



**CITY OF CORNING
SPECIAL CITY COUNCIL
CLOSED SESSION MINUTES
TUESDAY, MAY 28, 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 Council were present except Mayor Hatley who is on vacation.

C. **PUBLIC COMMENTS:**

D. **REGULAR AGENDA:**

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

E. **ADJOURN TO REGULARLY SCHEDULED CITY COUNCIL MEETING AND REPORT ON CLOSED SESSION:** 6:20 p.m.

Vice Mayor Snow reported that Council met in Closed Session and gave Staff direction.

Lisa M. Linnet, City Clerk



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Council:

Robert Snow
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Mayor:

All members were present except Mayor Hatley who is on vacation.

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

D. **INVOCATION:** Led by Councilor Burnett.

E. **PROCLAMATIONS, RECOGNITIONS, APPOINTMENTS, PRESENTATIONS:**

1. **Proclamation: May 19 – 25, 2019 National Public Works Week.** Interim Public Works Director Robin Kampmann accepted the Proclamation on behalf of the Public Works Department.

F. **PUBLIC COMMENTS AND BUSINESS FROM THE FLOOR:**

Fire Chief Tomlinson thanked Councilor Demo for the flags on main Street. Councilor Demo thanked Delores May for providing the new flags.

G. **CONSENT AGENDA:**

2. **Waive reading, except by title, of any Ordinance under consideration at this meeting for either introduction or passage, per Government Code Section 36934.**

THE CITY OF CORNING IS AN EQUAL OPPORTUNITY PROVIDER AND EMPLOYER

3. **Waive the reading and approve the Minutes with any necessary corrections of the May 14, 2019 Closed Session and City Council Meeting.**
4. **May 22, 2019 Claim Warrant in the amount of \$116,830.11.**
5. **May 22, 2019 Business License Report.**

Councilor Demo moved to approve Consent Items 2-5; Councilor Burnett seconded the motion. **Ayes: Snow, Valerio, Demo and Burnett. Abstain/Opposed: None. Absent: Hatley. Motion was approved by a 4-0 vote with Hatley absent.**

H. ITEMS REMOVED FROM THE CONSENT AGENDA: None

I. PUBLIC HEARINGS AND MEETINGS: None.

J. REGULAR AGENDA:

6. **Approve recommendation of Assistant Public Works Director Stephen Lindeman to serve as the City's representative and voting member on the Tehama County Integrated Waste Management Task Force (AB 939).**

Presented by City Manager Miller who stated that former Public Works Director Dawn Grine previously sat on this Board as the City's representative.

Councilor Burnett moved to approve the recommendation of Assistant Public Works Director Stephen Lindeman to serve as the City's representative and voting member of the Integrated Waste Management Task Force. Councilor Valerio seconded the motion.

Ayes: Snow, Valerio, Demo and Burnett. Abstain/Opposed: None. Absent: Hatley. Motion was approved by a 4-0 vote with Hatley absent.

7. **Approve Contract Change Order No. 1 to SnL Group, Inc. increasing the 2019 Street Improvement Project #2018-18 by \$67,323.88 for a new contract total of \$412,396.28.**

Presented by Interim Public Works Director Robin Kampmann who stated that the City has asked SnL to stripe (thermo plastic) four additional streets since their Subcontractor Apply-A-Line will be working on the 2019 Street Project, utilizing them for these additional streets now will allow the striping of the additional streets to be completed more timely and will ultimately save the City money.

Councilor Demo moved to approve Contract Change Order No. 1 to SnL Group, Inc. increasing the 2019 Street Improvement Project #2018-18 by \$67,323.88 for a new contract total of \$412,396.28. Councilor Valerio seconded the motion. **Ayes: Snow, Valerio, Demo and Burnett. Abstain/Opposed: None. Absent: Hatley. Motion was approved by a 4-0 vote with Hatley absent.**

8. **Authorize Public Works to seek Proposals for a three-year Janitorial Services Agreement.**

Presented by Interim Public Works Director Robin Kampmann who stated that the current contract expires in June. Mrs. Kampmann confirmed the locations that will be covered under the proposed Agreement.

Councilor Demo moved to authorize Public Works to seek Proposals for a three-year Janitorial Service Agreement; Councilor Burnett seconded the motion.

Ayes: Snow, Valerio, Demo and Burnett. Abstain/Opposed: None. Absent: Hatley. Motion was approved by a 4-0 vote with Hatley absent.

9. **Approve support of Assembly Bill 430 (AB 430), the Camp Fire Housing Assistance Act of 2019 (Gallagher) and request the City of Corning be included in the Legislation.**

Presented by City Manager Miller, who stated that this bill is known as the Camp Fire Act of 2019 and has been presented by Assemblyman Gallagher and the proposed bill would provide CEQA exemptions for those affected by the Camp Fire. City Manager Miller also stated the possible ramifications to our economy should these victims chose to permanently relocate as a result of the process to rebuild. She then announced that the City of Chico has voted to not support AB 430 and asked to be removed from the Bill's listing of those in support.

City Manager Miller explained that although she does have some concerns related to parking standards, she has discussed this with Assemblyman Gallagher and he has stated he is willing to work with the City to make amendments relating to parking standards as other jurisdictions have voiced similar concerns.

Councilor Demo asked City Manager Miller if she had any information regarding Fire Insurance Coverage cancellations; she responded that her Mother who resides in Magalia to her knowledge still has coverage. Beyond that she has no other information on this issue.

