

MINUTES OF THE REGULAR MEETING OF THE CITY COUNCIL OF THE CITY OF  
YREKA HELD IN SAID CITY ON DECEMBER 7, 2017

On the 7<sup>th</sup>. day of December 2017, 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, Robert Bicego, Joan Smith Freeman, Duane Kegg, and Norman Shaskey  
Absent - None.

Mayor Freeman announced that the closed session has been pulled from the agenda.

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 November 17 through December 7, 2017.
- b. Approval of Minutes of the meeting held November 16, 2017.
- c. Acceptance of Treasurer's Report and Budget to Actual for the month of October 2017.
- d. Authorize an Agreement with Siskiyou Economic Development Council for Project Coordination and Grant Administration of the Yreka Coalition Brownfields Assessment Project.
- e. Waive Full Text Reading of All Ordinances on the Agenda. Ordinances shall be introduced and adopted by title only.

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

Councilmember Bicego seconded the motion, and upon roll call, the following voted YEA: Baird, Bicego, Freeman, Kegg, and Shaskey.

Mayor Freeman thereupon declared the motion carried.

Adopt Resolution approving Street Closure and other requests associated with Special Events being held by Gary Nelson to be known as "Family Fun Carnivals".

City Manager Steve Baker reported that Gary Nelson, owner of the property known as the "Franco American Hotel" on W. Miner Street has submitted a request for closure of a small portion of Third Street for six special events known as "Family Fun Carnivals" to be held on May 5, June 2, July 7, August 4, September 1, and October 6 of 2018.

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

Councilmember Baird seconded the motion, and upon roll call, the following voted YEA: Baird, Bicego, Freeman, Kegg, and Shaskey.

Mayor Freeman thereupon declared the motion carried.

Discuss and provide direction on the downtown requests.

City Manager Baker reported that as a result of a meeting held at the Franco American Hotel, the City received four related request letters for City Council consideration:

1. Gary Nelson requested resolution of his proposal to place a vintage stagecoach on West Miner Street in front of the Franco American Hotel. This has been discussed at length previously. The preferred location requested in the past by Mr. Nelson raises some safety concerns. There was a discussion at a council meeting about the location of the stagecoach where the idea of changing street configurations “shared streets” came up and Mr. Nelson deferred to development of those ideas. To date, however, no action has been taken on the shared streets proposal, principally because of the cost of developing such a program.
2. Gary Nelson and Catherine Gilbert both requested that the Council consider amending the Yreka Municipal Code section 9.28 relating to sound from commercial buildings.
3. Gary Nelson requested the Council to consider that the West Miner Street area running from Oregon Street to Main Street be declared an “outdoor mall”.
4. Gary Nelson requested resolution of the request for the Franco American Sign. The City has previously received a request for a sign on the front of the Franco American Hotel, however, for safety reasons, the City’s Building Official requires an engineer’s report. If the owner participates in the City’s Miner Street Grant Facade Renovation Program, half of the cost of the sign and engineers report is eligible for reimbursement.
5. Catherine Gilbert has proposed to have a committee review the City Ordinances that may be outdated and suggest which ones to update. The City currently updates antiquated ordinances from time to time; however, this is not done comprehensively. Some ordinance updates, particularly in land use, are costly to update because of the process required.

City Manager Baker reported that staff is not making specific recommendations on these requests at this time, but bringing them to the Council for discussion. If the Council wishes staff to pursue and invest staff time in any of the requests, staff is requesting such direction. Staff would then research the item and place on a future council agenda.

Following Council discussion, it was the consensus of the Council to direct staff to report back to the Council by the end of January 2018 with options regarding items 1, 2, & 4.

Introduction of Ordinance enacting Chapter 9.60 entitled “Alcoholic Beverages – Drinking and Open Containers in Public” and finding the adoption of this Ordinance to be exempt from CEQA.

City Manager Baker reported that this agenda item was presented at the October 4, and November 16, 2017 meetings. Council requested that the first offense be amended to \$50, the Council also requested the Ordinance include a prohibition of open containers in or near the play areas, both requests have been incorporated. The ordinance would prohibit consumption of alcohol or possession of an open container on public property including parks, sidewalk, streets or other city property, with exceptions. The proposed ordinance would keep in place the current policy of allowing alcoholic beverages in Greenhorn Park. The ordinance would also allow permits such as allowing alcoholic beverages to be consumed at certain events in the parks (e.g. the Scott Valley Bank Concert series in Miner Street Park) or sold in a park (the Humbug Hurray-up in Greenhorn Park). The ordinance would also not apply to events in the Community Center or Downtown Plaza with a valid lease or rental agreement.

