

**PORTOLA CITY COUNCIL**  
**MEETING MINUTES**  
**November 12<sup>th</sup>, 2014**  
**7:00 p.m.**

**1. CALL TO ORDER**

Mayor Oels called the meeting to order at 7:00 pm.

**2. PLEDGE OF ALLEGIANCE**

Mayor Oels led the Council in a moment of silence and the reciting of the pledge of allegiance.

**3. ROLL CALL**

Councilmembers Larrieu, Powers, and Morton, Mayor Pro Tem Gault and Mayor Oels responded to the roll call. City Manager Robert Meacher, City Planner Karen Downs, City Clerk Melissa Klundby, City Finance Officer Susan Scarlett and City Attorney Steve Gross were also in attendance.

**4. PUBLIC COMMENT**

Terri Woods, 108 W. Sierra Avenue congratulated Mr. Powers for his re-election to the City Council and thanked the City of Portola Staff for their clerical support during the election process.

Larry Douglas, 25 Commercial, commented on the empty businesses in the City and encouraged the Council to look at steps to attract new business.

**5. CITY COMMUNICATIONS**

**A. City Council/Committee Reports**

Mayor Pro Tem Gault reported that she had attended a marketing meeting with Patty Clawson from Big Fish, the recent Plumas County Board of Supervisors meeting and the United States Forest Service (USFS), Off Highway Vehicle meeting (OHV).

Councilmember Powers reported that he had attended the meeting of the Juvenile Justice Commission, assisted the local Girl Scout troop in planting trees at the City Park, and attended the local motorcycle club toy drive dance.

Councilmember Morton reported that she had attended the Tourism Commission meeting and that they are working on a County wide events calendar and that the Angle Tree and Christmas Tree Lighting Committees would be meeting the following day.

Mayor Oels reported that the Willow Creek free community wood project was completed and thanked all of the citizens for their participation. Councilmember Larrieu thanked Mayor Oels for all of the time and work he volunteered for this project

## **B. City Manager Communications**

City Manager Meacher introduced Gretchen Benet, Director for the Northern Air Quality Control Board and the newly hired local representative, Julie Ruiz. Ms. Benet reported that the EPA is looking at funding an extensive City wide woodstove change out program to assist the City in meeting air quality control standards.

City Manager Meacher also reported that the Community Service officer Leah Turner had recently attended a California Code Officers Compliance Conference. Ms. Turner gave a brief presentation to the Council and thanked them for sending her to the conference. Ms. Turner also reported that the Local Volunteer Fire Department would be giving away stockings at the local elementary school on December 9<sup>th</sup>, 2014 at 6 p.m.

City Manager Robert Meacher then gave a detailed report on the various meeting and projects he and staff worked on and noted that on November 21<sup>st</sup> there would be a 3 hour workshop at 1:30 in the Council Chambers concerning third party receiverships and how this process could be utilized by the City.

## **C. Staff Communications**

None

## **6. CONSENT CALENDAR**

- A. **Minutes** - Adopt the minutes of the Regular City Council meeting held on September 24, 2014 and the Special City Council Meetings of September 29<sup>th</sup> and October 6<sup>th</sup>, 2014 and the Regular City Council meeting of October 22<sup>nd</sup>, 2014.
- B. **Claims** - Adopt Resolution No. 2229 authorizing payment of claims for the period of October 18<sup>th</sup>, 2014 through November 7<sup>th</sup>, 2014.

Councilmember Powers made a motion to adopt the minutes of the Regular City Council meeting held on September 24, 2014 and the Special City Council Meetings of September 29<sup>th</sup> and October 6<sup>th</sup>, 2014 and the Regular City Council meeting of October 22<sup>nd</sup>, 2014 and adopt Resolution No. 2229 authorizing payment of claims for the period of October 18<sup>th</sup>, 2014 through November 7<sup>th</sup>, 2014. Councilmember Morton seconded the motion and it was unanimously approved.

