



**CITY OF CORNING
CITY COUNCIL MINUTES
TUESDAY, JUNE 9, 2015
CITY COUNCIL MEETING
HAS BEEN MOVED
TO
CORNING UNION HIGH SCHOOL
NORTH GYMNASIUM
643 BLACKBURN AVENUE**

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

B. ROLL CALL:

Council:

**Darlene Dickison
Dave Linnet
Tony Cardenas
Willie Smith
Gary Strack**

Mayor:

All members of the City Council were present.

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

D. INVOCATION: Led by Mayor Gary 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.

Mayor Strack quickly introduced the City Council and City Staff.

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

F. BUSINESS FROM THE FLOOR:

Susan Price stated that she had some questions regarding Item 10 on the Consent Agenda – Planning Consultant Agreement. City Manager John Brewer stated that he would like to remove Item 12 from the Consent Agenda and reschedule it for the June 23, 2015 meeting.

Cherlyn Downey addressed the Council regarding the excessive problem of theft within the City and the response to this crime resulting from the recent passage of the Proposition which takes crimes such as this that were formerly considered felonies and now fall under the misdemeanor category. She stated she doesn't have a resolution to the existing problem, but offered the suggestion of maybe creating/increasing a "Neighborhood Watch" program and seeking/researching other suggestions and solutions to this ongoing problem. Mayor Strack suggested setting up a meeting with City Staff to discuss and address this issue.

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 May 26, 2015 City Council Meeting with any necessary corrections.**
- 3. June 3, 2015 Claim Warrant - \$178,205.49.**
- 4. June 3, 2015 Business License Report.**
- 5. May 2015 Wages and Salaries: \$357,925.48.**
- 6. May 2015 Building Permit Valuation Report - \$353,201.78.**
- 7. May 2015 Treasurer's Report.**

8. **May 2015 City of Corning Wastewater Operations Summary Report.**
9. **Designation of League of California Cities Voting Delegate and Alternate.**
10. **Resolution 06-09-2015-03 permitting continued service of Planning Consultant John Stoufer and approve 1-year Consulting Service Agreement.**
11. **Approve Partial Payment Request No. 11 releasing the final retention funds in the amount of \$452 to Trent Construction and accept the Notice of Completion for Phase II of the Corning Community Park Project.**
12. **Approve consolidation of Tehama County Sanitary Landfill Agency and the Tehama County/Red Bluff Landfill Management Agency and adopt the following two proposed Resolutions that accommodate this action:**
 - a) **Adopt Resolution 06-09-2015-01 terminating the City of Corning's Membership in the Tehama County Sanitary Landfill Agency; and**
 - b) **Adopt Resolution 06-09-2015-02 approving the City of Corning becoming a member of the Tehama County Solid Waste Management Agency and approving the amended and restated Joint Powers Agreement (JPA).**

Consent Items 9 was removed for individual action by Councilor Dickison, Item 10 was requested to be removed for further discussion by audience member Susan Price and Item 12 was removed by City Manager John Brewer stating that there were some late revisions received to this item therefore we would like to have it considered at the next City Council meeting on June 23, 2015.

Councilor Linnet moved to approve Consent Agenda Items 1-8, and 11. Councilor Smith seconded the motion. **Ayes: Strack, Dickison, Linnet, Cardenas and Smith. Absent/Abstain/Oppose: None. Motion was approved by a 5-0 vote.**

H. ITEMS REMOVED FROM THE CONSENT AGENDA:

9. Designation of League of California Cities Voting Delegate and Alternate.

Councilor Dickison moved to appoint the City Manager as the voting delegate and the City Manager as the alternate. Councilor Smith seconded the motion. **Ayes: Strack, Dickison, Linnet, Cardenas and Smith. Absent/Abstain/Oppose: None. Motion was approved by a 5-0.**

10. Resolution 06-09-2015-03 permitting continued service of Planning Consultant John Stoufer and approve 1-year Consulting Service Agreement.

Susan Price addressed the Council provided a brief history stating that Mr. Stoufer was a former City employee, the Planning Director and retired in 2012. The City brought him back as a retired annuitant and appears that by the proposed contract, this would extend his contract through 2016, a period of 4 years from his retirement date. She stated her concerns regarding the limited duration of his employment in relation to CalPERS regulations.

