

MINUTES OF THE REGULAR MEETING OF THE CITY COUNCIL OF THE CITY OF
YREKA HELD IN SAID CITY ON AUGUST 21, 2014

On the 21st day of August 2014, 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 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 August 12, 2014.
- b. Approval/ratification of payments issued from August 7 through August 21, 2014.
- c. Adopt Resolution approving requests associated with Special Event known as the Yreka Union High School District 2014 Yreka Elks Cross Country Invitational.
- d. Adopt Resolution Approving requests associated with Yreka Chamber of Commerce Special Event to be held on September 13, 2014, known as the “Sizzlin September Car Show and Shine”.

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

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

Mayor Simmen thereupon declared the motion carried.

Council Member Mercier announced his recusal from both item No. 2 and item No. 3 stating that he has a conflict of interest for item No. 2 by reason of his employment relationship with the Karuk Tribe, and a conflict of interest with item No. 3 by reason of property ownership in proximity of Miner Street Park and therefore recused himself and left the Council Chamber.

Resolution authorizing execution of an Intergovernmental Agreement between the Karuk Tribe and the City of Yreka.

City Manager Steve Baker reported that the City has been negotiating an Intergovernmental Agreement (IGA) with the Karuk Tribe for over a year regarding the proposed casino northeast of Sharps Road. The casino is a permitted use on Tribal Trust Land pursuant to a federal decision by the Department of the Interior and a Compact (agreement) between the State of California and the Karuk Tribe that has been proposed by the Governor. The Compact is currently being considered in the Legislature for approval (the Senate has already approved the Compact; the Assembly is expected to vote on it shortly).

The Compact between the State of California and the Karuk Tribe requires that the Tribe negotiate an IGA with the City and County. If the Tribe and City cannot reach agreement on the IGA, the Compact provides for an arbitration process that uses “baseball” arbitration which means that only

one of the two proposals can be selected. The arbitrator cannot suggest a compromise agreement. This process is uncertain, expensive and time consuming. The City wished to avoid arbitration if possible.

The negotiated IGA is designed to mitigate anticipated impacts of the Tribe's casino project on services of the City. Some of these were outlined in the Tribe's Tribal Environmental Impact Report; however, the City required additional information and studies on certain issues. Services that the City will be providing to the Tribe include police services; fire services; water treatment and supply, sewer collection and treatment and possibly storm water (if the Tribe is unable to retain all stormwater drainage on site). The Tribe will also make certain traffic related improvements to Sharps Road and will pay its fair share of interchange improvements to the Moonlit Oaks exit when traffic increases as a result of Phase 2 of the project. These are outlined in more detail later in this report.

While the casino itself will be on Tribal Trust Land, the parking lot will be on land owned by the Tribe in fee. A CEQA analysis of the impacts of this portion of the project and a use permit will be required.

Because of the Tribe's sovereign status, it does not have to pay locally imposed taxes. The IGA has a provision that the Tribe will have a transient occupancy fee on hotel rooms, similar to the City's transient occupancy tax on hotels, motels and campgrounds in the rest of the City. The City will receive half of the funds generated by the hotel fees on Tribal Trust Lands. The hotel is not expected to be constructed until Phase 2.

The following is an outline of the various financial provisions of the IGA and a list of the improvements that the Tribe has committed to make in support of the casino project:

Financial Terms

- Police: Tribe will pay the cost of one officer annually (approximately \$95,000 salary and benefits; \$7,000 overtime costs – costs will increase as wages, etc. increase)
- Police: Tribe will buy a patrol unit every 4 years (about \$40,500) and allow Tribe to get old unit when it is replaced at the cost of decommissioning (limited to \$2,500 first two units).
- Fire: Tribe will provide \$25,000 per year during Phase 1 and an additional \$20,000 per year in Phase 2
- Wastewater Fees: The Tribe will pay Wastewater collection impact fees as required of other developers based on a 6" water meter. The Tribe will also pay wastewater treatment improvement costs of \$441,090 – these are based on a not yet adopted development fee study.
- Wastewater – The Tribe will pay for the reconstruction of three pipes that are at or over capacity. The City will pick up the costs of oversizing the pipes from 12" to 15" on two of them. The total project cost is estimated at \$132,000; the shares between the City and Tribe have not been calculated.
- Water – The Tribe will pay the water development impact fees (these include both the treatment and distribution) as required of other developers
- The Tribe will reimburse the City \$70,000 for the costs of negotiating the agreement.

Improvements:

- The Tribe is responsible for all of the improvements on both water and wastewater to connect to the systems. The Tribe will have one water and one sewer connection. They cannot use either connection for other projects, nor accept septic waste.
- The Tribe is proposing to retain all storm drain water on their property (if they cannot do so, there are provisions for a separate agreement for this purpose)
- The Tribe will:
 - Pave an emergency access road to Campbell Road
 - Stripe Sharps Road, install right turn lanes at Sharps and Fairlane, and construct sidewalk on one side of Sharps Road.
 - Place portions of Fairlane and Sharps Road on the Tribal roads list for future funding possibilities.
- During Phase 2, the Tribe will pay its fair share of the improvements to the Moonlit Oaks/I-5 interchange.

City staff has had significant concerns about making sure that the Tribe followed the same rules that the City and its other customers are subject to, particularly with regards to water and sewer, since the Tribe's sovereign immunity would otherwise exempt it from following some of these rules. The Tribe and City staff have worked to create a legal structure that preserves the Tribe's sovereign status, yet subjects them to the same rules that the City and its other customers are required to follow. The IGA also provides for an advisory committee between the Tribe and City to work together, head off potential problems and deal with disputes at an informal level. Disputes that are not resolvable at that level may go to arbitration or State court.

