

MINUTES OF THE REGULAR MEETING OF THE CITY COUNCIL OF THE CITY OF
YREKA HELD IN SAID CITY ON AUGUST 15, 2019

On the 15TH day of August 2019, the City Council of the City of Yreka met in the City Council Chambers of said City in regular session, and upon roll call, the following were present: Deborah Baird, Joan Smith Freeman, Duane Kegg, Paul McCoy, and Norman Shaskey Absent - None.

Consent Calendar: Mayor Freeman announced that all matters listed under the consent calendar are considered routine and will be enacted by one motion unless any member of the Council wishes to remove an item for discussion or a member of the audience wishes to comment on an item:

- a. Approval/ratification of payments issued from August 2 – August 15, 2019
- b. Approval of Minutes of the meeting held August 1, 2019.
- c. Acceptance of Treasurer's Report and Budget to Actual for the month of May 2019.

Following Council discussion, Councilmember Kegg moved to approve the items on the consent calendar as submitted.

Councilmember McCoy seconded the motion, and upon roll call, the following voted YEA: Baird, Freeman, Kegg, McCoy and Shaskey. Mayor Freeman thereupon declared the motion carried.

Presentation – Code Enforcement Update – Willow Martindale.

Code Enforcement Officer Willow Martindale made a presentation on code enforcement activities for the fire/weed abatement for the 2019 season and the status of code enforcement.

Adopt Resolution # 2019-30 to approve sale of surplus property to the Dorris Volunteer Fire Department.

City Manager Steve Baker reported that the City Fire Department recently received delivery of a new engine. The old engine 411, a 1986 Pierce Arrow type 1 pumper is therefore surplus.

As we have in the past, we have attempted to determine a likely price range for the engine. Fleet Manager Tim Shaw has determined that a likely range for the sale of the engine would be in the range of \$7,500 – \$10,000. In the past, the City has acted on the premise that selling a surplus unit to another fire department in the County with lower call volume that cannot afford this type of unit new is of benefit to the City and to the fire service in the County in general. Staff is recommending that the City sell Engine 411 to the Dorris Volunteer Fire Department for the sum of \$7,500, the low end of the anticipated sale range.

Chief Lemos reported that he talked to other local fire departments to determine their interest in the engine. The Dorris Fire Department immediately expressed an interest in the engine. Two of their first response engines are currently out of service for major repairs. They are very

appreciative for the opportunity to obtain this engine, and our department is very proud to be able to support another fire department.

Following Council discussion, Councilmember Shaskey moved to adopt the Resolution as submitted.

Councilmember Kegg seconded the motion, and upon roll call, the following voted YEA: Baird, Freeman, Kegg, McCoy and Shaskey. Mayor Freeman thereupon declared the motion carried.

Adopt Resolution # 2019-31 designating one-time reserves for deposit into an IRS Section 115 Pension Stabilization Trust.

Finance Director Rhetta Hogan reported that at the meeting held August 1, 2019, staff discussed with the City Council ways to address the City's pension liability with CalPERS. Arising from those discussions, staff was directed to prepare a resolution to designate reserves funds for future deposit into a, IRS Section 115 Pension Trust. In addition, staff was directed to start a selection process (request for proposal) to review eligible trustee's for management of the trust funds.

This year the City has an excess of reserves dedicated to the Yreka Police Department building fund to reallocate those funds to "seed" a pension stabilization fund. The expected available funds that would be allocated from the initial building fund would be approximately \$1.2 million. The excess was derived from anticipated general fund contributions to the building.

By designating these reserves for an initial "seeding" of a pension stabilization trust fund; the City will have:

1. Provided for rainy day funding as pension costs increase over the next year years until leveling off at the new high
2. Initiated long to planning to manage ongoing pension liabilities (GASB68)
3. Maintained local autonomy over assets, contributions, disbursements, timing and investment risk tolerance
4. Protected its funds in the trust from uses other than pension stabilization funding
5. Provided fund diversity to achieve greater long-term investment returns

A section IRS 115 trust is an irrevocable employer trust and investment program. The City established such a trust in December of 2017 to address its other post-employment benefit funds.

Following Council discussion, Councilmember McCoy moved to adopt the Resolution as submitted.

Councilmember Shaskey seconded the motion, and upon roll call, the following voted YEA: Baird, Freeman, Kegg, McCoy and Shaskey. Mayor Freeman thereupon declared the motion carried.

