



**CITY OF CORNING
CITY COUNCIL MINUTES
TUESDAY, JUNE 28, 2011
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 except Councilor Leach.

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

D. INVOCATION: Led by Mayor Strack.

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: None.

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 requests 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 June 14, 2011 Regular City Council Meeting with any necessary corrections:**
- 3. June 22, 2011 Claim Warrant - \$197,197.01.**
- 4. June 22, 2011 Business License Report.**
- 5. Approve updated Terms and Conditions of accepting the Airport Improvement Grant's Master Agreement with the Federal Aviation Administration.**
- 6. Award Bids for Public Works Fuel, Asphalt, Gravel and Oil/Grease for July 1, 2011 through June 30, 2014.**
- 7. Approve Contract Change Order No. 6 increasing the Solano/Marguerite Avenue Traffic Signal Installation Project by \$3,200 for a total Project cost of \$300,401.47; approve Partial Payment Request No. 6 in the amount of \$76,866.67; and accept the Notice of Completion for the Solano St./Marguerite Avenue Traffic Signal Project.**

Mayor Strack introduced each of the items listed on the Consent Agenda by title and asked if Council or any member of the audience would like any item pulled for further discussion. With no response, Councilor Parkins moved to approved Consent Items 1-7. Councilor Dickison seconded the motion.

Ayes: Strack, Parkins, Dickison and Linnet. Opposed: None. Absent: Leach. Abstain: None. Motion was approved by a vote of 4-0 with Leach absent.

H. ITEMS REMOVED FROM THE CONSENT AGENDA: None.

I. PUBLIC HEARINGS AND MEETINGS: None.

J. ADJOURN TO THE CITY OF CORNING PUBLIC FINANCING CORPORATION: 7:34 p.m.

CITY OF CORNING PUBLIC FINANCING CORPORATION:

The City of Corning Public Financing Corporation was created in 1997 to facilitate the City of Corning by financing public improvements and acquisition of City facilities and property. The Public Financing Corporation's Articles of Corporation provide the key specific purpose for its existence.

Mayor Strack read the statement above explaining what the City of Corning Public Financing Corporation was and its function.

CALL TO ORDER: 7:35 p.m.

ROLL CALL:

Council:

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

Mayor:

Gary Strack

All members of the Board of Directors were present except Councilor John Leach.

City Manager Kimbrough explained the terms of the 40-year loan at an interest rate of 3.25% for the Clark Park Well Improvement Project. Mayor Strack confirmed the maximum yearly payments of the loan would be \$27,774.30 and that the loan would be paid off through payments on residential water bills; City Manager Kimbrough stated yes plus about \$2,800 for ten years to set aside one year's payment as a reserve fund per USDA requirements.

8. Adopt Resolution No. 06-28-2011-02, A Resolution authorizing the execution of an Installment Purchase Agreement and an Assignment Agreement between the City of Corning and the City of Corning Public Financing Corporation to finance Water System improvements for the City.

This item was introduced by title. It was explained that in order to implement the construction financing for the City of Corning's Clark Park Well, the City must hold a meeting of the City's Public Financing Corporation at which the governing body must pass the attached Resolution authorizing the execution of an Installment Purchase Agreement and an Assignment Agreement between the City and the City's Public Financing Corporation to finance the water system improvements.

Following an explanation of the financing and a brief discussion, Councilor Dickison moved for the City of Corning Public Financing Corporation Board of Directors to:

Adopt Corning Public Financing Corporation Resolution No. 6-28-2011-02 authorizing the execution of an Installment Purchase Agreement and an Assignment Agreement to finance water system improvements for the City of Corning. Councilor Linnet seconded the motion. **Ayes: Strack, Parkins, Dickison and Linnet. Opposed: None. Absent: Leach. Abstain: None. Motion was approved by a vote of 4-0 with Leach absent.**

9. Approve the Installment Purchase Agreement between the City of Corning and the City of Corning Public Financing Corporation.

