

MINUTES OF THE REGULAR MEETING OF THE CITY COUNCIL OF THE CITY OF  
YREKA HELD IN SAID CITY ON OCTOBER 20, 2016

On the 20<sup>th</sup> day of October 2016, 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, John Mercier and David Simmen Absent - None.

Consent Calendar: Mayor Mercier 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 October 7, through October 20, 2016.
- b. Approval of Minutes of the special meeting held September 26, 2016 and the regular meeting held October 6, 2016.
- c. Waive Full Text Reading of All Ordinances on the Agenda. Ordinances shall be introduced and adopted by title only.

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

Councilmember Baird seconded the motion, and upon roll call, the following voted YEA: Baird, Freeman, Mercier and Simmen.

Mayor Mercier thereupon declared the motion carried.

Approval of location of Stagecoach; authorize a long term encroachment agreement for a stagecoach at a location west of the crosswalk in front of the Franco American Building.

Mayor Mercier announced his recusal stating that he has a conflict of interest by reason of business relationship with Mr. Neilson, and therefore recused himself and left the Council Chamber.

City Manager Steve Baker reported that Gary Nelson, owner of the Franco American building on Miner Street, has requested permission to place a stagecoach in the landscaping area in front of his building. This was discussed at Council meetings, including the November 5, 2015 Council meeting and Mr. Nelson was permitted to place the stagecoach in the loading zone in front of the building to see how it fit in with ambiance of Miner Street and the geometry of the proposed location.

Director of Public Works, Matt Bray reported that Mr. Nelson's preferred location is to place the stagecoach immediately east of the crosswalk in front of his building. This would require removal of one of the trees at this location. Public Works has reviewed this location in response to a question at the Council meeting and has determined that the sight lines for pedestrians entering the sidewalk at this location would not permit this location to be used (pedestrians would be walking into the traffic lane from behind the stagecoach).

If Council decides to continue to allow the stagecoach to be in front of the building, the

recommended location would be to the west of the crosswalk. The flower planter to the west would need to be enlarged, the tree removed, the irrigation system redesigned and installed to accommodate the wagon. This will affect the location of the loading zone. The loading zone sign will need to be moved to the west and yellow curb paint extended. The sight lines for the crosswalk would not be an issue because pedestrians would be visible to on-coming westbound traffic. Staff is recommending that Council authorize a long-term encroachment agreement at the location west of the sidewalk in front of Mr. Nelson's building.

City Manager Baker further reported that if the project is approved by the City Council, all work would be at the expense of the owner and subject to construction standards set forth within an encroachment agreement to be prepared by the Department of Public Works.

Gary Nelson addressed the Council stating that he disagrees with the assessment that the placement of the stagecoach, in the landscaping area in front of his building, would cause a safety issue stating that his original proposed location in front of the Franco American Hotel would be historically correct and is the location preferred by several of the Miner Street merchants. When the original coach was burned, the community came together to purchase another coach, as it has been a tremendous attraction for tourists and locals.

Mr. Nelson further stated that he is not in favor of removing the beautiful tree on Miner Street as suggested in the proposal by the Department of Public Works.

Several members of the audience spoke in support of Mr. Nelson's project and inquiring if the crosswalk could be relocated as a compromise.

Following Council discussion, it was the consensus of the Council to table this item to a future meeting giving the City Attorney and Staff more time to research the matter.

Mayor Mercier returned to his chair.

Introduce Ordinance of the City of Yreka amending Title 12, by adding to Title 12 and enacting Chapter 12.40 pertaining to Storm Water Quality Management and Discharge control and finding that the Ordinance is exempt from CEQA.

Director of Public Works, Matt Bray, reported that in 2013, the State Water Resources Control Board adopted Water Quality Order No. 2013-0001- DWQ National Pollutant Discharge Elimination System (NPDES) General Permit No. CAS000004 which establishes Waste Discharge Requirements for storm water discharges from Small Municipal Separate Storm Sewer Systems (aka MS4s), and which is often referred to as the "Phase II Storm Water General Permit". This Permit makes the City responsible for discharges from the storm drain system, including any contaminants that occur in the storm water runoff.

Violations of permit provisions may result in penalty fines or 3rd party lawsuits. The Permit requires local MS4 agencies to regulate storm water in order to reduce the discharge of contaminants to impaired waterways from its storm drain system. Adoption of this ordinance satisfies the requirement to establish appropriate local regulatory authority.

Yreka has been included in the General Permit because Yreka Creek is a tributary to the impaired waters of the Shasta and Klamath Rivers. Our "urbanized" community has the potential to discharge contaminants, which contribute to the identified impairments of these rivers.

Costs for implementation of this required storm water program have been included in the budget. Expenditures will increase as compliancy with state regulations is met.

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

Councilmember Baird seconded the motion, and upon roll call, the following voted YEA: Baird, Freeman, Mercier and Simmen.

Mayor Mercier thereupon declared the motion carried.

Introduce Ordinance creating Section 12.16 "Private Lateral and Sewer Inspection and Repair" of the Yreka Municipal Code.

City Manager Baker reported that in 2013, the City entered a settlement that required staff to introduce a sewer lateral inspection and repair program. An ordinance was drafted and introduced to the City Council. Council had numerous comments. The comments received to date have been incorporated.

