

The regular council meeting was called to order at 6:00 p.m. by Mayor John Busch. Vice Mayor Frith and Councilors Crawford and Arnold were present. Staff present: City Administrator Pete Carr, City Attorney Greg Einhorn, City Planner Scott Friend, City Engineer Dave Swartz, Engineering Staff Pauline Palmer and Mike Vasquez and City Clerk / Finance Director Deanna Carbajal.

1. COMMUNITY PARTICIPATION: None

2. PRESENTATION: Mayor Busch presented a certificate of appreciation to Angela Thompson for her outstanding service to the community leading the Hometown Celebration Committee. Angela presented a certificate to Robert Miller.

3. NEW BUSINESS: Consider request from Girl Scouts for a Local Health Clinic. Iarene Delgado spoke about a project to open a free local health care clinic. She asked if council knew of a building the clinic could be housed in and hoped the clinic could be staffed by volunteers. Vice Mayor Frith asked her to get all pertinent information about doctors, nurses, and city liability. Council was generally interested and encouraging of the project.

5. UNFINISHED BUSINESS:

A. City Planner Scott Friend asked council to accept the City of Biggs Municipal Services Review as prepared by Quad Knopf. The purpose of the MSR was to evaluate the city's ability as a service provider to provide core services to its residents.

Ron Mauck with Quad Knopf gave a Power Point Presentation on the MSR covering growth considerations and recommendations for water storage capacity, water master plan, wastewater treatment system and capacity, storm drainage, roadways, police and fire, parks and recreation and other areas.

Motion/Second to direct staff to continue to work on the MSR and prepare it for final presentation to LAFCo. (Busch/Frith, MCU)

4. PUBLIC HEARINGS:

A. *2008 PTA Application Submittal:* City Engineer Dave Swartz asked council to consider three draft applications under the 2008 CDBG Planning and Technical Assistance Allocation for the following activities: (1) Housing Element Update. (2) ADA Design for the City Library. (3) Downtown Visual Master Plan – Phase II

1. Staff comments.

Vice Mayor Frith stated he would abstain from discussion on the Downtown Visual Master Plan – Phase II to avoid the appearance of conflict.

Pete stated he received word on Friday that the city was not funded for the sewer grant previously applied for.

2. Open hearing to public. No comments

3. Close hearing to public.
4. Council discussion.

Councilor Arnold asked why there were three different areas and only two resolutions. Scott stated the downtown visual tiered off of the downtown study that was completed previously, so it was a project implementing the program identified in the downtown study. The other two areas met the program criteria.

Mayor Busch stated he had never known Vice Mayor Frith to vote in conflict of anything. He asked for a note or email about how conflict of interest worked.

Public hearing closed.

Resolution 2008-16 - Resolution Of The City Council Of The City Of Biggs Approving An Application For Funding And The Execution Of A Grant Agreement And Any Amendments Thererto From The Planning Technical Assistance Allocation Of The State CDBG Program (Specifically the housing element update and a design for the city library.) (Frith/Arnold, MCU)

Resolution 2008-17- Resolution Of The City Council Of The City Of Biggs Approving An Application For Funding And The Execution Of A Grant Agreement And Any Amendments Thereto From The Planning Technical Assistance Allocation Of The State CDBG Program. (Arnold/Busch, MC, Abstain:-Frith)

B. Electric Rate Adjustment: Consider adjusting electric rates as proposed.

1. Staff comments:

Pete mentioned previous reports he had given council and stated cost of electricity and public safety have been rapidly escalating; electricity is being affected by water shortage. The US Department of Energy has published projections for electric increases ranging from 5.2% for 2008 and 9.8% in 2009. The Federal Labor Department has announced energy prices rose 4.4% in May and 6.6% in June. Food price increases are second to energy. He recommended council approve the rates discussed at the July 1st meeting; 25% for residential; 16% for commercial, 25% for industrial and that the increase also apply to the minimum customer charges and demand rates.

2. Open hearing to the public:
3. Close hearing to the public. Mayor Busch noted that there were not any participants present for the Public Hearing.
4. Council Discussion:

Councilor Crawford stated prior increases to the commercial rate had caused disproportionately higher rates for commercial customers, so they were already paying too much.

Councilor Arnold said in the past couple of weeks he had been talking to people and changed his view. Now he preferred to begin with less of an increase: 13%, 4.3% & 24 %. Then gradually increase.

Vice Mayor Frith stated he felt this was a dilemma as to how much he could participate, due to the perception regarding an increase for commercial. He stated this would be a huge impact for the industrial user. Due to appearance, he felt he could not vote on commercial increase, but supports council and that increase is being done to fund "city services"; he stressed this is a city services cost increase, not just an electric rate increase.

Councilor Arnold stated that everyone on the council has a Conflict of Interest, because increase affects every council member.

