



**CITY OF CORNING
SPECIAL CITY MINUTES
CLOSED SESSION AGENDA
TUESDAY, AUGUST 27, 2019
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: 6:00 p.m.

B. ROLL CALL:

Council:

**Robert Snow
Jose "Chuy" Valerio
Dave Demo
Karen Burnett
Douglas Hatley Jr.**

Mayor:

All members of the City Council were present.

C. PUBLIC COMMENTS: Mayor Hatley announced a request to add an item to the Closed Session based upon information received following the posting of the Agenda. That Item is:

CONFERENCE WITH LEGAL COUNSEL – Significant Exposure to Litigation pursuant to § 54956.9(b) - One Case

By Council Consensus this item was added to the Closed Session Agenda.

D. REGULAR AGENDA:

1. CONFERENCE WITH LEGAL COUNSEL – Existing Litigation pursuant to Paragraph (1) of subdivision (d) of Government Code § 54956.9.

One Case:

1) Case No.: 2:18-cv-01550-KIM-AC

2. CONFERENCE WITH LEGAL COUNSEL – Significant Exposure to Litigation pursuant to § 54956.9(b) - One Case (Item added by consensus of the City Council).

E. ADJOURN: Adjourn to regular City Council Meeting and report on Closed Session. 6:31 p.m.,

Mayor Hatley reported that Council met in Closed Session on both items and provided direction to Staff.



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

B. ROLL CALL:

Council:

**Robert Snow
Jose "Chuy" Valerio
Dave Demo
Karen Burnett
Douglas Hatley Jr.**

Mayor:

All members of the City Council were present.

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

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D. INVOCATION: Led by Mayor Hatley.

E. PROCLAMATIONS, RECOGNITIONS, APPOINTMENTS, PRESENTATIONS: None

F. PUBLIC COMMENTS AND BUSINESS FROM THE FLOOR: None

G. CONSENT AGENDA:

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 with any necessary corrections of the August 13, 2019 Special Joint Session of City Council & City Commissions, and Regular City Council Meeting.
3. August 21, 2019 Claim Warrant in the amount of \$284,621.31.
4. August 21, 2019 Business License Report.
5. Adopt Resolution No. 08-27-2019-01 approving a Volunteer Fire Assistance (VFA) Program Agreement for awarded funding in the amount of \$2,896 between the City and CALFIRE and authorize the City Manager to sign the proposed Agreement.
6. Adopt Agreement to provide dispatch services to Glenn-Colusa Fire Protection District and authorize the Fire Chief to sign and execute the Agreement.

Councilor Valerio moved to approve Consent Items 1-6; Councilor Snow seconded the motion. **Ayes: Hatley, Snow, Valerio, Demo and Burnett. Absent/Abstain/Opposed: None. Motion was approved by a vote of 5-0.**

H. ITEMS REMOVED FROM THE CONSENT AGENDA: None

I. PUBLIC HEARINGS AND MEETINGS: None

J. REGULAR AGENDA: Removed Item 10 and rearranged agenda to address Items 8 and 9 followed by 7.

7. Consider approval of Letter in opposition to proposed Tariffs that would impact Bell Carter and support Legislation to aid local olive growers.

Presented by City Manager Kristina Miller who stated that this item is very controversial due to termination of contracts to growers. She provided various associated information such as:

- Harvesting methods and cost saving benefits associated with mechanical harvesting vs. manual labor;
- Olive Orchard productive life span and number of years trees must be in the ground (4-7 years) prior to harvesting fruit vs. other crops such as walnut trees, etc.
- Proposed Tariffs for canned produce vs. raw fruit;
- Bell Carter employment levels (250 year-round full-time/90 seasonal part-time), number of contracts previously terminated, and possible future number of contracts to be terminated;
- Proposed plant improvements to local facilities and how the proposed tariffs could affect whether the improvements are completed or not.

She concluded by explaining that her intent was to support both parties equally, our local employer, as well as the local Olive Orchardists.

Tim Carter (Bell Carter Representative) addressed the Council and explained the reason for Bell Carter's request for a letter of support against the Tariffs. He stated that in order to contend in the global olive market, Bell Carter Foods is dependent on a reliable global supply chain, which includes California and sources outside the U.S., including the EU (European Union). For the last 30 years, the table olive industry has relied on thousands of tons of bulk raw olives from global sources due to the undisputed fact that California's olive supply can only support 35 percent of the U.S. demand and California acreage only continues to decrease, with annual acreage falling by He emphasized the many harmful economic effects the tariffs on imported bulk ripe olives would have of the City of Corning which could include the stalling of a planned \$10 million investment in plant upgrades and threatened the stability of jobs in Corning. He further stated the Companies decision to release some of the contracts of local orchardists was a gut-wrenching decision and not taken lightly, however it was necessary as a result of the global economy.