Director of Public Works Matt Bray reported that this ordinance clarifies maintenance responsibilities for sewer mains and private laterals. It sets maintenance standards that will help the community avoid Sanitary Sewer Overflows (SSO's) and the potential fines and lawsuits that can result from their occurrence.

The essence of this ordinance is that certain events trigger a video condition assessment of the sewer lateral. These trigger events include a) significant replacement of sewer lateral line, b) recurring SSO's, and c) when the primary use of structures change (i.e. a house becomes an office). Compliance certificates are valid for 7 years and the Ordinance provides for several exemptions and a process for obtaining an exemption.

Yreka is being increasingly scrutinized for potential effects to the water quality in the impaired Klamath and Shasta River watersheds. Staff believes this ordinance helps protect community residents and the City, by helping existing customers and new property owners understand their sewer maintenance responsibilities and providing them with tools necessary to evaluate the condition of their private sewer lateral.

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

Councilmember Freeman seconded the motion, and upon roll call, the following voted YEA: Baird, Freeman, Mercier and Simmen.

Mayor Mercier thereupon declared the motion carried.

Introduction of Ordinance of the City of Yreka amending Chapter 3.30 “Investment and Audit Committee” of the Yreka Municipal Code.

Finance Director Rhetta Hogan reported that the City of Yreka's Audit and Investment committee has discussed at its regular meeting held June 6, and its rescheduled regular meeting held September 7, 2016 changes to the Investment and Audit committee municipal code Chapter 3.30 - Sections 010-040.

The proposed changes serve to:

- modernize language,
- eliminate standing meetings and Monday holiday conflicts, and
- broaden in scope the activities of the committee in reviewing all matters of the City that in part includes: audits, investments, and debt issuance.

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

Councilmember Baird seconded the motion, and upon roll call, the following voted YEA: Baird, Freeman, Mercier and Simmen.

Mayor Mercier thereupon declared the motion carried.

Introduce Ordinance Amending Chapter 2.28. “Fire Department” Section 2.28.070 “Assignment of Duties – Payment for Services” of the Yreka Municipal Code.

Finance Director Rhetta Hogan reported that "Title 2 - Administration and Personnel, Chapter 28 - Fire Department, Section 070 Assignment of duties -Payment for services" of the City's municipal code is being updated to reflect current practice for the quarterly payroll processing of stipends for the Yreka Fire Department's volunteers.

In December of 2008, Resolution 2735 updated the call out fees and acknowledged that member call out stipends are subject to Internal Revenue Service publication 963, whereas call out stipends paid to volunteer fire fighters are considered wages subject to payroll taxes and withholdings.

Operational changes were made in the calendar month of payment to follow quarterly payroll tax reporting to ensure employees received timely W-2 forms that reflected for the most part, wages earned for the tax periods. These updates serve to align the ordinance with actual practice.

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

Councilmember Freeman seconded the motion, and upon roll call, the following voted YEA:

Baird, Freeman, Mercier and Simmen.

Mayor Mercier thereupon declared the motion carried.

Designation of other Post Employer Benefits Reserves (OPEB), for the Year ending June 30, 2016, the Annual Required Contribution (ARC) of \$185,218. Based on the City's Actuarial OPEB Valuation Report performed by Bickmore.

Finance Director Rhetta Hogan reported that staff presented the City's Actuarial Report on Other Post Employment Benefits at the September 15, 2016 City Council meeting. One of the staff recommended action items was to set aside the 2015-2016, Annual Required contribution in reserves. In closing the fiscal year, the opportunity exists to set aside funds in reserved due to one-time money received.

The annual required contribution is a liability of the City much like pension payments, and in 2016-2017 that cost will be spread across payroll as specified in GASB75.

In the Bickmore report for 2016, this liability grew from an unfunded actuarial liability of \$954,000 in 2012 to \$1,735,087 in 2016. The recommended allocation of \$185,218 will help begin to lower this liability over time. Of this amount, approximately 40% of the annual contribution will come from the water and wastewater enterprise funds and 60% from the general operating fund. In taking a measured approach of reserving the current year's contribution, the City will be able to begin to study how to invest and the level of contribution, if any, above the current actuarial liability.

Following Council discussion, Councilmember Freeman moved to approve the designation of Other Post Employer Benefits Reserves (OPEB), for the Year ending June 30, 2016, and to authorize the Annual Required Contribution (ARC) of \$185,218, based on the City's actuarial OPEB Valuation Report.

Councilmember Simmen seconded the motion, and upon roll call, the following voted YEA: Baird, Freeman, Mercier and Simmen.

Mayor Mercier thereupon declared the motion carried.

**CLOSED SESSION:**

1. Conference with Real Property Negotiator (Government Code Section 54956.8)
  - Property: Fall Creek
  - Third Party Negotiator: PacifiCorp
  - City Negotiators: City Manager and City Attorney
  - Under Negotiation: Possible purchase including price, terms of payment, or both.
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).

- 3. Conference with Labor Negotiator Government Code Section 54957.6 (a)  
 Agency negotiator: Steven Baker.  
 Employee Organizations: Yreka Police Officer's Association.

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

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

Attest:

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John Mercier, Mayor  
 Minutes approved by Council  
 Motion November 3, 2016

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Elizabeth E. Casson, City Clerk