

Call To Order

The regular council meeting was called to order at 6:00 p.m. by Mayor Frith. Vice Mayor Thompson, Councilmembers Arnold, Bottorff and Sheppard were present. Staff present: City Administrator Pete Carr, City Attorney Greg Einhorn, City Engineer Steve Speights City Planner Scott Friend and City Clerk Roben Dewsnup.

1. **COMMUNITY PARTICIPATION:** None.
2. **PRESENTATION:** Council listened to a presentation given by the Sutter-Butte Flood Control Agency addressing the levee repair program.
2. **CONSENT CALENDAR:**
 - A. Approval of Council Minutes for Regular Meetings of July 18, 2011 and August 15, 2011 and Special Meetings of August 8, 2011 and August 15, 2011.
 - B. Approval of warrants: #25547 - 25604; #7999-8019; Z00504 - Z00517 for month of August 2011 in the amount of \$252,500.54
 - C. Acknowledge receipt of Police Department Report for August 2011.
 - D. Acknowledge receipt of Gridley-Biggs Animal Control Officer Report for August 2011.
 - E. Acknowledge receipt of Biggs Fire Department Report for August 2011.
 - F. Acknowledge receipt of Accountant's monthly cash and investment report for August 2011 and recap of discretionary funds and funds with restricted uses as of June 30, 2011.
 - G. Authorize staff to redirect \$8,007.80 of expense from Street Fund 027 to Street Fund 022 and close out Fund 027.
 - H. Approve maintenance agreement with Itron for \$2,252.80 and authorize city administrator to execute.
 - I. Approve *RESOLUTION NO. 2011-19* by reading of title only, "RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BIGGS APPROVAL OF THE THIRD AMENDED AND RESTATED NCPA MSS AGGREGATOR AGREEMENT."

Mayor Frith stated the July 18, 2011 Regular Meeting, item number 7, the second on the motion should be Frith. August 12, 2011 item 2, second paragraph, Mayor Frith stated his comment should have included "and the addition of the merit increase was costing the city more money".

Motion/Second to accept the consent calendar with the corrections. (Thompson/Bottorff, MCU)

4. **DEPARTMENT REPORTS:**

A. Planning:

City Planner Scott Friend advised council of a study session scheduled for the General Plan Update. Council agreed to hold the meeting at 6:15 p.m. Mr. Friend reviewed the Department Activity Report - August 2011 / September 2011 included in the agenda packet which included General Plan 2035 Update, SunWest Milling Expansion Project, Sixth Street Bridge Replacement Project, Marijuana Abatement Activity and Zoning Code Enforcement. Mayor Frith expressed his concern about marijuana abatement conformance issues.

B. Engineering.

1. City Engineer Steve Speights reviewed the Activity Report and Project Updates report in the agenda packet. Mr. Speights reviewed the SunWest project with council. Mayor Frith asked what type of inspections City Public Works Supervisor Paul Pratt

was conducting and Mr. Speights said he was inspecting water and sewer lines under the instruction of the city engineer.

2. Mr. Speights stated the Sixth Street Bridge Project Plan was begun under the previous city engineer, CEC, but not complete. Bennett Engineering Services is completing the current phase which includes coordination of environmental consultants, Caltrans, and utilities, along with completing the plans and specifications. The cost for Bennett to complete the current phase is \$27,021. Part of that amount, \$15,000, was already budgeted but not spent by CEC.

Motion/Second to authorize the balance of the \$27,021 funding request.
(Bottorff/Sheppard, MCU)

- C. Public Safety. Mayor Frith had spoken with Assistant Chief Price about marijuana abatement issues.
- D. Councilmember Bottorff reported on the September 14th Sutter Butte Flood Control Agency Meeting he attended.
- E. Public Works. Nothing to report.
- F. Electric. Mayor Frith reported SB1391 had been defeated.
- G. Vice Mayor Thompson reported on the BCAG and Air Quality meetings she had attended.
- H. Solid Waste. Nothing to report.
- I. Other commission reports. Councilmember Sheppard reported on Mosquito Abatement and stated three cases of West Nile Virus had been reported. The Asian Tiger Mosquito had been found in California.
- J. City Administrator.
 1. Mr. Carr stated Pacific Municipal Consultants (PMC) and Adams Ashby Group (AAG) could serve as an extension of city staff in the area of community development and grant administration. Council would approve any grants being applied for.

