize implementation and participation in the Automated License Plate Reader (ALPR) Program. (Pulled by the Mayor for consideration at the next meeting.)

14. Authorize Public Works to seek Landscape & Maintenance Bids for a two-year Agreement for services at eleven City locations.

Public Works Director Dawn Grine stated she had conferred with Councilors Dickison and Linnet on the proposed Agreement/Scope of Work and presented the changes in the document now presented, as opposed to the previous Scope of Work/Agreement, and stated these changes should provide a reduced cost to the City for these services.

Councilor Dickison moved to accept the revised recommendations to the Landscape & Turf Maintenance Agreement and authorize Public Works to seek Bids for a 2-year Landscape & Turf Maintenance Agreement for services to 11 City locations. Councilor Valerio seconded the motion. **Ayes: Hatley, Dickison, Linnet, Valerio and Snow. Absent/Abstain/Opposed: None. Motion was carried by a 5-0 vote.**

15. Approve Agreement between the County of Tehama and the City for contribution and expenditure of certain FY 2017 Board of State & Community Corrections, Edward Byrne Justice Assistance Grant (JAG).

City Manager Kristine Miller explained that this Agreement is between the City and County for funding of the Restore Program Coordinator position whereas the County provides \$40,000.

Councilor Linnet moved to approve the attached Agreement with the understanding that the County must hereafter take the same agreement to its Board of Supervisors for approval. Councilor Snow seconded the motion. **Ayes: Hatley, Dickison, Linnet, Valerio and Snow. Absent/Abstain/Opposed: None. Motion was carried by a 5-0 vote.**

J. COMMUNICATIONS, CORRESPONDENCE AND INFORMATION: None

K. 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: Attended Senior Citizens Board Meeting where they had election of Officers and City Clerk Linnet issued the new Officers their Oath of Office. Attended the Community Action Agency Tripartite Board Meeting last Thursday, executive session at 2 p.m., gave direction given for the regular meeting which began at 3 p.m. where they held the election of Officers and adjourned at 3:30 p.m. to a strategic planning meeting that lasted until 6 p.m. She stated that she will be attending the Chamber of Commerce Annual Installation Dinner this Saturday.

Linnet: Reported that the TV and Electronics disposal is this Saturday at the Park and Ride across from City Hall.

Valerio: Nothing

Snow: Nothing

Hatley: Reported he will be attending the Chamber of Commerce Annual Installation Dinner this Saturday and hopes to see everyone there.

L. **ADJOURNMENT!** 7:45 p.m.

Lisa M. Linnet, City Clerk