City Attorney Jody Burgess stated he would review the contract as he hasn't had the opportunity to prior to this meeting. Mr. Burgess acknowledged there are some limitations, and although he hasn't reviewed the contract, he will study it, but he currently doesn't see a problem. He will confirm this.

Mrs. Price confirmed the proposed consultant pay rate of \$40 per hour under this contract and asked what projects he is currently working on as there is not a lot planning going on right now with the exception of the Housing Element and General Plan Update.

City Manager Brewer suggested that this matter be postponed until the next meeting to enable the City Attorney to properly review and address the contract issue Mrs. Price has brought up. Mr. Brewer stated that Mr. Stoufer is currently the City's Planning Consultant. He was the previous City Planning Director and was also the Planning Director for the County of Tehama. He is currently working on rewriting the City's General Plan, the preparation of the Pedestrian Bikeways Plan for the City in addition to responding to questions the public may have regarding development within the City. Mayor Strack stated that we can come back to this at the next meeting.

I. PUBLIC HEARINGS AND MEETINGS:

None.

On an unrelated issue, John Richards stated that the Soccer Fields at Lennox Field was watered during the day, about 2 p.m.; he wasn't sure if Staff was aware of this. Mayor Strack explained that an exception in Ordinance 660 was stipulated specifically for the Soccer Fields, however it will not be watered during the daytime anymore.

J. REGULAR AGENDA:

13. Opportunity for those Property Owners sent "Notices to destroy weeds and remove rubbish, refuse and dirt by the City to have their objections heard and given due consideration by the City Council.

Mayor Strack asked if anyone was present to protest; with no response Council moved on to the next item. With no motion being made the Mayor stated that these properties will be taken care of.

14. Award the Bid for the 2015 CDBG (Community Development Block Grant) Paving Project to Stimpel-Wiebelhaus and approve Contract Change Order #1 decreasing the contract amount by \$14,550.88 for a total contract amount of \$437,934.12.

City Manager John Brewer briefed the Council on this item confirming that funding for this project is derived from payback of numerous prior year housing rehab grants for loans provided to generally lower income homeowners. As these loans are paid it is accumulated into a fund called "Program Income". The State has changed the policy with respect to CDBG Program Income and we have been able to qualify a repaving project to use that Program Income money. He stated that this will not impact General Fund money as we will be talking about later, this is other funded money. We will utilize these funds to repave a portion of Solano Street and also Third Street from Solano to the north City limits. Mayor Strack confirmed that once awarded it should get started within the month.

Councilor Dickison moved to award the Bid for the 2015 CDBG Paving Project to Stimpel-Wiebelhaus; approve the Contract Change Order No. 1 decreasing the project by \$14,550.88 for a total contract amount of \$437,934.12; and authorize use of \$30,000 from the FY 15/16 Budget Gas Tax Funds from Fund 110 to provide contingency funds for the 2015 CDBG Paving Project. Councilor Smith seconded the motion.

Councilor Linnet stated that although these are not General Funds, but it is still money spent. We asked for a special okay to build roads, and at the time we thought we were doing okay. He just doesn't know if we can ask for, instead of building the roads, if we can ask for some of the protection we need for new equipment to protect these homes. He stated he doesn't believe that we should approve this at this time, but rather find out if these funds can be used for this equipment rather than repairing these roads.

City Manager Brewer responded stating that the State has approved our plan for utilizing the money for repaving the streets and the money must be expended by September 2015. To go back through the process with the State, he doesn't think we could make those time lines.

Motion and second having been made the vote was as follows: Ayes: Strack, Dickison, Cardenas and Smith. Absent/Abstain: None. Opposed: Linnet. Motion was approved by a 4-1 vote with Linnet opposing.

15. Ordinance 659, an Ordinance allowing Insurance in lieu of Bonds. (Second reading and adoption.)

Following a short briefing by City Attorney Jody Burgess, City Clerk Lisa Linnet read the Ordinance by short title and Councilor Dickison moved to adopt Ordinance 659, an Ordinance that allows the use of Insurance in lieu of posting Bonds and direct the City Attorney to obtain approval by the presiding Judge of the Superior Court, record the legally required documents at the Tehama County Clerk and Recorder's Office and file with the County Treasurer as provided in the California Government Code,

Sections 1457 to 1460.1. Councilor Smith seconded the motion. **Ayes: Strack, Dickison, Linnet, Cardenas and Smith. Absent/Abstain/Oppose: None. Motion was approved by a 5-0 vote.**

16. Ordinance 660, an Ordinance declaring a Stage II Drought Condition and amending, in part, Chapter 13.14 of the Corning Municipal Code water use regulations effective during Stage II Drought Conditions. (Second reading with requested amendments and adoption.)

