

**PORTOLA CITY COUNCIL
REGULAR MEETING
JULY 24, 2013
7:00 P.M.**

CALL TO ORDER

Mayor Larrieu called the meeting to order at 7:01 p.m. and led the pledge of allegiance.

ROLL CALL

Councilmembers Morton, Gault, Mark, Mayor Pro Tem Oels, and Mayor Larrieu responded to the roll call. City Manager Ian Kaiser, City Attorney Steve Gross, Finance Officer Susan Scarlett, and Planner Karen Downs were also in attendance.

PUBLIC COMMENT

Concern with Drug Problem

Mr. Russ Walker, 180 S. Second Street, presented a letter to the City Council and discussed a drug problem on his street. He is concerned that Portola is an attractive city for drug users and dealers because of the lack of police presence on a regular full time basis.

Brown Act

Portola resident Larry Douglas, 25 Commercial, said that he was glad to read the 2012 Grand Jury report and to hear of positive change in Plumas County.

CITY COMMUNICATIONS

Mayor Larrieu said that there have been no committee reports.

CITY MANAGER'S REPORT

Mr. Kaiser reported that he is looking to put together a good team and that we are all learning together. The City Council and City Manager are getting to know each other. Mr. Kaiser was pleased to report that Councilmember Gault is working on a jobs plan, Mayor Pro Tem Oels is looking to help the less fortunate; Mayor Larrieu is helping with the Water meeting and rate structure; Councilmember Morton is helping with youth; and Councilmember Mark is helping with job development. Mr. Kaiser asked if the City Council likes the format of the workshops. Councilmember Mark responded that yes, the community can see that everyone is working together.

CONSENT CALENDAR

It was moved by Councilmember Gault seconded by Councilmember Mark to approve the consent calendar as presented. All members present voted in favor (5-0).

- A. Minutes – Adopted the minutes of the regular meeting held on July 10, 2013.
- B. Claims – Adopted Resolution No. 2174 authorizing payment of claims for the period July 6, 2013 to July 19, 2013.

Accounts Payable:	\$	93,851.90
Payroll:	\$	<u>21,531.23</u>
Total:	\$	115,383.13

ORDER OF BUSINESS

To accommodate out-of-town presenters, Mayor Larrieu reordered the agenda; Items F and G will be presented first.

F. 192 DEVELOPMENT AGREEMENT (PER ORDINANCE NO. 300) ANNUAL REVIEW; PUBLIC HEARING

Ms. Downs presented information related to Development Agreements in general, the specific action to be taken at the City Council meeting, and pointed out key features of the Portola 192 Development Agreement. She introduced Mr. John Hodgson and Mr. Orin Bennett to the City Council as the developers of the project.

Mr. Hodgson asked the City Council to approve the Annual Review because it is the primary value in the project. It is not possible to building anything in this economy. This past year, he has worked with City Engineer Dan Bastian to obtain easements on A-15 road construction, is current with the City and with his lender, and is taking care of the well-tampering issue. He is looking at options for future development but is currently in a holding pattern. The value of the property is in the Development Agreement.

Mayor Larrieu opened the public hearing at 7:26 p.m.

Councilmember Mark said that she appreciates his optimism and faith in our area, and indicated that she thought he had shown good faith.

Portola resident Larry Douglas asked Mr. Hodgson what he saw in the area that was attractive for development. Mr. Hodgson responded that the area was attractive, had nice geography, and the Railroad Museum.

Mayor Larrieu closed the public hearing at 7:31 p.m.

Councilmember Mark motioned to approve the Annual Review. Mayor Pro Tem Oels seconded the motion. The Annual Review was approved 5-0.

G. WOODBRIDGE AT PORTOLA DEVELOPMENT AGREEMENT (PER ORDINANCE NO. 318) ANNUAL REVIEW; PUBLIC HEARING

Ms. Downs reviewed key features of the Woodbridge Development Agreement and introduced Mr. David Wade, developer, to the City Council.

Mr. Wade asked the City Council to approve the Annual Review because it is the value in the property. Mr. Wade presented a review of the Woodbridge Development and explained that job development and overall economic development in Portola is a key part of the project's success. The Tentative Map was approved in 2006 and the Development Agreement in 2007. When the trench to the Courthouse was under construction, the lender defaulted on the Agreement. Mr. Wade has worked extensively to find a new lender. They are working on economic development concepts with a strong overlap with the City. Woodbridge won't be successful unless the City is successful. He explained that they are continuing to work very hard on developing the project. It would be a very valuable asset to have the Development Agreement Annual Review approved.

