

**OROVILLE CITY COUNCIL MEETING - MINUTES
FEBRUARY 15, 2005 - 7:00 PM**

The agenda for the February 15, 2005 regular meeting of the Oroville City Council was posted on the bulletin board at the front of City Hall on February 10, 2005 at 4:52 p.m.

The February 15, 2005 adjourned regular meeting of the Oroville City Council was called to order at 7:00 p.m. by Mayor Andoe.

ROLL CALL

PRESENT: Council Members Berry, Corkin, Prouty, Sharkey, Simpson, Vice Mayor Jernigan, Mayor Andoe

ABSENT: None

Staff Present:

Sharon Atteberry, City Administrator/City Clerk
Dwight Moore, City Attorney
Diane MacMillan, Interim Director of Finance
Lauri Pittman, Administrative Assistant
Eric Teitelman, Community Development and Public Works Director

Mitch Brown, Chief of Police
Charles Miller, Director of Parks and Trees
David Pittman, Fire Chief
Karolyn Fairbanks, City Treasurer
Pat Clark, Director of Business Assistance and Housing Development

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by members of the Oroville 4-H.

RECOGNITION OF INDIVIDUALS WHO WISH TO SPEAK ON AGENDA ITEMS - None

PROCLAMATION / PRESENTATION - None

Mayor Andoe presented a Proclamation of Appreciation to supporters of the ***EIGHTH ANNUAL COMMUNITY-WIDE TRUE LOVE WAITS CAMPAIGN*** in the Oroville area.

A fiddle presentation was made for the ***2005 OLD TIME FIDDLERS CONTEST*** by Melissa, Alicia and Abigail Copenhaver, contestants.

CONSENT CALENDAR

A motion was made by Vice Mayor Jernigan, seconded by Council Member Berry, to approve the following Consent Calendar, with the exception of item no. 6:

1. **APPROVAL OF THE MINUTES OF THE JANUARY 27, 2005 5:30 P.M. SPECIAL JOINT MEETING AND THE FEBRUARY 1, 2005 7:00 P.M. REGULAR MEETING OF THE OROVILLE CITY COUNCIL** - minutes attached.

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2. RENTAL OF VACANT CITY-OWNED T-HANGAR AT THE OROVILLE MUNICIPAL AIRPORT – staff report

The Council considered the rental agreement with Robert G. McKean for the City-owned T-hangar B-24 at the Oroville Municipal Airport. (*Eric Teitelman, Director of Community Development and Public Works Department*)

Council Action Requested: **Adopt Resolution No. 6423 – A RESOLUTION OF THE OROVILLE CITY COUNCIL AUTHORIZING THE MAYOR TO EXECUTE AN AIRPORT HANGAR AGREEMENT WITH LESSEE ROBERT G. McKEAN FOR VACANT T-HANGAR B-24 AT THE OROVILLE MUNICIPAL AIRPORT – (Agreement No. 1564).**

3. AMENDMENT TO THE FIRST-TIME HOME BUYER PROGRAM GUIDELINES – staff report

The Council considered approving a modification to the HOME First-Time Home Buyer (FTHB) Program Guidelines by reducing the interest rate on the City's mortgage subsidy loan from 5% to 3% as required by the State Department of Housing and Community Development. (*Pat Griffin, Director of Business Assistance and Housing Development Department*)

Council Action Requested: **Approve the HOME First-Time Home Buyers Program Guidelines dated February 1, 2005 as amended.**

4. MINOR HOME REPAIRS TO CITY-OWNED HOUSE - staff report

The Council considered authorizing an expenditure of approximately \$18,000 for minor repairs to City-owned residential property located at 194 Canyon Highlands Drive, Oroville. (*Pat Griffin, Director of Business Assistance and Housing Development Department*)

Council Action Requested: **Authorize minor repairs to be made to the City-owned home located at 194 Canyon Highlands Drive, Oroville, for approximately \$18,000.**

5. PURCHASE OF A DISPATCH NETWORK AUDIO LOGGER – staff report

The Council considered the purchase of a digital network audio logger for the Oroville Police Department to replace the outdated logger currently in use for \$3,044.50. (*Mitchel Brown, Chief of Police*)

Council Action Requested: **Authorize the purchase of a Network Digital Audio Logger for the Oroville Police Department totaling \$3,044.50 from Digital Loggers, Inc., the sole developer and vendor of the unit.**