The City has varying regulations regarding alcoholic beverages within the city. For example, alcohol is generally prohibited in City parks, except Greenhorn Park or when a special event includes permission to consume or sell as part of its approval. The City requires state permits and insurance when alcohol is sold at events in the Community Center. Generally, the City does not have a prohibition against consuming alcohol on streets and sidewalks except where the person is also violating another state law, for example, public drunkenness. Most cities in California have an "open container" law as provided for in Section 25620 of the Business and Professions Code. Yreka has not adopted such an ordinance.

Following the reading of the title of the Ordinance and Council discussion, Councilmember Kegg moved to introduce the Ordinance as submitted.

Councilmember Baird seconded the motion, and upon roll call, the following voted YEA: Baird, Bicego, Freeman, Kegg, and Shaskey.

Mayor Freeman thereupon declared the motion carried.

Adopt a Resolution approving Professional Services Agreement Amendment No. 2 in the amount of \$33,066 with Tom Hesseldenz and Associates for the Flood Hazard Reduction Grant.

Public Works Administrative Assistant Jeannette Hook reported that the City was awarded \$5 million to complete a comprehensive watershed planning process, and to implement floodway restoration at several sections of Yreka Creek. In 2014, the Council authorized the consultant agreements for the planning and design work associated with the Flood Hazard Reduction project.

Tom Hesseldenz and Associates prepared the Yreka Creek Master Plan, which was adopted by the Council in February 2017. Incorporating comments from the new Director of Public Works, Matt Bray, late in the review process required more edits than initially anticipated. Also a thorough examination of the watershed characteristics of Yreka Creek was more effort than originally anticipated. This additional work complements the grant program by examining ways to reduce structural impediments as a preferred way to reduce flooding hazards.

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

Councilmember Shaskey seconded the motion, and upon roll call, the following voted YEA: Baird, Bicego, Freeman, Kegg, and Shaskey.

Mayor Freeman thereupon declared the motion carried.

Authorize the Finance Director to amend the expenditure budget and authorize the City Manager to execute a Consultant Task Order with PACE Engineering to provide engineering services for the specified Proposition 1 Sewer Project in the amount of \$165,000.

Public Works Administrative Assistant Jeannette Hook reported that in March of 2016, the Council authorized the City to apply to the Clean Water State Revolving Fund known as Proposition 1, for sewer project planning. Each planning project is eligible to receive grant funds up to \$500,000 and construction projects are eligible for up to \$10 million.

Staff is requesting authorization to undertake additional planning work to develop the plans and reports necessary to submit a construction grant application. This authorization would continue the planning work started last year.

Similar to the Proposition 1 water funds, the State is evaluating and funding Proposition 1 sewer projects based on when they are submitted and ready to proceed. Authorization of the engineering and environmental work is somewhat speculative, but the City stands a good chance of receiving a significant sewer improvement grant upon its completion. If the City is awarded a grant, these eligible activities would be reimbursed. The \$165,000 would be paid from the Waste Water Enterprise Fund and the fund would be reimbursed upon receiving Proposition 1 grant funding.

Following Council discussion, Councilmember Shaskey moved to authorize the Finance Director to amend the expenditure budget and authorize the City Manager to execute a Consultant Task Order with PACE Engineering to provide engineering services for the specified Proposition 1 Sewer Project in the amount of \$165,000.

Councilmember Kegg seconded the motion, and upon roll call, the following voted YEA: Baird, Bicego, Freeman, Kegg, and Shaskey.

Mayor Freeman thereupon declared the motion carried.

Adopt Resolution to establish the City of Yreka's Debt Management Policy.

Finance Director Rhetta Hogan reported that California Senate Bill SB 1029, approved September 12, 2016 provides that agencies seeking debt issuances must certify that they have adopted local debt policies concerning the use of debt and that the proposed debt issuance is consistent with those policies.

By adopting a Debt Management Policy, the City demonstrates its prudent financial management in setting parameters for issuing debt, managing the City's debt portfolio and providing guidance to decision makers.