City Manager Kimbrough informed the Council of a change to the Agreement in Article 5, Section 5.3 in relation to the creation of a depreciation reserve fund and created a new fund 386 (not 383). Mr. Kimbrough explained the reasoning behind this. Mayor Strack stated that we have utilized such financing previously for Water/Sewer Line replacement and the Wastewater Treatment Plant expansion. He also stated that this is not a Bond, but rather a COP (Certificate of Participation).

Councilor Parkins moved for the City of Corning Public Financing Corporation Board of Directors to approve the Installment Purchase Agreement between the City of Corning and the City of Corning Public Financing Corporation for the Clark Park Municipal Water Project. Councilor Dickison seconded the motion. **Ayes: Strack, Parkins, Dickison and Linnet. Opposed: None. Absent: Leach. Abstain: None. Motion was approved by a vote of 4-0 with Leach absent.**

OTHER BUSINESS: None.

ADJOURN TO REGULAR CITY COUNCIL MEETING: 7:40 p.m.

K. REGULAR AGENDA:

- 10. Approve the Installment Purchase Agreement between the City of Corning and the City of Corning Public Financing Corporation and Adopt Resolution No. 06-28-2011-03, a Resolution authorizing the execution of an Installment Purchase Agreement to finance improvements to the Municipal Water System.**

Mayor Strack introduced this item by title. Councilor Dickison moved to approve the Installment Purchase Agreement between the City and the City of Corning Public Financing Corporation to finance municipal water system improvements, and adopt Resoltuion No. 6-28-2011-03 authorizing the execution of said Installment Purchase Agreement. Councilor Parkins seconded the motion. **Ayes: Strack, Parkins, Dickison and Linnet. Opposed: None. Absent: Leach. Abstain: None. Motion was approved by a vote of 4-0 with Leach absent.**

- 11. Ordinance No. 645, Medical Marijuana Dispensaries: An Ordinance of the City of Corning adding a Chapter to Title 17 of the Corning Municipal Code that would define and prohibit the establishment of medical marijuana dispensaries in the City of Corning. (Second Reading)**

Mayor Strack introduced this item by title announcing that this is the second reading of the proposed Ordinance. City Clerk Lisa Linnet read a letter from Michelle Barnes stating her belief that having a Medical Cannabis Club in Corning would be a benefit.

Ken Prather provided the Council with definitions of "establishment, restrict & ban" stating that according to his interpretation of SB 420 and Prop. 215, the City cannot ban, but rather regulate the distribution of medical marijuana. He stated that the proposed Ordinance does nothing to stop the illicit sale of marijuana and stated his concerns with some of the Whereas' in the proposed Ordinance. He emphasized that we just want safe legal access within the City to our medicine and asked the Council to not adopt this Ordinance, but rather send it back to the Ad-Hoc Committee.

Mayor Strack confirmed with the City Attorney that Cities can enact more regulations, but they cannot enact laws less restrictive than those of the State; City Attorney Fitzpatrick concurred and explained the process.

An audience member stated she was undergoing treatment for Cancer and stated that medical marijuana helps her deal with her pain and the effects of cancer therapy. She stated that she supports having a dispensary here. Her husband stated that if you take access away here, you are sending patients to the streets to obtain their marijuana; the City should concentrate on arresting those who sell it illegally rather than on this.

Orland resident and locksmith Tim Magnum stated his opinion that the Council is being closed-minded and restricting our freedoms. He stated he is allergic to narcotics and cannot take them. He also asked why the City wants to discourage a business. Councilor Linnet confirmed with Mr. Magnum that there is no marijuana Dispensary in Orland.

John Elco informed the Council that the Tehama County Board of Supervisors voted today against allowing dispensaries in the County. Mr. Elco referred to papers he brought from Sacramento that advertise Medical Cannabis shops and stated that this is all about money and asked the Council if they really wanted Corning to be like this. He stated that the County should take a stand on this issue; it is not about helping the sick, but rather about money...big money. He asked that the Council prohibit marijuana dispensaries.

Mayor Strack then closed the public discussion. He stated he had attended todays County Board of Supervisor's meeting and confirmed that they did vote to ban marijuana dispensaries in the County.