Motion/Second to Accept PMC and AAG's proposals and direct administrator to engage services on an on-call as-needed basis, open-ended timeframe, with a specified not-to-exceed budget of \$15,000 for this fiscal year. Seek City Council approval for submission and acceptance of all grants. (Thompson/Bottorff, MCU)

2. Annual Salary Adjustment. Mr. Carr requested clarification and approval of a planned salary adjustment for City employees. This is a continuation of consideration of this item from August 15, 2011 and includes new information from PERS. Mr. Carr stated last year as part of the negotiating agreement with the bargaining unit, council agreed to a \$1.50 an hour increase with \$1 per hour last year, \$0.25 per hour for 2011 on October 1st and the final \$0.25 per hour for 2012. Mr. Carr was seeking direction whether non-bargaining employees would adjust wages consistent with bargaining unit employees. Does an employee still get the increase if it puts them over the top of their salary schedule? The cost to the city to increase all employees' salaries, except the city administrator, by \$0.25 would be \$3,900 this fiscal year.

Councilmember Bottorff felt all employees should receive the increase, Vice Mayor Thompson felt the increase should be based on merit. Councilor Sheppard felt there should be a better line of communication between council, administrator and employees. He did not agree with granting pay increases to non-bargaining employees. Councilmember Arnold felt council might be encouraging the employees to join a union. He stated it had always been city policy to give all employees a pay increase and felt by not giving the non-represented employee the increase, council would be picking on them, because they were not unionized and he did not feel this was right. He felt all employees should receive the pay raise.

Mayor Frith appreciated the historical or traditional way things have been done. He stated the non-represented employees received a 10% increase last year so they should forgo the increase and call it a strike of equity. The bargaining employees would receive their increase this year. They were not given an opportunity to get the 10% wage increase and their jobs increased too. None of the employees are being harmed. He questioned what the city can afford to pay and said if the city is in a good position, merit award/bonuses could be paid rather than wage increases.

Employee James Holmes stated when the increase was proposed last year, he was told if he paid 5% more per year of his medical expenses, he would receive the \$1.50 increase over three years. He said the non-bargaining unit has to pay the increase in medical expense so they should also receive the wage increase. Mayor Frith said the non-represented employees got a 10% increase that the bargaining unit didn't get. Councilor Arnold reminded Mayor Frith there was a different reason for the administration increase and that was due to the additional workload and responsibility.

Vice Mayor Thompson felt the non-bargaining employees should receive an increase based on a review. Mr. Carr said this is already being done with the merit increases being based on performance. This \$.025 is different from the merit increase. This would bump the pay scale.

Resident Mary Frith asked what the clericals were making today. Were they undercompensated? They should be compared with other salaries and if they are way under, then maybe the city has a problem, if not then there should be no problem.

Mayor Frith reminded council the question was whether all employees should receive the negotiated \$0.25 per hour or only the bargaining unit.

Vice Mayor Thompson asked if all the employees received the \$1 per hour increase last year and Mayor Frith said yes. Vice Mayor Thompson asked if there was anything in the minutes that stated the council would give the \$.025 increase this year to everyone.

Councilor Arnold thought what was negotiated with the union would be given to the non-represented employees. Vice Mayor Thompson agreed if that was stated then she agreed with that also.

Mr. Carr stated all of the wage conversations were done in closed sessions as part of negotiations. The MOU was approved on November 1, 2010.

Council agreed to bring this item back at the next council meeting with additional information. Mayor Frith would like to form a committee to represent all sides to discuss employee relations and merits or bonuses.

Attorney Greg Einhorn stated a meeting could be set to discuss items for potential negotiations.

Motion/Second for the \$0.25 per hour to be distributed per the MOU to the covered employees and the \$0.25 per hour for the non-represented employees is not implemented. (Frith/Sheppard, Noes: Arnold, Bottorff and Thompson)

Motion/Second for the \$0.25 to be distributed to the bargaining unit as agreed and the \$0.25 for the non-bargaining unit to come back to the next meeting after minutes have been researched as to what information was discussed [in 2010] since we don't have time to find it this evening. (Thompson/Arnold, MC; Noes: Frith & Sheppard)

3. Mr. Carr stated at the July 18th meeting, Council considered filling an open Public Works position and asked if there were some services that could be contracted out instead. Staff conducted an informal bid process to compare the cost of commercial contract opportunities to that of in-house Public Works Department services. The position has been in the meantime filled with a temporary employee who works full-time with no benefits. Mr. Carr felt the city should contract out for automotive repair but continue other functions in-house. He asked council to authorize him to fill the vacant Public Works position on a permanent basis per the Employee Manual.

Mayor Frith stated based on the estimated costs brought back, he did not feel the city should change anything. Mayor Frith asked how the position would be filled and Mr. Carr stated the position would be advertised.

Motion/Second to go with the City Administrator's recommendation of filling the vacant Public Works position on a permanent basis. (Arnold/Thompson, MC; Noes: Frith & Sheppard)

4. Mr. Carr reminded council that at the August 15th meeting, the city agreed to continue with PERS medical for the next year. The city would offer to cap the monthly premium at the Select Plan PPO and establish a health reimbursement account (HRA). The bargaining unit employees want to stay with the HMO because they were not confident the health reimbursement account would work out. The salaried employees saw advantages of having the cap at Choice and like the HRA.