## **7. PUBLIC HEARINGS**

- A. **Solid Waste Collection Fee Increase, Public Hearing** – Receive public comment and consider adoption of Resolution No. 2230 approving the fees. Discussion, possible action.

***Resolution No. 2230***  
***A Resolution of the City Council of the City of Portola***  
***Adopting Waste Collection Fees***

Mayor Oels asked for the staff report and City Attorney Steve Gross reported that on September 10, 2014 at the regular City Council meeting, the City Council was presented with a rate increase request from Intermountain Disposal (IMD) in compliance with Section 5.3 of the Franchise agreement between the City and IMD.

In compliance with Prop 218 and following the direction of the City Council notice of the proposed rate increase was mailed to all property owners and IMD customers within the City in compliance with noticing requirements. Mr. Gross reported that at this time the City had received only one written protest.

Mayor Oels opened the public hearing and asked for public comment.

City of Portola residents Mike Matus and Larry Douglas both made comment regarding the Prop 218 process and suggested that the Council should consider instead of requesting protests against the rate increase, written consent should be gathered and the rate increase should only be considered if fifty plus one percent of those affected write in consent for the increase.

Mr. Gross replied that the Prop 218 procedure is very specific and that the Council followed the correct procedures for the proper process as outlined under Prop 218.

Finding no further public comment Mayor Oels closed the public hearing and asked for a motion.

Councilmember Morton made a motion to approve Resolution No. 2230, A Resolution of the City Council of the City of Portola Adopting Waste Collection Fees and finding that the City had only received one written protests and that the protest threshold had not been met. Mayor Pro Tem Gault seconded the motion. The motion was unanimously approved during a roll call vote.

## **8. ORDER OF BUSINESS**

A. **Proclamation of Local Emergency Due to Drought Conditions in Portola, California** - Discussion and/or possible action.

City Manager Robert Meacher presented the Council with an extended proclamation of a local drought emergency, which is to be reviewed and renewed every 30 days. Mr. Meacher reported that the State of California is still in a drought.

Mayor Pro Tem Gault made a motion to adopt the extended Proclamation of a Local Emergency Due to Drought Conditions in Portola, California. Councilmember Morton seconded the motion and it was unanimously approved.

B. **Water Securities Plan** - Review and discuss City of Portola Water Supply and Sources and future development of a Water Securities Plan. Discussion and/or possible action.

City Manager Meacher reported that the South Truckee Meadows General Improvement District had arsenic well head treatment equipment that they no longer needed and that they would like to donate it to the City of Portola. Mr. Meacher reported that there would be expense to the City for moving and relocating the equipment and that since this agenda item was not specific if the Council would like to consider the acquisition of this equipment he would suggest that the Council add the following emergency item to the agenda:

8 B) -1 : Acquisition of and budget amendment for Arsenic Well Head Treatment Equipment.

Attorney Steve Gross noted that an emergency item could be added if the item was time sensitive and if it came to the attention of staff after the agenda had already been posted.

Councilmember Larrieu made a motion to add 8 B) -1: **Arsenic Well Head Treatment Equipment** - Acquisition of and budget amendment for Arsenic Well Head Treatment Equipment, and to make findings that the addition of this agenda item was time sensitive and that it came to the attention of staff after the agenda had already been posted. Councilmember Morton seconded the motion and it was unanimously approved.

8 B) -1: **Arsenic Wellhead Treatment Equipment** - Acquisition of and budget amendment for Arsenic Well head Treatment Equipment.

Mayor Oels asked for the staff report and Dean Marsh, City of Portola Water and Wastewater Consultant reported that the South Truckee Meadows General Improvement District (STMGID) was going to be merging with another service district and that they had Arsenic Well Head Treatment Equipment that was no longer needed, which could be used by the City of Portola at its City well, which has arsenic levels above State mandated acceptable levels. Mr. Marsh reported that costs of approximately \$32,000 would be incurred to disassemble move the equipment to the City but that new arsenic well head treatment equipment could run as much as \$800,000.

Members of the audience asked if the City had the staff and technical expertise to install the equipment and Mr. Marsh reported that installation work would need to be contracted out as it was highly technical.