Councilor Linnet asked if patients could obtain their marijuana via shipments from out of town. Mayor Strack confirmed that under the proposed Ordinance, mobile distribution would not be allowed. He explained that the proposed Ordinance does allow a collective of 3 or less to associate and deliver it to patients within their collective.

Mayor Strack stated that medicines distributed by pharmacies have limitations and are regulated to list possible side effects; however medical marijuana does not.

Jesse Lopez asked how the City plans to police the proposed Ordinance and its limitations. He also stated that he believes that before an Ordinance is approved a plan should be established to outline how it will be policed.

Mayor Strack asked Planning Director Stoufer if the proposed Ordinance provides for a method of policing the regulations; Mr. Stoufer stated yes.

Councilor Parkins confirmed City Manager Kimbrough's statement that the City has been working on this issue for 2 years, there were 5 members of the Planning Commission, 5 members of the City Council and 4 members of the Ad Hoc Committee. She also confirmed with Planning Director Stoufer the optional recommendations provided in the associated Staff Report. Mr. Stoufer stated that the decision is the Council's on how they wish to handle this. He also informed the Council of the latest information issued by the Federal Government regarding enforcement of the controlled substance act.

Mayor Strack then asked the Council what they wanted to do. Councilor Dickison stated she didn't feel it is in the best interest of the City to have a dispensary in town at this time. Mayor Strack stated that he thinks this is the best solution for the City of Corning at this time. Councilor Linnet stated he doesn't want a Collective in Corning; however he would like to see something that would allow them to obtain it via delivery. He stated however that he doesn't see how that can be done.

Councilor Parkins moved to adopt Factual Subfinding #1 and Legal Finding #1 and waive the second reading and adopt Ordinance No. 645, the Ordinance adding a Chapter to Title 17 of the Corning Municipal Code that would define a Medical Marijuana Dispensary and prohibit the establishment of a Dispensary, as defined, within any Zoning District in the City of Corning. Councilor Dickison seconded the motion. **Ayes: Strack, Parkins, and Dickison. Opposed: Linnet. Absent: Leach. Abstain: None. Motion was approved by a vote of 3-1 with Linnet opposing and Leach absent.**

Mayor Strack temporary adjournment the meeting at 8:48 p.m. and reconvened the meeting at 8:51 p.m.

12. Approve 3-Year Agreement for Audit Services with Donald R. Reynolds, CPA.

Mayor Strack introduced by title and following a minimal discussion Councilor Dickison moved to approve a 3-year accounting services agreement with Mr. Donald R. Reynolds, CPA and direct the City Attorney to finalize the Agreement for the City Manager's signature. Councilor Parkins seconded the motion. **Ayes: Strack, Parkins, Dickison and Linnet. Opposed: None. Absent: Leach. Abstain: None. Motion was approved by a vote of 4-0 with Leach absent.**

13. Review and consider approval of renewal of Contract for City legal services.

Mayor Strack introduced by title. He stated that Mr. Fitzpatrick had recently retired as City Attorney for the City of Anderson and he and other members of the City Council and Staff had attended his retirement party.

City Manager Kimbrough outlined the proposed agreement noting that the City has spent \$69,134 to date in City Attorney fees, including \$30,179 for litigation under the existing contract which is due to expire. City Attorney Fitzpatrick also provided some background information. Followed by some discussion, Councilor Dickison moved to approve contracts with City Attorney Michael C. Fitzpatrick and Maire and Burgess for legal services for a one year period beginning July 1, 2011 through June 30, 2012, and appoint Jody Burgess as Corning Assistant City Attorney. Councilor Linnet seconded the motion. **Ayes: Strack, Parkins, Dickison and Linnet. Opposed: None. Absent: Leach. Abstain: None. Motion was approved by a vote of 4-0 with Leach absent.**

14. Approve Resolution 06-28-2011-01 establishing an Appropriations Limit for the City of Corning fiscal year 2011-2012 at \$10,465,777.

