

MINUTES OF THE REGULAR MEETING OF THE CITY COUNCIL OF THE CITY OF
YREKA HELD IN SAID CITY ON MARCH 1, 2012

On the 1st day of March 2012, 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: Robert Bicego, Bryan Foster, John Mercier and David Simmen. Absent – Rory McNeil.

Mayor Pro-Tempore Simmen announced that he has received a request from the City Attorney to add one item to the agenda which came to the staff's attention after the preparation and posting of the agenda - need for urgency: A Special Meeting which was scheduled for February 28, 2012 did not occur for lack of a quorum. On the Agenda for that meeting was this closed session item. Due to lack of a quorum, there was no meeting and no discussion with Council regarding this matter and there is a need for Council to take action before the next regularly scheduled Council meeting on March 15, 2012.

Mayor Pro-Tempore Simmen stated that he would entertain a motion to add one item to the closed session of the agenda, said item being:

Conference with Real Property Negotiator (Government Code Section 54956.8)

Property:	APN# 053-681-070
City Negotiators:	City Manager and City Attorney
Third Party Negotiator:	Cliff Brown
Under Negotiation:	acquisition of portion, price and terms of payment or both

Following Council discussion, Council Member Mercier moved to add this item to the closed session of the agenda.

Council Member Foster seconded the motion, and upon roll call, the following voted YEA: Bicego, Foster, Mercier and Simmen.

Mayor Pro-Tempore Simmen thereupon declared the motion carried.

Consent Calendar: Mayor Pro-Tempore Simmen 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 of Minutes of the meeting held February 16, 2012.
- b. Approval of Warrants issued from February 16, through March 1, 2012.
- c. Adopt Resolution No. 2956 approving the destruction of certain City records identified by the Finance Director.

Council Member Bicego requested item 1b, be pulled for discussion.

Following Council discussion, Council Member Mercier moved to approve items 1 a & c on the consent calendar as submitted.

Council Member Foster seconded the motion, and upon roll call, the following voted YEA: Bicego, Foster, Mercier and Simmen.

Mayor Pro-Tempore Simmen thereupon declared the motion carried.

Approval of Warrants issued from February 16, through March 1, 2012.

Following Council discussion, Council Member Bicego moved to approve the warrants as submitted.

Council Member Mercier seconded the motion, and upon roll call, the following voted YEA: Bicego, Foster, Mercier and Simmen.

Mayor Pro-Tempore Simmen thereupon declared the motion carried.

Adopt Resolution No. 2957 authorizing the City to apply for Grant Funds from the Energy Efficiency and Conservation Block Grant (EECBG) Program of the California Energy Commission, enter into a funding agreement, and designate representatives to sign related documents for the Street Light Replacement Project.

Matt Bray, Interim Public Works Maintenance Manager, addressed the Council to answer any questions regarding the street light replacement project.

Following Council discussion, Council Member Foster moved to adopt Resolution No. 2957 as submitted.

Council Member Mercier seconded the motion, and upon roll call, the following voted YEA: Bicego, Foster, Mercier and Simmen.

Mayor Pro-Tempore Simmen thereupon declared the motion carried.

Audited Financial Report Fiscal Year 2010-2011.

- Acceptance of Audited Financial Report Fiscal Year 2010-2011.
- Adopt Resolution No. 2958 rescinding Resolution No. 2690 entitled “Resolution of the City Council creating the Russell Karl Crandall Special Fund and establishing Fund Procedures”.
- Adopt Resolution No. 2959 authorizing the implementation of Governmental Accounting Standards Board (GASB), Statement 54 Fund Balance Reporting and Governmental Fund Type Definitions, and Authorizing the City Manager and the Finance Director to Assign Fund Balances.

Acceptance of Audited Financial Report Fiscal Year 2010-2011.

Following Council discussion, Council Member Bicego moved to accept the Audited Financial Report as submitted.

Council Member Mercier seconded the motion, and upon roll call, the following voted YEA: Bicego, Foster, Mercier and Simmen.