The HRA requires a \$2000 one-time set-up fee and maintenance fees of \$6/participant/month which would give the employees a debit card to pay their out-of-pocket expenses.

The Section 125 cafeteria plan will be set up through American Fidelity at no cost to the city. This program will provide employees pre-tax payment of premiums and other health expenses.

Mr. Carr asked council if it would be okay for one group to stay at one level and the non-bargaining unit at another level. PERS does not care which plan the employee chooses.

Councilmember Arnold asked if he could talk to the bargaining unit about the medical benefits. Mr. Einhorn suggested talking to the shop steward. Mayor Frith suggested the employee relations representative Councilmember Sheppard talk to the shop steward. Councilmember Sheppard stated the bargaining unit does not trust the council so they don't want to change the medical benefit plans.

Mayor Frith suggested holding this item over to the next council meeting and giving Councilmember Sheppard an opportunity to meet with the shop steward.

Mr. Carr asked if the cafeteria plan should be offered to all employees and council said yes. Mr. Carr asked council if they were willing to cap the medical at Choice. He stated the salaried employees liked the idea of the cap at Choice because this gave them the option of Select or Choice.

Decision would be made in October.

5. Mr. Carr reviewed the Biggs Community Hall Rates and Policies. He suggested increasing the rental rate to \$200 per day; adding a non-refundable application fee of \$50 due at time of reservation, keep damage & cleaning deposit at \$170, add cancellation fee of 50% of rental fee if less than 30 days notice, but allow full refund if cancelled 30 or more days in advance and add lost key fee of \$50.

Mayor Frith asked if these fees were designed to completely cover the costs or to make money on the rental of the hall and if so, where will the funds go and how are they portioned out and what will they pay for in the future? Mr. Carr said there is still a gap of \$380 a month between expenses and revenue, even after the fee increase.

Council discussed installing a sign in front of the hall to advertise the hall rental and the issue of serving alcohol at events.

Mayor Frith felt the rental cost should be \$250 and Councilmember Bottorff agreed.

Vice Mayor Thompson suggested holding a \$50 check for the key deposit and returning the check when the keys are returned. There was discussion as to whether the city can hold checks or not. Staff to check with auditor.

6. Mr. Carr stated the city does not have a recreation program but does offer recreation facilities. He asked what the level of interest was from council on offering recreation programs. If Council considers rec programs a priority, consider setting up a committee or commissioner to work with staff on this.

Vice Mayor Thompson stated the Zumba class was doing well on Thursday classes. The class fee is \$5 and the instructor will pay the city \$2 of every \$5 received.

Mayor Frith felt the city cannot afford a recreation program but could offer classes that can be self-sustained.

Councilmember Sheppard did not agree with the way the Zumba agreement was handled.

Mayor Frith was not opposed to having a separate rental agreement for individual use such as a cookie baking class but not under the guise of a recreation program. He suggested bringing an agreement template back for approval.

7. City Motto Selection Process. Council agreed to hold this to a future time.
8. City Position on League Policy Resolutions. Mr. Carr stated he and Councilmember Arnold would be attending the League of California Cities Business Meeting on September 23rd. Council discussed how Councilmember Arnold should vote on the resolutions. #1-Yes. #2 - Yes. #3-Yes. #4-Yes. #5-No. #6-No.

9. Mr. Carr stated there was no code or policy for sale of surplus assets. Mayor Frith corrected a statement on the staff report which should have said, "Mayor Frith suggests Council consider a code (an ordinance that would be codified) or a policy to establish all sales of surplus property be by any of the following: "Small Lot Sale" which would constitute a group aggregate pieces of equipment, materials, etc or online or in printed media depending on the size or need of the sale. The code would also indicate that the proceeds be deposited in a designated equipment replacement account in the general fund. All sales will be advertised online and in print media." He thought fund 11 is where this money should be deposited. Mayor Frith suggested taking another month to decide on how the policy should look. Councilmember Bottorff suggested looking at other city's policies. Mr. Carr will bring back to a future meeting.
10. Server Replacement. Mr. Carr asked to pull this item and bring back at the next meeting. Council agreed.
11. Discussion Topics:

Mr. Carr stated Vice Mayor Thompson asked if council would consider aesthetic low fence height options as an option in the fence code. This would require looking at the fence code and deciding if a modification should be made to allow this type of fence. Mr. Carr was asking Council if they would like to agendize this. Mayor Frith stated this has already been agendized since it is on the agenda now. Mayor Frith stated Mr. Carr was asking if Council they should proceed with further discussion. Mr. Carr stated if Council wanted to consider this item, he would prepare a staff report.