Mayor Strack introduced by title and explained that this is an annual requirement per Article XIII B of the California Constitution. With little discussion Councilor Parkins moved for Council to receive the report of the City Auditor and adopt Resolution No. 06-28-2011-01 establishing the Appropriations

Limit for the City of Corning for fiscal year 2011-2012 in the amount of \$10,465,777. Councilor Linnet seconded the motion. **Ayes: Strack, Parkins, Dickison and Linnet. Opposed: None. Absent: Leach. Abstain: None. Motion was approved by a vote of 4-0 with Leach absent.**

15. Approve annual Statement of Investment Policy 2011-2012.

Mayor Strack introduced by title explaining that per Government Code 53646 this is an annual requirement. Councilor Dickison moved to approve the Annual Statement of Investment Policy as submitted for fiscal year 2011-2012. Councilor Linnet seconded the motion. **Ayes: Strack, Parkins, Dickison and Linnet. Opposed: None. Absent: Leach. Abstain: None. Motion was approved by a vote of 4-0 with Leach absent.**

16. Solano Street Repaving Plan and Long Term Funding Plan; 2011 Street Paving Project.

Mayor Strack introduced by title stating that this was an issue brought to his attention by Louis Davies. Public Works Director John Brewer briefed the Council on the proposed Plan reminding Council that this was presented and discussed in detail at the June 23rd Special Budget Council Meeting. Mr. Brewer explained the finances behind his plan which would allow the repaving of Solano Street in phases over a number of budget years.

Mayor Strack asked City Engineer Ed Anderson if it would be possible to make Solano Street one lane in each direction with a center turn lane so as to allow more room for entry/egress from parked vehicles. City Engineer Ed Anderson responded that he would suggest obtaining traffic counts first; however on the 1st section it wouldn't be necessary. He stated that he would like to see this approved first. Councilor Parkins commended Mr. Brewer on coming up with this plan.

Councilor Dickison stated that Louis Davis also spoke to her about this issue.

Councilor Linnet moved to:

1. Approve the Solano Street Repaving Project Plan presented in this Staff Report, and
2. Approve the long term funding plan presented by Staff to accomplish the Solano Street Repaving Plan while maintaining other City Streets, and
3. Direct Staff to prepare a 2011 Street Repaving Project that incorporates the Solano Street Repaving Project and is consistent with the long term funding plan.

Councilor Dickison seconded the motion. **Ayes: Strack, Parkins, Dickison and Linnet. Opposed: None. Absent: Leach. Abstain: None. Motion was approved by a vote of 4-0 with Leach absent.**

17. Presentation, discussion and possible adoption of Resolution No. 06-28-2011-04 a Resolution adopting the Annual Program of Service and City Budget for Fiscal Year 2011-2012.

Mayor Strack introduced this item by title and City Manager Kimbrough presented the proposed 2011-2012 Annual Program of Service and City Budget with the changes directed by the Council at the June 23, 2011 Special Meeting. Councilor Linnet asked why the Indian Gaming Grant money is specifically allocated for front-line law enforcement personnel costs, the City Manager and Mayor explained the process of determination and the reasoning behind the specified allocation.

Mayor Strack asked the status of the possibility of Corning Dispatch taking over dispatching services for Glenn County. He was informed that currently we are on hold and appears that no change will be made until next year, if then.

Councilor Dickison moved to adopt Resolution No. 06-28-2011-04 setting the appropriation and expenditure limits for all City Funds and to implement the 2011-2012 Program of Service and Annual Budget. Councilor Linnet seconded the motion. **Ayes: Strack, Parkins, Dickison and Linnet. Opposed: None. Absent: Leach. Abstain: None. Motion was approved by a vote of 4-0 with Leach absent.**

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

M. COMMUNICATIONS, CORRESPONDENCE AND INFORMATION: None.

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

MaryAnn Culbertson thanked City Council and City Staff for passing the budget and being in the black.

Parkins: Nothing

Leach: Absent

Dickison: Nothing

Linnet: Nothing

Strack: Nothing

O. ADJOURNMENT!: 9:24 p.m.

Lisa M. Linnet, City Clerk