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Councilman Demo: Wasn't Bell Carter in favor of the tariffs initially? Mr. Carter responded to the question stating yes, they were a couple of years ago and he explained why. Councilor Demo also asked about the possibility of Bell Carter closing the facility on Highway 99W; he was informed there are no plans at this time, however they do plan to reorganize with one process being done at the plant on Second Street and another process at the plant on Highway 99W.

David Lester (local orchardist & member of the Olive Growers Council of California): Urged the City Council to not endorse the letter of support and stated that the Olive Growers Council of California support of the proposed tariffs. He further stated Bell Carter sold part of the Company which allowed them to move fruit in under the tariffs. He also referenced Spain's subsidies to their growers.

Gary Strack: Stated he understands both sides of the issue and stated this is the ups and downs of agriculture. He concluded by stating it is a difficult time right now and he hopes a balance can be reached.

In response to a question of whether Bell Carter has a foreign investor; Tim Carter responded stating that Bell Carter did receive a foreign investor from Spain and other Countries in Europe however they are not what is driving this action/request.

Mr. Carter stated that the impact of the proposed tariffs may be as much as 100% of the value of the imported olives.

Councilor Demo stated that he did not feel that he had enough information at this time to make an informed decision and asked if the item could be continued to a future meeting to allow Council time to obtain additional information. He was informed by City Manager Miller and Mr. Carter that the timing of the proposed letter is driven by a United States Office of the Trade Representative (USTR) decision which will take place mid to late next week. The letter will need to be submitted prior to the decision.

Mayor Hatley stated that Council has been contacted by both growers and residents regarding this issue. This will be a very difficult decision for the Council.

Councilor Snow moved for Mayor and Council to do nothing; Councilor Demo seconded the motion. **Ayes: Hatley, Snow, Demo and Burnett. Absent/Abstain: None. Opposed: Valerio. Motion was approved by a 4-1 vote with Valerio opposing.**

8. Approve Construction Pay Request #3 in the amount of \$4,989.50 to Cut-In Edge Painting, Inc.; accept Notice of Completion; and authorize Retention Release for the 2019 City Hall Exterior Improvement Project #2019-2.

Presented by Public Works Consultant Robin Kampmann who reported that the work has been completed to Staff's satisfaction.

Councilor Burnett moved for Mayor and Council to approve Construction Pay Request #3 in the amount of \$4,989.50 less the 5% Retention (\$249.48); issue payment in the amount of \$4,740.02 from Budget Line Item Number 001-9072-3600, City Hall Exterior/Building Maintenance to Cut -In Edge Painting, Inc.; accept Notice of Completion and authorize filing with Tehama County for recording; and authorize the release of Retention Funds in the amount of \$3,144.42 from the same Budget Line Item 35-days after the Notice of Completion has been filed. Councilor Demo seconded the motion. **Ayes: Hatley, Snow, Valerio, Demo and Burnett. Absent/Abstain/Opposed: None. Motion was approved by a vote of 5-0.**

9. Accept the Notice of Completion and authorize filing with County Clerk; and authorize Retention Release in the amount of \$22,569.33 for Project 2018-18, 2019 Street Improvement Project to SnL Group Inc.

Presented by Public Works Consultant Robin Kampmann who stated that the project work on both Streets (Elizabeth and Fairview) have been completed. Mayor Hatley confirmed that the holes created by the removal of the poles will either be completed by PG&E or SnL Group Inc. at no additional costs to the City.

Councilor Snow moved for Mayor and Council to accept Notice of Completion and authorize filing with Tehama County for recording; and authorize the release of Retention funds in the amount of \$22,569.33 to SnL Group, Inc. from the six (6) 2019 Street Project Budget Line Item numbers as listed in Staff Report. Councilor Burnett seconded the motion. **Ayes: Hatley, Snow, Valerio, Demo and Burnett. Absent/Abstain/Opposed: None. Motion was approved by a vote of 5-0.**

10. Consider approval of a one-year payment plan for Blue Beacon as a result of a large water leak.

City Manager Miller stated that this item is being removed from the Agenda as the Manager of Blue Beacon has stated that they will pay the full amount of the bill and has rescinded their request for a payment plan. **Removed from Agenda.**

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).

Snow: None

Valerio: Chamber of Commerce President Laura Fears provided an update on Chamber Events and commended DM-Tech for sponsoring a DJ for the Corning Farmers Market/Health Fair to be held on August 22nd. She announced that Corning in the Evening will be held on September 12th at the Chamber of Commerce Building. Council and City Manager thanked the Chamber for the Wellness Event as it was a huge success.

Demo: Reported on the Senior Center Board Meeting.

Burnett: She stated that the Police Chief attended the Senior Center Meeting, they are selling raffle tickets that will be drawn at the Olive Festival, they will be holding Bunko on September 19th, she also reported on the Rotary provided movie (Road to Bali) Rodgers Theatre on August 16th.

Hatley: Nothing

City Manager Miller stated that the Fall Recreation Program will be starting in a few weeks.

N. ADJOURNMENT!: 7:18 p.m.

Lisa M. Linnet, City Clerk