

MINUTES OF THE REGULAR MEETING OF THE CITY COUNCIL OF THE CITY OF  
YREKA HELD IN SAID CITY ON JULY 21, 2011

On the 21<sup>st</sup>. day of July 2011, 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, Rory McNeil, John Mercier and David Simmen. Absent – None.

Consent Calendar: Mayor McNeil 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 July 7, 2011.
- b. Adopt Resolution # 2928 vacating a portion of the Right of Way Easement and accepting the offer of dedication of the remaining portion of the Right of Way Easement together with the Public Utilities Easements of record.

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

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

Mayor McNeil thereupon declared the motion carried.

Montague-Yreka Airport Advisory Commission:

- Announcement of Vacancy on Montague-Yreka Airport Advisory Commission and Process For Appointment
- Next Steps – Montague-Yreka Airport future – Consider whether to create an ad hoc committee of the City Council to confer with an ad hoc committee of the City Council of the City of Montague on issues relating to future involvement of the Cities in the joint venture
- Consider whether to allocate funds for joint purchase of aviation fuel with the City of Montague, not to exceed one-half of the cost of a 4,000-gallon purchase of fuel for a 10,000 gallon tank.

City Attorney Mary Frances McHugh gave the following report regarding the state of the Montague-Yreka Airport:

The Fixed Base Operator (FBO) has resigned and the City of Montague is contemplating purchasing the equipment, including the fuel facilities, owned by the former FBO. The Airport Commission acted to recommend the City of Montague make the purchase so long as the cost did not exceed \$15,000. The City of Montague is in a caretaker position of the Airport, and will be considering whether to issue Requests for Proposals or Interest for a successor FBO.

The future of the airport is a concern. Given the interests of both cities, it may be helpful to have an ad hoc committee of each Council meet to discuss these issues and develop any further

recommendations, independent of the Airport Commission, since these issues go to the heart of the future of the airport.

In its caretaker capacity, Montague is not currently selling aviation fuel and has caused an appropriate notice to be posted so that the pilots do not land in the expectation of fuel availability. If Montague needs to continue interim operations, it may desire to offset costs by fuel sales. If so, and because of the use of that the airport received from traffic servicing the City of Yreka, it may be that a contribution from the City of Yreka would be appropriate. The City of Montague has not decided this issue, and any commitment from the City of Yreka for participation in fuel purchase would have to be conditioned upon their taking the lead, with the purchase cost being recouped and liabilities addressed. Aviation fuel currently averages \$5.35 retail per gallon.

Following Council discussion Council Member Mercier moved to create an ad hoc committee consisting of Mayor McNeil and Council Member Foster to confer with an ad hoc committee created by the City Council of the City of Montague on issues relating to future involvement of the Cities in the joint venture.

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

Mayor McNeil thereupon declared the motion carried.

Black's Building:

1. Consider whether to allocate \$250,000 to the Black's Building demolition and construction of a new plaza/passageway.
2. If the Council decides to allocate this funding direct staff to commence the environmental review (CEQA) and develop an outline of the project including the steps for implementation, estimated costs and timelines.

City Manager Steve Baker gave the Council an update on the meetings of the Black's Building ad hoc committee stating that they have met a number of times and looked at the building and after review, they have made the following observations and recommendations:

1. In its current condition, the Black's Building detracts from Miner Street because of its exterior condition. Also, the interior needs significant work before it could be leased to a tenant. Long term rehabilitation of the building would be expensive, including significant work to the foundation and floor supports.
2. The overall cost of creating a passageway and improving the parking lot to the north (including lots owned by adjacent property owners) is estimated to cost over \$700,000, which is greater than the Committee was comfortable recommending for the project.
3. The Committee believes that a scaled back project of demolishing the current building and constructing a plaza/passageway would be the most appropriate way forward. The current parking lot owned by the City would be minimally improved with gravel and removal of trees.

4. The Committee believes that the total cost of the project should be capped at \$250,000. The funding sources would be \$156,000 available from the Stewart Trust and the remainder (\$94,000) from the Crandall Trust Account.
5. The Committee believes that to the extent possible the project bidding be broken up to allow local contractors to bid on the project. At a minimum, the asbestos removal, demolition and construction would be separately bid.
6. The Committee will continue to assist on finalizing the design.

In conclusion, City Manager Baker reported that the Committee recommends that the Council consider whether to allocate \$250,000 to the Black's Building demolition and construction of a new plaza/passageway. If the Council decides to allocate this funding, the Committee recommends that staff be directed commence the environmental review (CEQA) and develop an outline of the project including the steps for implementation, estimated costs and timelines.

Following Council discussion, Council Member Simmen moved to allocate \$250,000 to the Black's Building demolition and construction of a new plaza/passageway, expending \$156,000 from the Stewart Trust and the remainder (\$94,000) from the Crandall Trust Account and to direct staff to commence the environmental review (CEQA) and develop an outline of the project including the steps for implementation, estimated costs and timelines.

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

Mayor McNeil thereupon declared the motion carried.

#### Yreka City Government and Business Relations – Status Check – Council Member Bicego.

Council Member Bicego stated that he requested that this item be placed on the agenda to discuss a certain amount of dissatisfaction with the way the City interfaces with businesses in the City. Council Member Bicego further stated that the intent of this agenda item is to identify a means for measuring (and then actually measuring) the pulse of how city hall is perceived by businesses, such as contractors; that is, to separate out myth versus reality as to whether we are pro-business leaders or business impeder.

Following Council discussion Council Member Bicego moved to schedule a special City Council meeting inviting stakeholders in the business community to come to speak directly to the Council and state what their issues are.

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

Mayor McNeil thereupon declared the motion carried.

City Manager Baker stated that he would contact Mark Teague to check his availability as facilitator and available dates. City Manager Baker further stated that he would put together a

list of potential businesses to be invited and asked that the City Council members submit the names of individuals and or businesses that they would like to be included.

Approval of Warrants issued from July 8, through July 21, 2011.

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

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

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

Mayor McNeil thereupon declared the motion carried.

Council Member Mercier returned to his seat at the Council table.

City Manager Report:

City Manager Baker reported back to the Council regarding Resolution #2925 approving the destruction of certain Yreka Police Department records. City Manager Baker stated that on the last Council agenda, the Resolution for the destruction of certain Yreka Police Department records was adopted contingent on verification that the records were not needed for the Sheriff Department cold case files. Chief Bowles checked with the Sheriff's office to see if they had any interest in the files and they did not. The files do not have any investigative value because the statute of limitations has expired on the crime. The files that were excluded from destruction in the resolution are those that might have some investigative value or deal with major crimes for which the statute of limitations has not expired. Therefore, I am convinced that the extensive process that the Department goes through to decide which cases can be released for destruction is sound and that these records would be of no value to the Sheriff. Based on that, we will proceed with destruction.

**CLOSED SESSION:**

1. Karuk Health Clinic case Pending Litigation Government Code § 54956.9(a) – Conference with Legal Counsel: – City of Yreka, et al., v Ken Salazar, etc., et al., United States District Court, Eastern District of California, Case number.
2. 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. One case – 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.

**RETURN TO OPEN SESSION:** Upon return to open session, City Attorney Mary Frances McHugh reported that there was no reportable action.

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

Attest:

---

Rory McNeil, Mayor  
Minutes approved by Council  
Motion 8-4-11

---

Elizabeth E. Casson, City Clerk