Mayor Busch asked Attorney Einhorn for input regarding conflict in the case of Vice Mayor Frith as he (Mr. Frith) is also a downtown business owner.

Greg advised that no councilors have a conflict with the residential increase and that it applies to business also, because the increase is not just for "your business". There are a number of commercial accounts; having a commercial account is not in conflict. Vice Mayor Frith may discuss and can also vote.

Motion/Second to approve electric service rates: 25% for residential, 16% for commercial and 25% for industrial and SunWest, including minimum customer and demand charges. (Crawford/Busch; Noe:-Arnold; Abstain:-Frith; MC)

Council directed Pete to prepare the rate adjustment tool for August or September meeting.

Resolution No. 2008-18 – Resolution Of The City Of Biggs Establishing The Electric Utility Service Rates For Customers Of The City Of Biggs Municipal System, Effective July 21, 2008. (Crawford/Busch; Noe:-Arnold; Abstain-Frith; MC)

5. UNFINISHED BUSINESS:

- B. Discussion/Action:** Consider awarding contract for General Plan Update to Pacific Municipal Consultants (PMC).

Pete advised one proposal had been received and it was from PMC. The others had declined because of the size of the project. He recommended council accept the proposal and enter into an agreement with PMC. The only alternative would be to reissue the RFP.

Greg clarified that PMC had an issue with one form of insurance required in our RFP that would not apply to their company, and PMC had also asked for indemnification, which was not unusual.

Councilor Crawford questioned how many acres are in the proposed area as there has been interest for the cost per acre.

Vice Mayor Frith stated this has been brought up several times.

Pete stated council had indicated the General Plan Update was important enough for the city to self-fund; ideal if landowners would fund half.

Scott stated they could consider a General Plan Maintenance Fee. Occasionally, there is up-front funding.

Dave Swartz stated if landowners fund, they expect something in return.

Mayor Busch said he thought this issue had been resolved several meetings ago. Delay now would cause everyone to suffer; accept PMC proposal and move ahead.

Scott commented, as the City Planner, preferable that city fund; re-coup some through a Maintenance Fee.

Motion/Second: Directing staff to enter into \$395,557 General Plan Update contract with Pacific Municipal Consultants. (Frith/Busch; MCU)

6. CONSENT CALENDAR:

Councilor Arnold requested the minutes be removed for correction.

Motion/Second: Approve items B. through K. of the Consent Calendar with the exception of item A. (Busch/Arnold, MCU)

A. June 16, 2008 Minutes: Councilor Arnold requested the word *recorded* be changed to *included* on page 2 in the paragraph about the motion. Mayor Busch asked that the dollar amount be confirmed in the Flood Control JPA item. Councilor Crawford directed review of the motions on page 3; not possible to be as printed.

July 1, 2008 Minutes: Councilor Crawford asked to add wording to his suggestion regarding “commercial rates” in the paragraph above item C. on page 2.

Motion/Second: Approving item A. with correction and confirmation. (Busch/Arnold: MCU)

7. DEPARTMENT REPORTS:

A. *Planning Department:*

1. Department Activity Report – June 2008 / July 2008. City Planner Scott Friend reviewed the planning activity report with council.

2. **Discussion/Action:** Consider AOC Memorandum of Agreement and authorize the Mayor to sign the agreement.

City Planner Scott Friend advised this item is being requested by the Planning Staff and City Administrator and is based on the February 26, 2008 meeting with Butte County, Gridley and Biggs and hoped by the end of August all parties will be in agreement. Councilor Arnold asked that the last word of Goal 3 be changed from *provided* to *considered* and questioned the words “and for” in Goal 4; also, the words in Goal 10 “shall be” be changed to more flexible.

Motion/Second: Approving the Memorandum of Agreement between Butte County and Cities of Biggs and Gridley, with amendments discussed. (Crawford/Arnold, MCU)

- 3. Discussion/Action:** Consider request from Eagle Meadows/CYNJAK Estates for Tentative Map extension of two – three years.

City Planner Scott Friend advised the Tentative Map was approved on June 19, 2006 and a request for an extension had been received. There would not be any changes to the maps or conditions and that council was not obligated. Vice Mayor Frith asked how many extensions can be given and Scott replied up to six; they have already used two.

Councilor Crawford stated he would Abstain.

Motion/Second: Granting Eagle Meadows/Cynjak Estates a Tentative Map extension of two years from this date, July 21, 2008. (Busch/Arnold; Abstain:-Crawford; MC)

- 4. Discussion/Action:** Consider request from Summit Estates for Tentative Map extension of two – three years.

City Planner Scott Friend advised this is the same issue with the Tentative Map having been approved October 30, 2006.

Council Crawford stated he will Abstain.