Councilmember Mark reiterated her thanks for Mr. Wade's commitment to Portola. Portola Resident Mike Matus, 708 Yeargin Drive, said that he hopes the City Council will keep in mind that Portola is better off for having Woodbridge.

Portola resident Larry Douglas, 25 Commercial, said that he has been out looking for investors. The City should go to Wells Fargo and ask them to invest. The tools of the National Forest should be used.

Councilmember Mark would like have an opportunity to review the information in detail, at a public workshop, before making a decision.

Mayor Larrieu felt that the City Council has enough information to make an informed decision related to the Annual Review, but thinks that a Workshop would be helpful for the City Council to have a full understanding of the project. Councilmember Mark agreed.

It was motioned by Mayor Pro Tem Oels to approve the Annual Review. Councilmember Morton seconded the motion. The Annual Review was approved 5-0.

Mr. Kaiser said that he would schedule a future workshop to discuss the Woodbridge development and talk about economic development ideas and community branding.

(Continue with the regular Agenda items)

A. DISCUSSION AND POSSIBLE ACTION TO AMEND BUDGET AND TO ADOPT A RESOLUTION TO NOT INCLUDE THE RATE INCREASE FOR THE MONTH OF JULY OR NEW UTILITY BILLING POLICY FOR THE MONTH OF AUGUST

Mr. Kaiser explained that the Water Treatment Plant is not operational. Today, he met with County representatives and they feel it is the City's issue to fix. The City is required to get the treatment plant operational because of the City's and arsenic levels. City Engineer Dan Bastian reviewed the City's arsenic levels; an average of 10.25 ppm, but rounded down, a 10 ppm arsenic level has been achieved, so the City is in compliance through December 2012. Willow Springs and the Commercial Street Well are our current water sources. The State sees the Water Treatment Plant as a solution of the City's arsenic problem.

Mr. Kaiser said that he is taking cost reduction seriously and has to wait to see how much it will cost to fix the Water Treatment Plant. We will have to face the reality of the cost, but he feels that we can slow the increase. The City is in crisis mode and that needs to be rectified first.

Councilmember Gault asked if we can get a variance for the arsenic levels. Mr. Kaiser responded that the State will not in any way issue a variance.

Councilmember Morton asked what other water services had been used at Lake Davis. Mayor Larrieu responded that a different water treatment plant had been previously used.

Mayor Pro Tem Oels asked how much trouble the City would have if results came in with an average above 10 ppm. Mr. Bastian said that the data is so variable; results have been between 0 and 20; they are all over the map.

Councilmember Gault asked if there is any pattern, perhaps by month. Mr. Bastian responded that there is no pattern and the State does not see a pattern.

Mr. Kaiser said that the City is working hard to slow the rate increase and said that he has talked with Public Works Manager Todd Roberts about a technical analysis of the Water Treatment Plan.

Portola Resident Bob Morton, 180 W. Mohawk Avenue, asked if the City was required to accept the broken Water Treatment Plant and said that he is very concerned about the City accepting an unusable system. Mr. Kaiser said that the City is trying to address the problem.

City Attorney Steve Gross said that the City is not obligated to accept ownership. County Counsel needs to get up to speed on that issue. The City will have to incur cost to get it fixed so that the Water Treatment Plant is operational.

Portola resident Larry Douglas said that the cost of water is a concern and asked if we have to have the contract with the State. The City and County need to get out of the contract with the State.

Mr. Gross explained why the City is in the "take or pay" contract with the State and reiterated that it is a 75 year contract with no options.

B. DISCUSSION AND POSSIBLE ACTION TO RE-STRUCTURE AND INCREASE SHERIFF CONTRACT

Sheriff Greg Hagwood introduced the City Council to the new Lieutenant Joe Edwards and reviewed his law enforcement background. Sheriff Hagwood explained that the City received a COPS Grant to fund a portion of the Sheriff contract and the Community Services Officer. The COPS Grant is for front line law enforcement only. With Portola's staffing changes, the CSO is mostly at City Hall and is not able to utilize the COPS funding. Sheriff Hagwood said that Mr. Kaiser had mentioned the restoration of the Sheriff Contract funding. He heartily agreed and said it would be greatly appreciated. There have been a lack of investigators at the Sheriff Department and it has been difficult to stay on all drug problems throughout the County- not an excuse, but a reality. Sheriff Hagwood has presented strategies to improve services and demonstrate commitment to the City of Portola.

Language should be restored in the Contract to allow for flexibility and include some measurable quantities, so that he deputies can absorb code enforcement duties at the direction of the City Council and City Manager; can include functional time sheets, daily logs, monthly report, and attendance at staff meetings.

