



**CITY OF CORNING
SPECIAL CITY COUNCIL
CLOSED SESSION MINUTES
TUESDAY, SEPTEMBER 27, 2016
CITY COUNCIL CHAMBERS
794 THIRD STREET**

The City of Corning welcomes you to our meetings, which are regularly scheduled for the second and fourth Tuesdays of each month. Your participation and interest is encouraged and appreciated.

In compliance with the Americans with Disabilities Act, the City of Corning will make available to members of the public any special assistance necessary to participate in this meeting. The public should contact the City Clerk's office (530/824-7033) to make such a request. Notification at least 72 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting.

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: 6:00 p.m.

B. ROLL CALL:

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

Mayor:

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 LEGAL COUNSEL – ANTICIPATED LITIGATION PURSUANT TO SUBDIVISION (b) OF SECTION 54956.9:
One Case**

E. ADJOURN TO REGULARLY SCHEDULED CITY COUNCIL MEETING AND REPORT ON CLOSED SESSION: 6:34 p.m.

Mayor Strack announced that the City Council met with Legal Counsel, received a status update and gave him direction.

Lisa M. Linnet, City Clerk



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A. CALL TO ORDER: 6:34 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 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: By Council Consensus the order of Proclamations/Presentations was reorganized as follows;

- 1. Presentation: VFW Post 4218 to present six (6) Medical Kits to the Corning Police Department.** Paul Shennum, Dean Blankenship, Mike Taylor and Angel Herrera of VFW Post 4218 presented six medical kits to Police Chief Fears for placement in the department's patrol vehicles.
- 2. Proclamation: National Domestic Violence Awareness Month – October 2016.** Present to accept the Proclamation and provide information about their Program and upcoming events was Maggie Michael, Domestic Violence Advocate.
- 3. Proclamation: 4-H Week – October 2-8, 2016 in the City of Corning.** Present to accept the Proclamation was Cindy McClain and members of Corning 4-H.

F. BUSINESS FROM THE FLOOR:

Ross Turner announced the passing of George Freeman, local property owner, recycling businessman, rancher, and former City resident. He stated that over the years George was a Boy Scout Leader and actively participated in various City events/activities and Community Clubs/Committees. He announced that there will be a celebration of life for George at the Corning Memorial Hall on Saturday, October 1, 2016 at 11 a.m.

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.

- 4. Waive reading, except by title, of any Ordinance under consideration at this meeting for either introduction or passage, per Government Code Section 36934.**
- 5. Waive the reading and approve the Minutes of the following City Council Meetings with any necessary corrections:**
 - a) August 23, 2016; and
 - b) September 13, 2016
- 6. September 21, 2016 Claim Warrant - \$150,212.55. (Mayor Strack noted the change from the Agenda which incorrectly listed \$154,212.55).**

7. September 21, 2016 Business License Report.**8. Adopt Ordinance 669, an Ordinance creating Multi-Family Residential Development & Design Guidelines within the Corning Municipal Code. (Second Reading & Adoption)**

Councilor Linnet moved to approve Consent Items 4-8; Councilor Dickison seconded the motion. **Ayes: Strack, Dickison, Linnet, Cardenas and Smith. Absent/Abstain/Opposed: None. Motion was carried by a 5-0 vote.**

H. ITEMS REMOVED FROM THE CONSENT AGENDA: None.**I. PUBLIC HEARINGS AND MEETINGS: None.****J. REGULAR AGENDA:****9. PowerPoint presentation by NHA Advisors relating to the substantial savings the City would receive through a possible refinance of the City's existing four water and/or sewer related loans/Certificates of Participation. (Presentation Only, no action to be taken)**

City Manager Kristina Miller introduced Mark Northcross of NHA Advisors who presented the financial information relevant to the possible refinancing of the City's existing water/sewer debt that will save the City a considerable amount of money. City Manager Miller stated that the savings would be to the sewer and water funds, not the General Fund.