Mayor Pro-Tempore Simmen thereupon declared the motion carried.

Adopt Resolution No. 2958 rescinding Resolution No. 2690 entitled “Resolution of the City Council creating the Russell Karl Crandall Special Fund and establishing Fund Procedures”.

Following Council discussion, Council Member Bicego moved to adopt Resolution No. 2958 as submitted.

Council Member Mercier seconded the motion, and upon roll call, the following voted YEA: Bicego, Foster, Mercier and Simmen.

Mayor Pro-Tempore Simmen thereupon declared the motion carried.

Adopt Resolution No. 2959 authorizing the implementation of Governmental Accounting Standards Board (GASB), Statement 54 Fund Balance Reporting and Governmental Fund Type Definitions, and Authorizing the City Manager and the Finance Director to Assign Fund Balances.

Following Council discussion, Council Member Bicego moved to adopt Resolution No. 2959 as submitted.

Council Member Mercier seconded the motion, and upon roll call, the following voted YEA: Bicego, Foster, Mercier and Simmen.

Mayor Pro-Tempore Simmen thereupon declared the motion carried.

Request to designate sale proceeds received from the sale of the City owned parking lot to be used for the improvement of the City owned parking lot behind 320 W. Miner St. – Council Member Simmen.

Following Council discussion, it was the consensus of the Council to table this item until after the close of escrow.

Authorize letters of Support for Senate Bills 964 and 965 (Wright) in connection with City’s participation in the Statewide Stormwater Coalition (SSC).

Following Council discussion, Council Member Bicego moved to authorize Mayor Pro-Tempore Simmen to sign the letters of support with changes noted to City Attorney.

Council Member Foster seconded the motion, and upon roll call, the following voted YEA: Bicego, Foster, Mercier and Simmen.

Mayor Pro-Tempore Simmen thereupon declared the motion carried.

Approval of all Warrants payable to Siskiyou County Economic Development Council from February 17 through March 1, 2012.

Council Member Mercier announced his recusal stating that he has a conflict of interest with the warrants listed by reason of his employment relationship with Siskiyou County Economic Development Council, and therefore recused himself and left the Council Chamber.

Following Council discussion, Council Member Foster moved to approve the warrants payable to Siskiyou County Economic Development Council as submitted.

Council Member Bicego seconded the motion, and upon roll call, the following voted YEA: Bicego, Foster, and Simmen.

Mayor Pro-Tempore Simmen thereupon declared the motion carried. Council Member Mercier thereupon returned to his seat at the Council table.

Approval of the appointment of Jonathan McCauley to the Yreka Volunteer Fire Department.

B.J. Laustalot, Assistant Chief, Yreka Volunteer Fire Department introduced Jonathan McCauley to the Council stating that Mr. McCauley has completed and passed all aspects of the application process and that on behalf of the Yreka Volunteer Fire Department, he is requesting City Council's approval of the appointment of Mr. McCauley to the department.

Following Council discussion, Council Member Bicego moved to approve the appointment of Jonathan McCauley to the Yreka Volunteer Fire Department.

Council Member Mercier seconded the motion, and upon roll call, the following voted YEA: Bicego, Foster, Mercier and Simmen.

Mayor Pro-Tempore Simmen thereupon declared the motion carried.

CLOSED SESSION:

1. Anticipated Litigation. Government Code Section 54956.9(b)(3)(E) and (c). Conference with Legal Counsel, a point has been reached where, in the opinion of the Council on the advice of its legal counsel, based on existing facts and circumstances, there is significant exposure to litigation against the City and the Council is deciding or will decide whether to initiate litigation, due to a statement threatening litigation made outside an open and public meeting on a specific matter within the responsibility of the Council. Three cases – names of parties are not disclosed since it is believed the facts which may result in litigation are not yet be known to the potential litigant(s), which facts need not be disclosed, and, to do so would jeopardize City's ability to conclude existing settlement negotiations to its advantage.
2. Conference with Real Property Negotiator (Government Code Section 54956.8)
Property: Assessor Parcel No. 054-185-040, -050, -060, & 170

Third Party Negotiator: Administrative Office of the Courts
 City Negotiators: City Manager and City Attorney
 Under Negotiation: Purchase terms-Property Purchase Agreement.