City Attorney Jody Burgess confirmed that California Government Code we either decrease water use by 25% Citywide or reduce ornamental landscaping to two days per week. At the prior introduction of this Ordinance Council requested to change from the two days a week to three, Mr. Burgess stated his recommendation based upon his research is to go back to the two days per week. Mayor Strack stated that this Ordinance will also limit watering to between the hours of 8 p.m. and 8 a.m. Mr. Burgess stated that this is a result of State regulations.

Various suggestions were presented and questions were asked by members of the audience ranging from whether City facilities would also be following these requirements (yes, however there is an exception relating to Landscape Maintenance Districts, Parks and Cemeteries and most specifically the soccer fields at the new park) to how long this restriction will stay in place (through 2016).

Following discussion, Councilor Cardenas moved to: Waive the reading and adopt revised Ordinance No. 660 amending Chapter 13.14 of the Corning Municipal Code, in part; declaring Stage II drought conditions and implementing Stage II water use regulations in the City of Corning; and Find and declare that the property at Phase 2 of the Corning Community Park, also known as Lennox Fields, is temporarily exempt from watering days and hours limitations of Ordinance No. 660. This exemption shall expire six months after implementation of Ordinance No. 660 unless extended by action of the City Council.

Councilor Linnet seconded the motion. It was confirmed that this includes the limitation for outdoor irrigation of ornamental landscaping to two days. **Ayes: Strack, Dickison, Linnet, Cardenas and Smith. Absent/Abstain/Oppose: None. Motion was approved by a 5-0 vote.**

It was confirmed that everyone is on meters and City Attorney Jody Burgess clarified that this Ordinance applies to ornamental landscaping only; vegetable gardens/orchards are not affected.

17. Approve Emergency Water Services Agreement to Paskenta Community Services District located within Tehama County.

Mayor Strack introduced this item stating that the City did provide these services last year at the request of Tehama County. City Manager John Brewer explained that this proposal is an extension of last year's Agreement and, if approved, will allow the City to continue this service for one more year. Last year they ran out of water; their water source is Thomas Creek. The amount of water we would provide would be the equivalent of 700 hundredths of a percent of the water we would typically pump. It was also confirmed that the amount of water we would provide to Paskenta would not count against our 25% State allotment.

Councilor Smith moved to approve the Emergency Water Service Agreement with the Paskenta Community Services District. Councilor Dickison seconded the motion. **Ayes: Strack, Dickison, Linnet, Cardenas and Smith. Absent/Abstain/Oppose: None. Motion was approved by a 5-0 vote.**

18. Approve the relocated site of the Solar Array Farm at the Wastewater Treatment Plant.

City Manager John Brewer briefed the Council on the proposed relocation of the Solar Array Farm. He stated that the proposed location change is a result of discussions between City Staff and the City's contracted Wastewater Treatment Plant (WWTP) operators, Severn Trent Environmental Services, Inc. Both parties believe that future expansion of the plant cannot be underestimated and following consultation with Ecoplexus representative, confirmed that the proposed relocation would not present any problems.

Councilor Linnet moved to approve the relocated site of the Solar Array Farm at the Corning Wastewater Treatment Plant. Councilor Cardenas seconded the motion. **Ayes: Strack, Dickison, Linnet, Cardenas and Smith. Absent/Abstain/Oppose: None. Motion was approved by a 5-0 vote.** Mayor Strack stated that this is another effort by Staff to save money.

19. Study Session: 2015-2016 Budget Preparation – focusing on General Fund Revenues and Expenditures and options for services.

City Manager John Brewer provided a brief outline and PowerPoint Presentation in support of the 2015-2016 Budget Staff Report contained within the Agenda package. In this presentation Mr. Brewer outlined 3 various options:

- Option 1: “Status Quo” Budget the City will be required to utilize \$370,000 of the City’s operating reserves; the City’s “Savings Account” used to cash flow the City throughout the year while awaiting outside revenues from such sources as the State and County.
- Option 2: Eliminate Capital Expenditures for Police and Fire and shift \$181,000 of Street Maintenance Costs to Gas Tax Funds, and utilize \$135,000 of Operating Reserves which is only a 12-month predictable fix.
- Option 3: Streamline Services by eliminating Fire Dispatch, eliminate 4 full-time positions, and assign fire dispatching duties to Police Dispatch and utilize \$53,000 of City’s Operating Reserves.