Following further discussion Mayor Pro Tem Gault made a motion to approve a budget not to exceed \$40,000 and to formally accept the donation of the arsenic well head treatment equipment from the South Truckee Meadows General Improvement District and to assume the costs of dismantling and moving the equipment. Councilmember Morton seconded the motion and it was unanimously approved during a roll call vote.

C. **Waiver of Utility Fees** - Request of Dan Spalthoff, 275 Bear Way for a waiver of Utility fees owed. Discussion and/or possible action.

City manager Robert Meacher reported that Dan Spalthoff contacted the office requesting a waiver of utility fees owed on his property at 275 Bear Way. Mr. Meacher noted that he had waived a portion of the fees' however since the request was above what office staff would normally waive the Council was requested to act in a quasi-judicial manner regarding this request.

City Attorney, Steve Gross reported that the Council had the ability to hear evidence on the issue, if each Council member determined that they had no prior conversation with Mr. Spalthoff regarding this issue or a financial interest in the issue. All Councilmembers agreed this was the case and asked Mr. Spalthoff to present his request.

Mr. Spalthoff addressed the Council and reported that this issue was regarding utility bills on his property at 275 Bear Way. Mr. Spalthoff reported that during the recent changes in the utility billing policy he was undergoing legal proceedings to evict a tenant from his property. Mr. Spalthoff asked the Council to waive fees in the amount of \$83.50, incurred by tenants at his property, and to further review the utility billing policy.

The Council discussed the issue and determined to discuss potential changes to the Utility Billing Policy with regard to special circumstances at a future Council meeting. Mayor Pro tem Gault made a motion to

waive the \$83.50 owed on the property located at 275 Bear Way, due to the one-time special circumstances which occurred as a result of the changes in the Utility Billing Policy happening congruently to eviction proceeding of a tenant at this property. Councilmember Powers seconded the motion and it was unanimously approved.

D. **Eastern Plumas Chamber of Commerce** - Request for matching funds to attend trade shows. Discussion and/or possible action.

Councilmember Powers recused himself from hearing this agenda item as he also sits on the Board of the Eastern Plumas Chamber of Commerce. Audrey Ellis from the Eastern Plumas Chamber of Commerce gave the Council a presentation regarding the benefits of funding the Chamber to attend trade shows. Several local business owners, volunteers, and employers spoke about the benefits that they see from the chamber attending trade shows.

The Council commended the Eastern Plumas Chamber of Commerce on their promotion of the County and the City of Portola and Councilmember Larrieu made a motion to give the Eastern Plumas Chamber of Commerce \$800.00 from the 215 fund, for the attendance at promotional trade shows in 2015. Councilmember Morton seconded the motion and it was unanimously approved.

E. **Program Income - Community Development Block Grant** – Review citizen participation from administrative public hearing and provide staff direction. Discussion and/or possible action.

City Planner Karen Downs, reported that the City Council adopted a Program Income Reuse Plan on March 26, 2014. Since that time, the State Department of Housing and Community Development has changed its policy regarding Program Income and requires that all jurisdictions spend all previous Program Income before spending money on any new grant-related activities.

Karen Downs reported that she had held a citizen participation public hearing was held on November 12, 2014 at 10:00 a.m. and that a public hearing has been scheduled for December 10, 2014 regarding the Program Income Supplemental Activity Requests as reviewed and approved by the State.

The Council discussed the options for using the program income and prioritized the following three projects:

- 1) Water/Sewer Improvements at the Joy Way Vault.
- 2) ADA improvements to the Ball Park/West End Park/City Park.
- 3) Rehab of the South Side Fire Hall.

F. **Personnel Policy** – Consider approval of *Resolution No. 2231 Amending the City of Portola Personnel Policy*. Discussion and/or possible action.

The Council reviewed Resolution 2231, Amending the City of Portola Personnel Policy. Finance Officer Susan Scarlett noted that changes relating to longevity pay had not been included and would more appropriately be reviewed during the budget proceedings.