In closing City Manager Baker stated that staff is recommending approval of the IGA, and that if approved, it will not go into effect until the Compact is formally approved and the U.S. Department of Interior has signed off.

Mayor Simmen opened the discussion to the Audience.

The following people spoke in opposition to the proposed casino: Nita Still, Rich Marshall, Mason McCoy, Betty Hall, Louise Gliatto, and Sheila Meamber.

Archie Super and Scott Quinn addressed the Council and audience on behalf of the Karuk Tribe.

Mayor Simmen closed audience discussion and opened the discussion to the Council.

Following Council discussion, Councilmember McNeil moved to adopt the Resolution authorizing execution of an Intergovernmental Agreement between the Karuk Tribe and the City of Yreka, as submitted.

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

Mayor Simmen thereupon declared the motion carried.

Resolution approving request to use sound amplifying devices in Miner Street Park in conjunction with park reservation.

Following Council discussion, Councilmember Foster moved to approve the Resolution authorizing the use of sound amplifying devices in Miner Street Park in conjunction with the park reservation on September 6, 2014.

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

Mayor Simmen thereupon declared the motion carried. Councilmember Mercier returned to his seat at the Council table.

Resolution consenting to an increase of residential rates for the collection of garbage in the City of Yreka.

City Manager Baker reported that Yreka Transfer, by Franchise Agreement, is required to submit requests for residential service increases for approval by the Yreka City Council, and in accordance with the Franchise Agreement has submitted a request for an increase of \$2 per cart & can, and an increase of \$1 for each additional can.

City Manager Baker further reported that Yreka Transfer has raised or is planning to raise its rates in other portions of the County that they serve by similar amounts. Lake Shastina and Grenada are served by another company, Siskiyou Disposal. The comparable rates for a 64-gallon cart is \$20.75 and for a 96 gallon cart is \$25.75. These rates were adopted in 2008 and are comparable (\$0.50 higher) to Yreka Transfer's rates at that time.

Following Council discussion, Council Member Mercier moved to adopt the Resolution consenting to an increase of residential rates for the collection of garbage in the City of Yreka.

Councilmember Bicego seconded the motion, and upon roll call, the following voted YEA: Bicego, Foster, McNeil, Mercier and Simmen. Mayor Simmen thereupon declared the motion carried.

Fiscal Years 2014-2016 Budget:

Finance Director Hogan addressed the Council to answer any questions regarding the proposed budget, and to request the adoption of the following budget Resolutions:

- Resolution setting forth the Appropriations Limit for the City of Yreka for Fiscal Year 2014 – 2015.
- Resolution adopting the Budget for Fiscal Years 2014-2016.
- Resolution adopting the Budget for Fiscal Year 2014-2016 Fund 30-all Measure H Special Tax Fund, Fund 03 all the Volunteer Fire Department Benefit Fund, and Fund 01-210-0000 all expenditures of the Volunteer Fire Department.

Councilmember Bicego requested that the Resolution concerning the Yreka Volunteer Fire Department be considered separately, as he needs to recuse himself from the discussions regarding that Resolution.

Following Council discussion, Councilmember McNeil moved to adopt the Resolution setting forth the Appropriations Limit and the Resolution adopting the Budget for Fiscal Years 2014 – 2016 as presented.

Mayor Simmen seconded the motion, and upon roll call, the following voted YEA: Bicego, McNeil, Mercier and Simmen. Abstain – Foster. Mayor Simmen thereupon declared the motion carried.

Resolution adopting the Budget for Fiscal Year 2014-2016 Fund 30-all Measure H Special Tax Fund, Fund 03 all the Volunteer Fire Department Benefit Fund, and Fund 01-210-0000 all expenditures of the Volunteer Fire Department.

Councilmember Bicego announced his recusal, stating that he has a conflict by reason of his membership relationship with the Yreka Volunteer Fire Department and therefore recused himself and left the Council Chamber.

Following Council discussion, Councilmember Mercier moved to adopt the Resolution adopting the Budget for Fiscal Year 2014-2016 Fund 30-all Measure H Special Tax Fund, Fund 03 all the Volunteer Fire Department Benefit Fund, and Fund 01-210-0000 all expenditures of the Volunteer Fire Department, as submitted.

Councilmember McNeil seconded the motion, and upon roll call, the following voted YEA: McNeil, Mercier and Simmen. Abstain – Foster.

Mayor Simmen thereupon declared the motion carried. Councilmember Bicego returned to his seat at the Council table.

Swap of Mayor and Mayor Pro Tem Positions.

Mayor David Simmen reported that he asked the City Manager to place this item on the agenda, stating “In recognition of Rob Bicego’s outstanding service to the Citizens of Yreka and his being a valuable and reasoned addition to the Yreka City Council, I ask the Council to honor his service by allowing Rob to serve his remaining time on the Council as the Mayor, and that I propose that Rob and I trade positions for the remainder of his term in office.”

Following Council discussion, Councilmember McNeil moved to consent to the swap of the Mayor and Mayor Pro Tem positions as requested.

Councilmember Mercier seconded the motion, and upon roll call, the following voted YEA: Foster, McNeil, Mercier and Simmen. Abstain – Bicego.

Mayor Simmen thereupon declared the motion carried, turned the gavel over to Mayor Bicego.

CLOSED SESSION: City Manager Baker reported that the Closed Session has been pulled from the agenda.

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

Attest:

Robert Bicego, Mayor
Minutes approved by Council
Motion 9-4-2014

Elizabeth E. Casson, City Clerk