Mr. Brewer stated explained some of the conditions affecting our receding tax revenues; specifically lower fuel tax revenues due to reduced price per gallon and the projected continuance of this reduction due to the construction of a new Truckstop in Orland. He explained cost saving measures the City has previously initiated such as the Police Department currently has 4 positions frozen, and Public Works Department has a total of 2 positions frozen. He also announced other cost saving measures initiated and completed by Staff for a total combined savings of \$181,000 per year. He announced a 4th and 5th Option suggested by a Councilmember; the 4th being to distribute the shortfall throughout all the City Departments, and the 5th to apply cost reductions to the Police Department which is the largest General Fund Department. Mr. Brewer stated the projected Dispatch Costs for both Police and Fire Dispatch for the 2015-16 fiscal-year; provided the call volume figures for both Centers that were provided by the Police and Fire Chiefs, the reimbursement amounts the City receives for Fire Dispatch services to the City of Orland, Capay and Orland Fire Districts, etc. He concluded by stating that the City’s Volunteer Fire Department provides invaluable service to the community and will remain a Volunteer Fire Department under all scenarios; however the City can no longer afford to expend about 18.8% of General Fund revenues to run two separate Dispatch Departments & operate the same programs & service as in the past. Staff has provided 3 Staff Report Options and two others and is now seeking Council direction.

During the presentation, many voiced their support of the Fire Department and keeping Fire Dispatch as is. Other suggestions voiced were to: Seek a half cent sales tax increase to fund keeping things as they are; Utilize the Operating Reserves to get us through until revenues increase; charge more for dispatching services provided to other entities, etc.

Statement by Chief Spannaus: “Honorable Mayor and Council, once again the Corning Volunteer Fire Department is in the crosshairs; 1,108 calls and 7,000 hours donated last year and the Fire Department is under discussion and balancing the budget is on the back of the Volunteers. The Corning Department operates on a budget of \$538,419, this is in comparison to Willows Fire at \$685,692 and they run about 820 calls a year; Orland Fire runs on a budget of \$320,000 between the City and Rural side and run about 678 calls a year; Red Bluff runs at \$1.737. Corning Fire operates one of the busiest Volunteer Departments in the State of California with a 3 minute average response time, 7 personnel per call and maintains an ISO rating of 4 to benefit the community on insurance rates. Reduction of Corning Volunteer Fire Department’s budget by 60% is unacceptable by this Department; it will affect emergency service to the Community. Combining dispatch is not as simple as it sounds; fire operates on clear techs, and Police on ten codes, this alone can be a challenge for a

single dispatcher to handle. Additional multiple calls, Officer and Firefighter safety all come into play. Before you is a letter from former Orland Fire Chief Jerry Kraemer who is a key figure in a centralized dispatch study that was done for Glenn County. All of the points stated in that letter are critical information. Glenn County realized that a combined was not workable and that fire needed a seat and law enforcement needed a seat, two seats under one roof...no cost savings, they spent \$45,000 to find this out by professionals. Red Bluff City tried to combine dispatch, and after a short time fire contracted with CalFIRE for \$100,000. Option 3 before you tonight was done without any input from myself, or the Volunteers, this matter needs extensive study by all concerned to maintain the level of service this community has come to expect. In conclusion, these Options or discussion points are, in his opinion, going to have a profound negative impact on all of us in this room. The Corning Volunteer Fire Department asks that Council support this community and its Volunteer as it has for 102 years.”

Statement read by Robert Snow, Corning Volunteer Fire Dept. 1st Capt.: Thanked everyone still here and stated that he reads this tonight with a heavy heart. He thanked the citizens in attendance tonight for their support of the Corning City Volunteer Fire Department. Volunteer Members feel it is their responsibility to respond to the current discussion and possible proposal regarding the 60% reduction their Fire Department Budget. We don't address Dispatch...that is our Fire Department. Terminating these four dispatch positions within our department will not only affect individuals and their families, it will also have an impact on the current level of service that is trusted by our citizens. Your first and most important responsibility that you have as a governing unit for the City of Corning is to provide for public safety. We request tonight that the possible proposal be abandoned, that our City's budget should not be balanced on the backs of the Corning Fire Department.