Motion/Second: Granting Summit Estates a Tentative Map extension of two years from this date, July 21, 2008. (Arnold/Busch; Abstain:-Crawford; MC)

B. City Engineer:

Project Updates.

1. Westside Storm Drain Rehabilitation Project. City Engineer Dave Swartz states project is essentially complete, but absent the pump. Contractor Newland has requested release of the retention and has been told to submit it in writing. Vice Mayor Frith asked who is paying for the electrical hookup to the pump. Pete said Gridley Electric has proposed that labor and materials be paid by the city. Roger stated the transformers should be grandfathered and provided. Dave stated he would need to bring back to council. Pete said he would review the contract. Dave said he was not asking for any action; update only.
2. USDA Water Rehabilitation Project. Dave stated the project is largely completed with metering being done for billing. Pete stated the next update will be from Administration regarding parallel billing.

Mayor Busch stated he had a question, due to the fires. If we had a power line go down, how long would we be out of water? Dave answered that we still have the water tower and a generator; yes, we have a source to provide water.

3. Safe Routes to School / TEA / Prop 1B / West Biggs Gridley Road. Dave said several projects have been combined and he anticipated construction late August. The Pre-Bid Meeting has been set for July 29th with Bid Opening August 7th.

4. Willard Well. Dave said the state has added two new constituents to the testing requirements within the last year and Pauline has told him the tests are a formality. Vice Mayor Frith stated there are questions about the test report on the well and Dave stated he would contact Hayden tomorrow.
5. Wastewater Treatment Plant Facility Plan. Dave stated this is a non-action item and that at the time the RFP was issued, there was the potential that Psomas would be working with the Regional Board to create work studies. The ammonia compliance study will be taken care of with the new facility. Dave referred council to the work plan schedule and outline of when each part of the plan will be due; some compliance plans have already been submitted. Pete asked if there is an appeal process and Dave answered officially, no. Roger stated his concern that time is going fast and costs are huge; critical timeline. Dave stated these are major timelines now through 2012 and when questioned about funding stated there will more than likely be seven sources, but application can't be submitted without a Plan. He will provide council with a survey or 40-50 municipalities and their rates, which is how they secured their loans. He ended by saying that we need to be in construction by February of 2011.

C. Electric Department:

1. NCPA verbal update. Vice Mayor Frith state there is a NCPA Meeting this Thursday. He relayed that Jim Pope was recently hospitalized and is doing fine.

Pete stated the upgrades to the electric substation that council approved a year ago have been installed and are functioning.

2. **Discussion/Action:** Consider City's Public Benefits Fund (051) and Energy Efficiency Programs. Pete advised that Marlee Mattos is absent due to illness and he requested this item be deferred to a future meeting or possibly a work session. Council concurred.

D. Public Safety. Mayor Busch stated he had nothing to report.

- E. Public Works.* Vice Mayor Frith stated no meetings have been held lately; that Paul Pratt and Hayden Wasser are working together on the inventory list and it is due this week. Pete stated they are also relocating tanks to the corporation yard for gas and diesel storage.

Mayor Busch stated that tomorrow he will be reviewing the city tree list with a nursery man as our list contains trees that tear up sidewalks.

City Planner Scott Friend agreed and has a new list prepared.

- F. BCAG/Air Quality.* Council Arnold thanked public works for removing the hanging tree in the First Street alley and for the patch of pavement in front of the high school.

He stated Air Quality is considering controls for wood stoves and that last month there were a lot of comments. He can see that there will be a patrol in concentrated areas, not in the rural areas. He said he voted no, but was out voted.

- G. Finance Department.* Informational - Department Activity Report – June 2008 / July 2008. Deanna stated she included the section regarding LAIF deposits and interest and pointed out that a year ago the city had half as much deposited and earned almost the same

amount of interest; as everyone knows interest rates have declined. She spoke about the Nomination Period and because there is not an incumbent for the short 2-year term, the nomination period for that position will not be extended if no one files by August 8, 2008. Greg stated at that point council would have to make a decision and would have 30-days to make an appointment. Council Arnold asked if someone can file for both the full 4-year term and the short 2-year term and was told no, the candidate must decide which term to apply for. Mayor Busch suggested the information about the short 2-year term be put on the next utility bill. Pete stated there can be a press release. Mayor Busch asked how many nomination signatures are required and was told that five valid signatures are required and that no more than ten are recommended for the nomination paper.

H. City Administrator:

1. **Discussion/Action:** Consider Updated City Organization Chart, Salary Schedule and Designation of Accounts Payable Position as Permanent, Other Changes as Deemed Appropriate.

Pete recommended that the Salary Schedule be included with the FY 08-09 Budget. He stated the Organizational Chart has a number of changes.

City Treasurer is not listed among our positions, but in Deanna's job description; she functions as treasurer.