Resident Chris Swanson stated he would like a decorative fence in his front yard.

Vice Mayor Thompson suggested installing front yard fences in removable sleeves so they could be removed if needed. Council discussed where fences would be installed and how far away from the sidewalk they should be placed. Vice Mayor Thompson felt the current front yard fence setback was ridiculous. Mayor Frith asked if she was talking about decorative fencing in the front yard and she said yes. Mayor Frith suggested bringing this back in a staff report that it would specify material type. This would include front and side yards. Mr. Carr stated the planner should be able to prepare this for \$300.

Mr. Carr asked Council if they would like to continue with Council Connection. Mayor Frith suggested modifying it. The whole idea of Council Connection was to get input off the record, away from the office. He felt it should be kept but should be modified. Vice Mayor Thompson suggested each council member choose a time of day, once a month to meet with residents. Councilmember Arnold stated his time was valuable and did not want to waste his time at Council Connection when no one comes in. He stated residents can email him or call him if they would like to talk to him. Council agreed to discontinue until January and see if residents notice or respond.

12. Mr. Carr reviewed the staff report concerning the Hometown Committee Use of City Tax ID. Mayor Frith raised questions about the use of the city's tax ID number. The questions were presented to City Attorney Greg Einhorn and Mayor Frith was not satisfied the questions had been answered sufficiently. Mr. Carr stated he found an email from Matson and Isom from 2008 saying the city's tax ID number could be used by Hometown Celebration Committee. Mr. Carr stated the city's current CPA does not agree with this.

Mayor Frith stated he raised concerns and he wanted council to know he did not want the good that has happened with the Hometown Celebration and the 4th of July to stop. He was trying to get clarification that the city was not in a position of liability risk.

Vice Mayor Thompson stated when she took over the Hometown Celebration Committee, she was told the committee was an ad hoc committee of the city. Mayor Frith stated an ad hoc committee of the city can conduct those tax deductible donations. As a stand-alone committee, we cannot. Vice Mayor Thompson stated she was currently researching getting a tax ID number for the committee. Mayor Frith suggested the committee obtain a 501(c)3 designation.

Councilmember Sheppard expressed his concerns about the funds for the Hometown Celebration Committee coming into city hall and going out without accountability. Vice Mayor Thompson stated no funds have gone out; the committee has not received a check. An agreement was made to allow utility customers to donate money into a fund at the city, which was approved by Council. The City has received \$235.84 in donations from seven individuals. One check for \$500 from a commercial donation should have gone to the Hometown Celebration Committee but it was made out to the City of Biggs, so it was deposited into the Hometown Celebration fund at the city. Vice Mayor Thompson stated checks sent to city hall for the Hometown Celebration Committee are collected and saved in a folder for her to pick up. Vice Mayor Thompson collects the checks and deposits them into the Hometown Celebration Committee's bank account.

Mayor Frith stated he had simple questions and did not get satisfactory responses as to whether there was any liability for people using the city's tax ID number. Vice Mayor Thompson asked if there was a formal dissolution of the ad hoc committee by the city council. Mayor Frith stated in 2006-07 the committee was to fund themselves from that point forward. There was a break in time. The tax ID number should not have been given out in 2008 as a tax deduction.

Mayor Frith questioned if there was an issue from 2008 to now. He asked if the City has any liability if the IRS denies a tax return due to this donation claim and Mr. Einhorn said "no". As to the question of "Do the Hometown Committee members have a legal issue?" Mr. Einhorn said he did not know.

Mr. Einhorn stated the distinction between the City and the Hometown Celebration Committee is blurred. He suggested bringing all committee advertising materials before the council in the future.

Mayor Frith asked how the money already collected by the city for the Hometown Committee should be handled.

Motion/Second to write a check for \$735.84 to the Hometown Celebration Committee. (Bottorff/Arnold, MC; Noes: Sheppard; Abstain: Frith)

Vice Mayor Thompson asked if Council will continue to accept pass through donations. Mayor Frith said if it was advertised as a tax deductible donation, then the city will not be able to accept donations until the committee gets a tax ID number. Vice Mayor Thompson would review the newsletter that mentioned the option to donate.

5. **INFORMATIONAL:** Councilmember Bottorff would like discuss refurbishing the tennis courts.

Councilmember Arnold wanted Vice Mayor Thompson to know he felt she was doing an awesome job serving on the Hometown Celebration Committee.

6. **ADJOURNMENT:** Meeting was adjourned at 10:59 p.m.

ATTEST:



Roben Dewsnup, CITY CLERK

APPROVED:



Roger L. Frith, MAYOR