Mr. Kaiser said that Sheriff Hagwood was the first County official that he met because public safety is the number one priority. Sheriff Hagwood is dedicated to measurable results and wants to bring drug programs to the City. CSO Leah Turner will be 25% CSO.

Councilmember Mark said that she holds Sheriff Hagwood in the highest regard and feels that the Contract should be renegotiated.

Portola resident Larry Douglas said that he is concerned that COPS funding is used for regular services; the money should be used for 24 hour coverage and drug enforcement.

Mr. Kaiser said that coverage is very expensive. It is everyone's responsibility to take care of their City. Neighborhood Watch program can be started- it has to come from the community.

Portola resident Bob Morton asked how much of Leah's salary will be paid by COPS funding. Mr. Kaiser said that it would be 25%, as 25% of her time would be used for CSO activities.

Sheriff Hagwood said that the Sheriff's Department would step in since Leah has more time in the office. He feels that Ms. Turner has taken unwarranted criticism because she was the only person enforcing the Municipal Code. He needs to bring consistency to the table regarding law enforcement services.

County Supervisor Jon Kennedy asked to clarify that the Contract is up from the approved contract and restored to last year's levels. Mr. Kaiser confirmed that yes; it would be restored to last year's levels.

Councilmember Mark motioned to restructure the Sheriff's Contract. Mayor Pro Tem Oels seconded the motion. The motion was approved 5-0.

Councilmember Gault asked when a new contract would be available for City Council review. Mr. Kaiser said that he is working on a Scope of Services with Sheriff Hagwood and that the draft Contract would be reviewed by the City Council.

C. DISCUSSION AND POSSIBLE ACTION TO APPOINT A CITY CLERK TO FULFILL EXISTING TERM THROUGH 2014

Mr. Kaiser informed the City Council that City Clerk Leslie Tigan had resigned last week. The State Code allows the City to appoint a new City Clerk to the elected position. The City Clerk will do minutes and attend meetings and help with agendas. Mr. Kaiser said he has had discussion with Tiana Bradley and asked her to introduce herself to the City Council.

Ms. Bradley said that she recently graduated from St. Mary's College with a Bachelor's Degree and is a new member of the Rotary Club. She works at Nakoma in accounting. Local Government is her passion and she would love the opportunity to be City Clerk.

Councilmember Morton said that it was the City's practice to invite letters of interest. Mr. Kaiser said that it was not regulated in the State Law.

Councilmember Morton asked if Ms. Bradley meets the requirements of State Law. Ms. Kaiser said that she does.

Councilmember Gault asked if she was registered to vote in the City of Portola.

Ms. Bradley said that she has just recently moved back to Portola and would register to vote and change the address on her Driver's License.

Mayor Larrieu said that he would appoint her based on her being registered to vote in the City.

Portola resident Bob Morton asked how much the pay was for the position and asked if it was full-time. Mr. Kaiser said that this was for the elected City Clerk position, that Ms. Bradley would come in as needed, and that the pay is \$150 per month. The City Clerk would be required to come to the City Council meetings.

D. DISCUSSION AND POSSIBLE ACTION TO DEVELOP A BUSINESS DEVELOPMENT COMMITTEE

Mr. Kaiser asked if this item could be tabled. Mayor Larrieu said that the item would be tabled for a future meeting.

E. DISCUSSION AND POSSIBLE ACTION TO ALLOW FIRE VOLUNTEERS TO HAVE POOL PRIVILEGES FOR THEIR IMMEDIATE FAMILIES

Mayor Larrieu said he felt this item is important to boost morale at the Fire Department. This is a good way to help fire fighters. Councilmember Morton added that it should be included for all City volunteers.

Mr. Kaiser clarified that it is for recreational use only; not for swim lessons.

Supervisor Kennedy asked if it had been done before. Mr. Kaiser said that it had, but hasn't been for a few years.

Mayor Pro Tem Oels motioned to allow all City Volunteers (fire fighters and Williams House) to have pool privileges for their immediate family. Councilmember Gault seconded the motion. The motion was approved 5-0.

Mr. Kaiser made the following announcements: He will contact the City Council with a possible workshop date.

At 9:00 p.m., the City Council adjourned to Closed Session.

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), Buckelew vs. City of Portola

Mayor Larrieu reconvened the meeting to open session at 9:09 p.m.

REPORT FROM CLOSED SESSION

No action was reported.

ADJOURNMENT

There being no further business to discuss Mayor Larrieu adjourned the meeting at 9:10 p.m.

Respectfully submitted,

Karen Downs, Planner