Accounts Payable position was established two years ago. Pete proposed this position be made permanent. The need for Accounts Payable and Accounts Receivable positions doesn't fluctuate with growth. Also, would not be any difference in pay or benefits if position was made permanent. It is a morale issue with no advantage to remain temporary. This is regarding the position and not the person.

Consider aligning water and wastewater under public works. Public works reports to Pete and wastewater reports to Pete, also. Council last year questioned this. Public Works could supervise both. Pete asked if council had preferences on this change. In 2003 Council changed the Planning/Code Enforcement position title. Council may wish to reconsider the salary schedule for this position. Through informal discussions with Council it is recognized there is very little growth and most cities and consultants are trimming back.

Pete stated he has been questioned regarding each position; is concerned that each position be justified.

He stated Code Enforcement was appointed by Council so he doesn't have authority to change it. Councilor Arnold asked if this position is used as backup for other positions and Pete responded the position is a backup for Accounts Receivable. City Planner Scott Friend stated the engineer also relies on this position. Pete asked Council to focus on the position. We should structure positions as needed and then assign people to these positions. Mayor Busch asked for public comments.

Wanda Nevins stated she came to the meeting tonight as a Hometown Celebration Committee Member, but arrived too late for the award presentations. She congratulated the city for the quality of people employed. She stated she works for the Finance

Department of Roseville and it's not uncommon to phone their offices and reach voice mail with a response in two to three days. She appreciates being able to phone our offices and talk with a person and receive a response in a timely manner. She said she would hate to see any position cut as Biggs has so few people and they have critical roles. Cutting a position would impact service.

Mayor Busch complimented Ms Nevins on her property improvements and thanked her for help with the 4th of July Celebration.

Erin Dougherty stated she has been employed for 10 years in August. She works in the Planning Department, does newsletters and code enforcement. People come to her counter all the time and she would like to stay full time. She stated a reduction to part-time would cause her to become homeless by September.

Vice Mayor Frith stated he thought he understood this item, but after Wanda's and Erin's comments, not sure.

Wanda stated that she read item #2 and it states there is potential for reduction to part-time.

Erin stated that at this time, she is doing more code enforcement and that a member of the staff has commented that the city looks better than last year. She stated she does the quarterly newsletter and helps when Deanna or Pete asks.

Vice Mayor Frith suggested item be held over for another meeting. Pete acknowledged that Council has stated they do not want to send anyone home. Vice Mayor Frith stated that required separation of authority makes it difficult to reduce office staff.

Councilor Arnold stated he was favorable to Accounts Payable position being made permanent. Vice Mayor Frith stated the dynamics have changed over last year; the city barely meets legal requirements for separation of accounting duties, given our small staff.

Councilor Crawford stated planning assistant duties could be expanded into emergency response planning. Also, that any good budget process should review everything; pros, cons, and be prudent; analyze how time is used; use assets to maximum. Request more information to enhance position; possibilities. He asked Greg if Salary Schedule should be in Budget.

Greg responded that the document has been around and utilized; should be made official, including it in the budget is appropriate.

Councilor Crawford stated it isn't in the Memorandum of Understanding and Pete added it isn't in the Personnel Manual either. Greg stated it could be adopted by resolution.

Mayor Busch ended the discussion by stating that no action will be taken until council looks at everything; not tonight.

2. Discussion/Action: Consider Mayor Busch's request to reconsider appointments to the committee that will draft city response to Grand Jury Report.

Pete stated previously Council appointed Mayor Busch, Councilor Arnold and Pete Carr to the committee to draft the response.

Mayor Busch stated this issue has been clarified and mayor and council will not be required to respond separately. Only one response is required of council; a response is not required of the mayor. He asked council who they want on the committee.

Pete stated that the response from council should be unified.

Greg stated for purpose of efficiency, council could hold a workshop and prepare the response or the committee prepare a draft and present it to council.

Vice Mayor Frith stated our appointment was clear and good the first time; Councilor Arnold, Pete Carr and Mayor Busch will prepare and council will review.

Mayor Busch suggested his letter and Councilor Arnold's letter be used by Pete preparing the draft.

8. INFORMATIONAL:

Mayor Busch said the Re-Dedication of the Library that was originally set for this September is being re-scheduled for the week of April 12 – 18, 2009.

Councilor Arnold said he received a phone call of appreciation from Dale Hamblin regarding city staff working on his problems with Waste Management.

Pete stated he has an update regarding parallel water billing. The second meter reading is done. Hopefully, the next utility bill will have the flat rate cost, the meter readings and the metered cost.

9. ADJOURNMENT: Meeting adjourned by mutual consent at 10:20 p.m.

ATTEST:

APPROVED:

Deanna Carbajal
City Clerk

John G. Busch
Mayor, City of Biggs