3. Conference with Legal Counsel - Pending Litigation (Gov Code Section 54956.9) City of Yreka v. Ken Salazar, etc., et al., United States Court of Appeals for the Ninth Circuit, Case No. 11-16820.
4. Conference with Real Property Negotiator (Government Code Section 54956.8)
 Property: APN# 053-681-070
 City Negotiators: City Manager and City Attorney
 Third Party Negotiator: Cliff Brown
 Under Negotiation: acquisition of portion, price and terms of payment or both

RETURN TO OPEN SESSION: Upon return to open session, City Attorney Mary Frances McHugh reported out the following:

Anticipated Litigation. Government Code Section 54956.9(b)(3)(E) and (c). Conference with Legal Counsel, a point has been reached where, in the opinion of the Council on the advice of its legal counsel, based on existing facts and circumstances, there is significant exposure to litigation against the City and the Council is deciding or will decide whether to initiate litigation, due to a statement threatening litigation made outside an open and public meeting on a specific matter within the responsibility of the Council. Three cases – names of parties are not disclosed since it is believed the facts which may result in litigation are not yet be known to the potential litigant(s), which facts need not be disclosed, and, to do so would jeopardize City's ability to conclude existing settlement negotiations to its advantage.

The Council conferred with its legal adviser on three cases. Councilmember McNeil was absent.

On the first case considered: On Motion by Councilmember Mercier, second by Foster, carried unanimously, the City Attorney was authorized to engage Joseph Salazar, Esq. of Lewis, Brisbois, Bisgaard & Smith, LLP, for the defense of anticipated litigation in an amount not to exceed \$10,000. The City Attorney will bring a request for appropriation of that amount to the Council for approval. No further reportable action was taken.

On the second case considered, the Council conferred with its legal adviser. No further reportable action was taken.

On the third case discussed with Council, Councilmember Bicego was recused, left the room and did not participate. No further reportable action was taken.

Conference with Real Property Negotiator (Government Code Section 54956.8)
 Property: Assessor Parcel No. 054-185-040, -050, -060, & 170
 Third Party Negotiator: Administrative Office of the Courts
 City Negotiators: City Manager and City Attorney
 Under Negotiation: Purchase terms-Property Purchase Agreement

Council member McNeil was absent; Council member Bicego was recused due to a financial interest within proximity to the proposed project, left the room and did not participate. The Council conferred with its legal adviser. No further reportable action was taken.

Pending Litigation: Government Code § 54956.9(a) – Conference with Legal Counsel - City of Yreka v. Ken Salazar, etc., et al., United States Court of Appeals for the Ninth Circuit, Case No. 11-16820. The Council conferred with its legal adviser. Councilmember McNeil was absent. On Motion by Councilmember Bicego, second by Mercier, carried unanimously, the City Attorney was authorized to amend the contract of engagement with Brady & Vinding for the purpose of conducting appellate mediation in an amount not to exceed \$6,000. The City Attorney will bring an appropriation for that purpose to the Council for approval. No further reportable action was taken.

Conference with Real Property Negotiator (Government Code Section 54956.8)

Property: Assessor Parcel No. 053-681-070
 Third Party Negotiator: Cliff Brown, Phillipe Lane Industrial Park
 City Negotiators: City Manager and City Attorney
 Under Negotiation: Possible purchase including price, terms of payment, or both.
 Councilmember McNeil was absent. The Council conferred with its legal adviser. No further reportable action was taken.

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

Attest:

 Rory McNeil, Mayor
 Minutes approved by Council
 Motion 3-15-2012

 Elizabeth E. Casson, City Clerk