Mayor Oels asked for public comment and Terri Woods asked if a part-time building inspector had been hired. Staff reported that a temporary building inspector had been hired.

Finding no further public comment Councilmember Larrieu made a motion to approve ***Resolution No. 2231 Amending the City of Portola Personnel Policy***. Councilmember Powers seconded the motion and it was unanimously approved during a roll call vote.

G. **Auto Allowance** - Discuss an auto allowance for the City Manager in lieu of primary use of a City vehicle and possible amendment to the City Manager's Employment Agreement. Discussion and/or possible action.

Attorney Steve Gross presented the Council with an amended employee contract for City Manager Robert Meacher, which included a \$500.00 monthly car allowance. Mr. Gross reported that under the current contract Mr. Meacher was provided with the use of a City vehicle. However, there was no longer a city vehicle available for use by the City Manager and after discussion with the City Manager, it was determined that Mr. Meacher would prefer to use his own vehicle instead of the City purchasing a new vehicle for his use, as provided by his current contract. The Council discussed the option of purchasing a new vehicle or amending the City Manager contract to include a monthly vehicle allowance.

Mayor Oels asked for public comment and Terri Woods asked if Public Works Director, Todd Roberts drives the City vehicle to his residence. Staff reported that he does not.

The Council discussed the purchase of a new vehicle versus the cost of including an auto allowance in the City Managers contract.

Councilmember Larrieu made a motion to include a taxable monthly auto allowance in the amount of \$500.00 with a start date of November 1, 2015, and to approve Amendment Number 1 to the City Manager contract. Councilmember Morton seconded the motion and it was unanimously approved.

H. **Conference and Travel** - Review and discuss the current budget for conference and travel. Review upcoming conference and travel requirements and possible conference attendance. Consider budget amendments. Discussion and/or possible action.

Susan Scarlett, City Finance Officer reported that the Council would potentially have a new Councilmember and a new Mayor in December. She reported that in the past new Mayors and Councilmembers had attended the New Mayors & Council Members Academy. Ms. Scarlett asked for Council direction regarding providing the Council with a budget amendment at the next City Council meeting for attendance at the Academy.

Susan also reported that it would be very valuable for the new City Manager to attend the upcoming 2015 League of California Cities Annual City Managers Department Conference.

Councilmember Morton made a motion to approve sending the new Councilmember and new Mayor to the 2015 New Mayors & Council Members Academy and the City Manager to the 2015 League of California Cities Annual City Managers Department Conference and to request that Susan Scarlett, City Finance

Officer make the appropriate budget amendments. Councilmember Powers seconded the motion and it was unanimously approved.

- I. **Municipal Audit Services** - Review City Council member's research and previously presented proposal from Gallina LLP for audit services. Discussion and /or possible action.

Councilmember Larrieu reported that he was very happy with the work done by Gallina LLP for audit services. Councilmember Morton reported that she had received information from three of the five companies she contacted regarding audit services and that quoted prices were between \$30,000 and \$35,000 for the completion of an audit only. Councilmember Powers reported that he had contacted the City of Orland and that they pay \$25,000 for audit services and that this cost does not include any of the support services which Gallina, LLP provides.

Mayor Pro Tem Gault thanked Susan for working with her during this process and noted that she understands the extent of services that Gallina, LLP provided the City.

Councilmember Larrieu made a motion to extend the current Auditor's contract for the fiscal year end 2015 and 2016 years as presented for \$29,000 annually. Mayor Pro tem Gault seconded the motion and it was unanimously approved.

## 9. CLOSED SESSION

- A. **Existing Litigation** - Pursuant to Government Code Section 54956.9(d)(1), City of Portola vs. State of California Department of Fish & Game, Case No. CV09-00065.
- B. **Existing Litigation** – Pursuant to Government Code Section 54956.9(d)(1), Bauer v. City of Portola.

There was no reportable action from the closed session.

## 10. ADJOURNMENT

There being no further business to discuss, Mayor Oels adjourned the meeting at 9:47 p.m.

Respectfully Submitted,

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Melissa Klundby, City Clerk