If you chose to continue to proceed with this proposal, be advised that within 30 days after the termination of the four positions that you will need to explore options to provide medical and fire protection services to all of your constituents. Additionally, we will lead a recall of your current elected Council positions. You were elected to represent all of us, now support all of us.

Mayor Strack responded stating thanks for the threat.

Councilor Linnet moved to drop Option 3 from consideration. City Attorney Jody Burgess stated that to make a motion on a non agenda item is not appropriate at this time as this is a study session. However you can give direction to Council as to what is to be done, but a motion is not the appropriate step. Councilor Linnet then directed Council to drop Option 3 from our choices. He stated that they donate 7,000 hours annually; we donate to our City; it is us, it's our Fire Department we are talking about. We can do this without cutting the Fire Dispatch and without cutting the Police Dispatch...just look at the numbers; we have it down to \$130,000. We have retirements coming up, if they retire at \$100,000 each, there is two of them that should be coming up next year, that's \$200,000. We don't have cut any positions, we might not fill in behind the guys that retire, but we can save the money without it. He stated that we are talking about getting the sales tax up, we need to drop our Hwy. 99 Improvement; the little guy can't build out there it costs too much. He stated that he had a Tire Shop, he looked into building on the previous property owned by the Glassblowers, the building was \$50,000; the building permit fees were \$55,000 not including the Development Impact Fees. He suggested that we get rid of the Development Impact Fees so the businesses could come in and we can then draw the sales tax, the businesses would go in there if it didn't cost so much.

Mayor Strack stated that we now have input to come back at the next Council meeting and John will come back with some type of budget and with what has transpired it now looks like Option 3 is not going to be one that is taken care of.

Councilor Cardenas stated that rather than having John come back with a budget, he thinks the Council needs to continue this out as a study session because he believes that the Council needs to analyze everything. But the first thing we need to do, is say that we will not cut any positions, but we are going to study everything to figure out where we can get the money from. Any spending that we can stop now, we stop, as long as it allows the City to continue operating until we can come up with a

plan. His concern is that this is going to continue on, we don't know where we are headed. We are supposedly coming out of a recession, yet we are being told that we are over \$300,000 in the red if we adopt the proposed budget, so there is a real problem. We heard tonight that a community to the south of us is going to put in a Truckstop, you saw the amount of fuel sales tax that comes into this City, what impact will that have. We need to look at what is actually coming in and how we are going to operate the City. He confirmed with the City Attorney that the City can continue to operate without a budget. He then stated that the City should do that. It will keep us all interested and focused on addressing this problem instead of coming back with one or two of the Options, adopting it and then state that we will study it in the future; then next year we will be here again. We need to realize that we have a problem that we need to address. His recommendation is to first state that nobody's position gets cut, fund those, but stop any funding we can stop and continue to operate the City.

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: LAFCO Meeting was cancelled. She will be attending the Community Action Tripartite Board Meeting on June 18th.

Linnet: Issued an apology to fellow Council members for posting a list of phone numbers on his Facebook page, he had thought obtained on the City's website when in fact he obtained it elsewhere. He encouraged all present to continue to contact the Council either by email, Facebook or by phone message via City Hall, but please keep the input coming.

Cardenas: Thanked everyone for their attendance tonight, this is what democracy in action is all about...it is about solving problems together. He reiterated what Councilors Dickison and Smith had previously stated; specifically that the Council is tasked with setting policy and the main function of establishing a budget. He stated he came here tonight without any specific thought in mind as to where he wanted to go with it and he was amazed at how it kind of snow balled into what it did. I hope that those of you that are still here realize that the majority of the Council is very open and wants to work with the community to figure out what is the right thing to do rather than have a preset on what we want to do.

He also stated that he had received word that a contract from the County and Sheriffs Department regarding the JAG funding for the \$40,000 diversion program (Counselling) the City Attorney has reviewed it and I believe that it is ready for the Mayors signature.

Smith: Will be attending the Art Show and Auction at the Senior Center on June 29th from 5-7 p.m. with proceeds to benefit the Corning Senior Center and Corning Fire Department.

Strack: Nothing.

N. ADJOURNMENT!: 9:22 p.m.

Lisa M. Linnet, City Clerk