Authorize the Mayor to Sign Letters to Support or Oppose Bills Pending in the Legislature (SB266, SB542, AB516, SB5).

City Manager Baker reported that the State Legislature is coming back out of recess on August 12, 2019 and will have to submit any legislation for this year to the Governor by September 13th. The Governor has until October 13, 2019 to sign or veto the bills. There are bills pending that are either supported or opposed by the League of California Cities.

The City does not have a formal legislative review process, but instead reviews legislation on an individual basis, usually as a result of recommendations from the League. The City Council is asked to take a position on some of those bills that would have a particularly positive or negative impact on the City of Yreka.

The League has drafted a top 11 list of priority bills. Of these bills, staff is recommending that the City take a position on the following legislation:

Oppose: SB 266 (Leyva) Public Employees' Retirement System. Disallowed Compensation. Benefit Adjustments.

Summary: Requires a public agency to pay directly from its General Fund any shortfall of a benefit should CalPERS determine that a retiree or their beneficiary has received disallowed compensation. Additionally, the measure would permit the retiree to determine if they would like to receive one lump sum of the projected amortized amount of the benefit or force the agency to pay a monthly annuity from its general fund.

Comment: CalPERS decides what compensation is used for determining pension benefits. This bill would make the City responsible for paying a pension benefit based on compensation that is disallowed by CalPERS.

Oppose: SB 542 (Stern) Workers' Compensation. Presumption.

Summary: Creates a new presumption for post-traumatic stress disorder within the workers' compensation system for police and fire personnel.

Comment: This legislation would result in workers compensation benefits for any sworn public safety employee suffering from PTSD, regardless of the cause, increasing the City's costs of Workers' Compensation.

Support: SB 5 (Beall/McGuire) Affordable Housing and Community Development Investment Program.

Summary: Creates a local-state partnership to provide up to \$2 billion annually to fund state-approved affordable housing, infrastructure, and economic development projects that also support state policies to reduce greenhouse gas emissions, expand transit-oriented development (TOD), address poverty, and revitalize neighborhoods. This measure restores RDA-type ongoing financing for these important projects.

Comment: While most of these funds target urban areas, having the State provide funding to address housing problems instead of blaming cities for housing shortages makes sense. The tax increment financing may also be of benefit in the future.

Decided to take no action: AB 516 (Chiu) Authority to Remove Vehicles.

Summary: Eliminates the ability for cities and law enforcement to adequately enforce state and local vehicle violations. Specifically, the bill would eliminate the ability for cities and law

enforcement to 1) “immobilize,” or place a boot on a vehicle, for motorists who ignore paying five or more parking tickets, 2) remove vehicles with expired registration that are operating illegally; and 3) remove vehicles in violation of parking time restrictions.

After reviewing the amended bill with Chief Gamache, we have decided to recommend that we take no action. As amended, this bill is better than it was, requiring a five-day notice period instead of the current three-day period for towing of vehicles stored on the street. We don’t use “boots”; however, we do tow vehicles with expired registration.

Following Council discussion, Councilmember McCoy moved to authorize the Mayor to execute letters opposing SB 266 and SB 242 and supporting SB5.

Councilmember Kegg seconded the motion, and upon roll call, the following voted YEA: Baird, Freeman, Kegg, McCoy and Shaskey. Mayor Freeman thereupon declared the motion carried.

CLOSED SESSION:

1. Conference with Labor Negotiator Government Code Section 54957.6 (a)
 Agency negotiators: City Manager, Finance Director, and Human Resources Coordinator.
 Employee Organizations: Yreka Management Team Association, Confidential Unit, Yreka Employees Association, Yreka Police Administration Association, and the Yreka Peace Officers Association.
2. Conference with Legal Counsel - Anticipated Litigation
 Initiation of litigation pursuant to Subdivision (c) of Section 54956.9 of the Government Code: (Number of cases to be discussed – 1 - The names of the parties are not disclosed, as it is believed that that to do so would jeopardize the City's ability to serve process or to conclude existing settlement negotiations to the City's advantage).

RETURN TO OPEN SESSION: Upon return to open session, City Manager Baker reported that no action was taken in closed session.

ADJOURNMENT There being no further business before the Council the meeting was adjourned.

Attest:

 Joan Smith Freeman, Mayor
 Minutes approved by Council
 Motion September 5, 2019

 Elizabeth E. Casson, City Clerk