Councilor Demo moved to authorize, with the caveat that the parking issue meets the City's requirements, support of AB 430, the Camp Fire Housing Assistance Act of 2019, authorize the submittal of a letter requesting the City of Corning to be included in AB 430, and direct Staff to work with Assemblyman

Gallagher on parking language to meet the City's concerns. Councilor Burnett seconded the motion. **Ayes: Snow, Valerio, Demo and Burnett. Abstain/Opposed: None. Absent: Hatley. Motion was approved by a 4-0 vote with Hatley absent.**

10. Approve Agreements to provide Dispatch Services to Bayliss, Ord and Glenn Codora Fire Protection Districts and authorize the Fire Chief to sign and execute the Agreements.

This item was presented by Fire Chief Tomlinson who stated, if the Agreements are approved, the Corning Fire Dispatch will probably take over starting July 1st. He also stated that the named Departments will provide for all necessary costs of additional equipment needed to provide service to them.

Councilor Burnett moved to approve the Agreements to provide Dispatch Services to the Bayliss, Ord Bend and Glenn Codora Fire Protection Districts. Councilor Valerio seconded the motion. **Ayes: Snow, Valerio, Demo and Burnett. Abstain/Opposed: None. Absent: Hatley. Motion was approved by a 4-0 vote with Hatley absent.**

11. Approve Agreement with Tehama County for Animal Shelter Services.

Presented by City Manager Miller who announced that the current Agreement expires in October of 2019 and the current Operators are not interested in renewing the Agreement. She stated that the County operates a non-kill shelter.

City Manager Miller explained that under the proposed Agreement, City Staff will be responsible for transporting dogs to the County Shelter and the City's Animal Shelter/Pound will close permanently. She further stated the costs necessary to upgrade the City's Shelter should we have been able to find someone to operated it, adding to do this would be cost prohibitive.

City Manager Miller explained that the City would be required to increase our fees which are currently lower than surrounding jurisdictions fees. Currently the City's fees do not even cover the City's cost for renewal notice mailings, much less the tags. She stated that she will be presenting a Staff Report to Council requesting to increase fees by \$5 at a future meeting. Ms. Miller also presented the fees the City will receive under the Agreement and the additional costs the City will incur under the proposed Agreement.

Councilor Snow suggested having a small holding facility possibly in the Police Department parking lot to hold animals for a short time to allow City residents to retrieve their pets that were picked up while they were at work. Council directed Staff to look into this.

Councilor Demo moved to approve the proposed Agreement between the City of Corning and Tehama County for Animal Shelter Services, authorize the City Manager to sign the Agreement on behalf of the City and directed Staff to prepare Staff Report for increasing the fees. Councilor Valerio seconded the motion. **Ayes: Snow, Valerio, Demo and Burnett. Abstain/Opposed: None. Absent: Hatley. Motion was approved by a 4-0 vote with Hatley absent.**

12. Direct Staff to begin the Proposition 218 process to initiate Water, Sewer and Garbage Rate Increases.

Presented by City Manager Miller who stated the following:

Sewer: Ms. Miller stated that the last annual increase of 3.5% for sewer services took effect on July 1, 2018. She then presented the background information as to why the rates need to be increased stating that the Sewer Enterprise Fund, should no increase be applied, begins to run in the red in FY 2019/2020. She explained that with a 3% increase the Sewer Enterprise Fund is projected to maintain a slightly positive net income while also meeting the City's rate covenant requirement of net system revenues associated with the refinanced water/sewer debt.

Water: Ms. Miller stated that although there was an annual 5-year water rate increase of 3.5% effective in 2018, due to maintenance costs averaging 5.5% each year and decreases in consumption, further increases are necessary. She further stated that to reach a slightly positive net income and satisfy our rate covenant requirements, an additional 3.5% increase is necessary for a total of 7.0% for the next four (4) years. For fiscal years 2019/2020 and 2020/2021 the City will continue transferring funds from our Replacement Reserve Fund to balance the budget and meet the City's rate covenant requirement. If consumption rates return, the City can reduce this rate increase at a later date.

Garbage: Stated that the proposed rate increase is 4.07% which amounts to \$0.93 per month for a 96-gal. residential cart service. She also stated that customers who desire to reduce their cart size to a 64-gal. cart can reduce their rates by \$0.395 per month. She concluded by stating that there will be many improvements to the new Agreement with Waste Management (Corning Disposal) and that the rate increase proposed is consistent with the current rate increase allowed within the existing Agreement.

Councilor Demo moved to direct Staff to schedule a Public Hearing on July 23, 2019 to consider implementing:

- Four separate annual 7.0% residential water rate increases for a monthly residential rate increase of \$1.21 starting August 1, 2019 and then annually on July 1st of each year through 2023 (the proposed increase includes the 3.5% increase approved last year); and
- Five separate annual 3.0% sewer rate increases for a monthly residential rate increase of \$1.16 starting on August 1, 2019 and then annually on July 1st of each year through 2023; and
- A monthly 4.07% residential garbage rate increase (\$0.93 per month).

Councilor Burnett seconded the motion. **Ayes: Snow, Valerio, Demo and Burnett. Abstain/Opposed: None. Absent: Hatley. Motion was approved by a 4-0 vote with Hatley absent**

K. ITEMS PLACED ON THE AGENDA FROM THE FLOOR:

Reopened Public comments so an audience member could ask about a concern at the former Glass Blowers Business on Hwy. 99 W relating to removal of offensive graffiti; Police Chief Fears stated that the Police Department is currently working on this issue.

L. COMMUNICATIONS, CORRESPONDENCE AND INFORMATION:

City Clerk Lisa Linnet announced that the City received a Resolution from the Butte County Board of Supervisors recognizing and commending the mutual aid provided by the City of Corning during the Camp Fire Disaster response and recovery efforts.

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: None
Demo: None
Burnett: None
Hatley: Absent

N. ADJOURNMENT!: 8:34 p.m.

Lisa M. Linnet, City Clerk