Mr. Northcross introduced Jeff Land and Nicki Tallman of Brandis & Tallman LLC.

Mr. Northcross responded to questions resulting from his presentation briefing the Council on the following:

- Savings to the City by refinancing the existing debt is estimated at approximately 10% or \$900,000 (which includes the refinancing costs) with no extension of existing loan terms, however the authorizing Resolution for refinancing will specify a minimum "net present value" savings equal to 5% of the amount of the debt refinanced.
- Interest rates.
- Cash flow savings are anticipated to be \$35,000 to \$40,000 per year for each fund.
- Expected and anticipated refinancing costs to the City.
- The City's sewer fund is in good shape and has two more years of approved rate increases; the Water fund however will require a possible rate increase due to revenue losses resulting from the drought. If post drought consumption does not rebound, the rate stabilization fund (see next bullet point) will be used to cover debt service until consumption does rebound or the City raises water rates. A refinance now would allow the City a year to rebound before taking action to initiate a water rate increase.
- What steps the City needs to take to complete this refinancing and explained these steps, including the statement that refinancing will release some reserves for both the Water and Sewer funds. However due to recent negative coverage in the Water Fund, the City's Finance Team proposes an estimated deposit of \$220,000 into a rate stabilization fund at closing on refinancing; this can be funded from the City's current water fund reserves.
- Stated that they plan to bring all refinancing documents to Council for consideration and approval at the October 11th meeting.

Presentation only, no action required.

10. Approve Staff recommendation to allow installation of the proposed Neighborhood Crime Watch signs within the City's right-of-way under the direction of the Public Works Director, and waive the \$15 Encroachment Permit Fee.

Public Works Director Dawn Grine introduced Collete Glattfelder, organizer of the Corning's new Neighborhood Watch Program. Ms. Glattfelder stated that currently they have approximately 30 participants in the program. Neighborhood Watch meets every Thursday night at Better Choice Realty at 6:30 p.m., they have opened a Neighborhood Watch Program account at Rabo Bank. To date they have purchased 10 signs for placement throughout town at approved sites.

Councilor Dickison moved to authorize the Neighborhood Crime Watch Volunteers to install signs within the City Right of Way under the direction of the Public Works Director and waive the \$15 Encroachment Permit Fee. Councilor Smith seconded the motion. **Ayes: Strack, Dickison, Linnet, Cardenas and Smith. Absent/Abstain/Opposed: None. Motion was carried by a 5-0 vote.**

- 11. Approve Partial Payment Estimate No. 1 in the amount of \$167,310.10; approve Contract Change Order No. 1; accept the Notice of Completion; and authorize the release of retention following the required 35-day waiting period to Northwest Paving Inc. for the 2016 Street Paving Project.**

Mayor Strack introduced this item by title. With no discussion, Councilor Linnet moved to approve Progress Payment Estimate No. 1 in the amount of \$167,310.10, retain the 5% Contract Retention of \$8,365.51, approve Contract Change Order #1 decreasing the contract amount to \$167,310.10, issue payment in the amount of \$158,944.59 to Northwest Paving, Inc. for the 2016 Street Paving Project, accept the Notice of Completion, and release Retention in the amount of \$8,365.51 after the required 35-day waiting period. Councilor Cardenas seconded the motion. **Ayes: Strack, Dickison, Linnet, Cardenas and Smith. Absent/Abstain/Opposed: None. Motion was carried by a 5-0 vote.**

- 12. Approve second Agreement with Fresh Air Energy XXVI, LLC to Indemnify, Defend and Hold Harmless the City of Corning.**

Mayor Strack introduced this item by title. City Attorney Jody Burgess explained the need for the proposed indemnification agreement. It was announced that the solar arrays are scheduled to be activated in mid-October dependent upon approval of this Agreement.