Following Council discussion, Councilmember Baird moved to adopt the Resolution and Policy as corrected.

Councilmember Kegg seconded the motion, and upon roll call, the following voted YEA: Baird, Bicego, Freeman, Kegg, and Shaskey.

Mayor Freeman thereupon declared the motion carried.

Approval of an agreement with the California Public Employees' Retirement System (CalPERS) to join the California Employers' Retiree Benefit Trust Program (CERBT); and that the Council Adopt a Resolution Delegating Authority to request disbursements from the Trust; and Approval of the Certification of OPEB Funding Policy and GASB OPEB Standards Reporting Compliance, and authorizes the execution of necessary documents with CalPERS to fund and maintain participation in the Trust.

Finance Director Rhetta Hogan reported other post-employment benefits known as OPEB are other non-retirement benefits payable to retirees and their beneficiaries. The City offers a nominal monthly health insurance benefit, currently \$128 per month, for employees who retire from the City in accordance with the Public Employees Hospital and Medical Care Act. Each annuitant actively or inactively participating in health insurance, may at each annual open enrollment participate in receipt of the City post-employment benefits.

Currently, the City funds this benefit on a "pay as you go" basis. As of July 1, 2016, the date of the latest actuarial report, 11 retired employees were receiving this benefit and 49 active employees were accruing benefits. The City's unfunded actuarial liability for this benefit was \$1.8 million as of June 30, 2017. This cost is expected to increase as more active employees retire and the cost of health insurance premiums increase. For fiscal year 2015-16, by Council action, the City set aside \$185,218 for the annual required contribution, and in the 2016-17 began funding \$205,472 of the annual required contribution as a cost of payroll salary and benefits. The payroll expense is presently offset with an account payable OPEB Trust. It is anticipated that the City would invest both the 2015-16 designated reserves and its 2016-17 OPEB Trust Accounts (\$390,690) into a qualified OPEB trust by December 31, 2017.

Under GASB 45, in order for these assets to count towards offsetting the OPEB liability, the assets must be held in an irrevocable trust that is safe from creditors and can only be used to provide OPEB benefits to eligible participants.

In addition to setting aside assets to offset the liability, entering into an investment management agreement with an OPEB trust provider will allow the City to make long-term investments to match its long-term obligation to provide health benefits to retirees. Because professionally-managed long-term investments typically produce higher yields than the shorter term, more liquid investments currently held by the City's cash pool, establishing and funding an OPEB

irrevocable trust should result in lower total cost to the City for providing retiree health insurance benefits.

Following Council discussion, Councilmember Shaskey moved to approve the agreement with the California Public Employees' Retirement System (CalPERS) to join the California Employers' Retiree Benefit Trust Program (CERBT); and Adopt a Resolution Delegating Authority to request disbursements from the Trust; and Approval of the Certification of OPEB Funding Policy and GASB OPEB Standards Reporting Compliance, and authorizes the execution of necessary documents with CalPERS to fund and maintain participation in the Trust.

Councilmember Bicego seconded the motion, and upon roll call, the following voted YEA: Baird, Bicego, Freeman, Kegg, and Shaskey.

Mayor Freeman thereupon declared the motion carried.

Authorize Execution of an Agreement for Contract Hearing Officer Services between the City of Yreka and David Mason.

City Manager Baker reported that during the code enforcement process, the vast majority of cases are resolved by voluntary compliance. For those that are not, citations and/or remediation of the issues are the final step. Appeal of city staff decisions may be made to either a hearing officer or to the Planning Commission.

In the past, we have had difficulty locating a qualified hearing officer; we have now located a person with relevant experience in code enforcement, David Mason, who is willing to serve as a hearing officer. Code enforcement appeals are relatively rare, but they may increase with more code enforcement. Having a qualified hearing officer available will be a benefit to the City.

Following Council discussion, Councilmember Kegg moved to authorize the execution of an Agreement for Contract Hearing Officer Services with David Mason.

Councilmember Shaskey seconded the motion, and upon roll call, the following voted YEA: Baird, Bicego, Freeman, Kegg, and Shaskey.

Mayor Freeman thereupon declared the motion carried.

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

Attest:

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Joan Smith Freeman, Mayor  
Minutes approved by Council  
Motion December 21, 2017

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Elizabeth E. Casson, City Clerk