Councilor Dickison moved to approve the Second Agreement with Fresh Air Energy XXVI, LLC, an affiliate of Ecoplexus Inc. to Indemnify, Defend, and Hold Harmless the City of Corning, accept the Special Facilities Agreement with PG&E; and authorize the City Manager to sign the Second Agreement as stated and the Special Facilities Agreement. Councilor Smith Seconded the motion. **Ayes: Strack, Dickison, Linnet, Cardenas and Smith. Absent/Abstain/Opposed: None. Motion was carried by a 5-0 vote.**

- 13. Accept Progress Payment Estimate No. 5 to Trent Construction for the Streetscape Project in the amount of \$58,534.57.**

Mayor Strack introduced this item by title. Public Works Director Dawn Grine provided a status update on the project stating that at this time the project is nearly complete. Councilor Linnet stated that he is still unhappy with the "roller coaster" effect of the road, it should have been caught and fixed and he cannot vote to approve payment of any other funds.

Mayor Strack and Councilor Cardenas stated, with the City Attorney agreeing, that if the City Engineer has signed off that the Contractor has done the work according to the plans, the City must pay him.

Councilor Dickison moved to approve Progress Pay Estimate No. 5 in the amount of \$58,534.57; retain the 5% Contract Retention of \$2,926.72; and issue payment in the amount of \$55,607.85 to Trent Construction for the Downtown Streetscape Project. Councilor Cardenas seconded the motion. **Ayes: Strack, Dickison, and Cardenas. Absent/Abstain: None. Opposed: Linnet and Smith. Motion was carried by a 3-2 vote.**

- 14. Authorize the Public Works Director to proceed with alteration of the Streetscape Project Bulb-Outs and process associated Change Order with Trent Construction.**

Mayor Strack introduced this item by title and asked Public Works Director Dawn Grine if she had obtained a quote from the Contractor on the cost for the proposed alteration. Ms. Grine stated she had and it is less than \$30,000 however she had some questions relating to the costs and number of bulb-outs (from 12-6).

Mayor Strack confirmed the bulb-outs proposed to be filled and landscaping removed. Councilor Linnet stated he would like to see them all filled in because if we have a flood the bark will fill the storm drains.

Ross Turner stated that he hopes that the Press will state that the Contractors work was in compliance with the Project Plans. He further stated that the filling of the bulb-outs will not fix the problem explaining that if someone is in the center lane and someone pulling a trailer is turning onto Solano at the same intersection, the person pulling the trailer cannot make the turn. Julie Johnson related an incident where her car was almost hit and suggested moving parking back from the bulb-outs.

By consensus of the City Council, Staff was directed to bring this item back for discussion and action following a Public Meeting to be held on October 11th at 5:00 p.m. to discuss this issue.

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

L. COMMUNICATIONS, CORRESPONDENCE AND INFORMATION: Announced that the City received thank you cards from the families of Tucker Mesker and Greg Hassay.

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: Stated that she didn't attend the Tripartite Meeting last Thursday as it had been cancelled for lack of quorum.

Linnet: JPA meeting is next Monday, and now that his back is better he will begin collecting shopping carts discarded throughout town.

Cardenas: Announced that October 8th the Olive Festival will begin starting at 7:00 a.m. with a breakfast at the Corning Fire Department, Parade on Solano Street at 9:00 a.m. followed by the bed races, then followed by the booths at the Corning Community Park. Mayor Strack asked if Councilors Cardenas and Dickison could provide an update on the Theatre at a future meeting.

Smith: Announced that Corning Rotary has stated that they will paint the interior of the Senior Center prior to their big Health Fair Event.

Strack: Nothing.

N. ADJOURNMENT!: 8:11 p.m. Councilor Cardenas announced that a shuttle service will be provided for Olive Festival (at Corning Community Park) attendees. The Shuttle will transport attendees from the parking areas located at the Olive Pit and Lucero Olive Oil.

Lisa M. Linnet, City Clerk