6. ITEM REMOVED FROM THE CONSENT CALENDAR – SEE BELOW

7. AMENDED AND RESTATED AGREEMENT WITH NORTH VALLEY LAND SERVICES RELATING TO APPRAISAL SERVICES – staff report

The Council considered authorizing an amended and restated agreement with North Valley Land Services related to appraising real property. (*Dwight L. Moore, City Attorney*)

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Council Action Requested: **Adopt Resolution No. 6424 – A RESOLUTION OF THE OROVILLE CITY COUNCIL AUTHORIZING THE MAYOR TO EXECUTE AN AMENDED AND RESTATED AGREEMENT WITH NORTH VALLEY LAND SERVICES TO PERFORM APPRAISAL SERVICES – (Agreement No. 1560-1)**

8. APPEAL OF PLANNING COMMISSIONS' APPROVAL OF USE PERMIT NO. 04-31 – staff report

The Council considered adopting a resolution rescinding the Planning Commissions' approval of Use Permit no. 04-31, which allows the installation of a single-family home on vacant property that is zoned *Restricted Commercial (C-1)*, and is located at 2782 Oro Dam Blvd, Oroville. (**Jo Sherman, Planning Manager**)

Council Action Requested: **Adopt Resolution No. 6425 – A RESOLUTION OF THE OROVILLE CITY COUNCIL GRANTING THE APPEAL RELATING TO USE PERMIT NO. 04-31.**

9. REQUEST FROM BOB HEDRICK FOR FUNDING OF THE ANNUAL OLD TIME FIDDLERS CONTEST – staff report

The Council considered a request for funding from Bob Hedrick in the amount of \$4,000 for support of the Old Time Fiddlers Contest to be held in March 2005. (**Sharon Atteberry, City Administrator**)

Council Action Requested: **Authorize staff to pay the invoices associated for the Old Time Fiddlers Contest up to an amount of \$4,000.**

10. REQUEST FROM FRED A FLINT FOR FUNDING FOR FEATHER FIESTA DAYS – staff report

The Council considered the request for funding from Freda Flint in the amount of \$4,000 for support of the annual Feather Fiesta Days Festival to be held in May 2005.

Council Action Requested: **Authorize staff to pay the invoices associated for the Feather Fiesta Days Festival up to an amount of \$4,000.**

The motion to approve the above Consent Calendar, with the exception of item no. 6, passed by the following vote:

AYES:	Council Members Berry, Corkin, Prouty, Sharkey, Simpson, Vice Mayor Jernigan, Mayor Andoe
NOES:	None
ABSENT:	None
ABSTAIN:	None

ITEM REMOVED FROM CONSENT CALENDAR

6. ACQUISITION OF PROPERTY BY EMINENT DOMAIN – staff report

At the request of Council Member Prouty, this item was removed from the Consent Calendar for discussion.

The Council considered authorizing a deposit in the amount of \$250,000 for the court deposit relating to the eminent domain lawsuit to acquire properties at 550 and 570 Montgomery Street, Oroville, for a Visitor's Center. (**Dwight L. Moore, City Attorney**)

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Council Member Prouty asked if the City could settle this lawsuit out of court. Dwight Moore, City Attorney, said the City could settle at any time during the process.

Hearing no more concerns, a motion was made by Council Member Berry, seconded by Council Member Corkin to:

Authorize the court deposit of \$250,000 relating to an eminent domain lawsuit for the acquisition of 550 and 570 Montgomery Street, Oroville.

The motion was approved by the following vote:

AYES: Council Members Berry, Corkin, Prouty, Sharkey, Simpson, Vice Mayor Jernigan, Mayor Andoe
NOES: None
ABSENT: None
ABSTAIN: None

PUBLIC HEARINGS - None

REGULAR BUSINESS

11. **AMENDMENT AND RESTATEMENT OF PROFESSIONAL SERVICES AGREEMENT WITH NBS LOCAL GOVERNMENT SOLUTIONS, AND THE FORMATION OF A COMMUNITY FACILITIES DISTRICT FOR THE HIGNELL DEVELOPMENT GROUP MARTIN RANCH SUBDIVISION** – staff report

The Council considered amending and restating the professional services agreement with NBS Local Government Solutions to provide additional consulting services on an “as needed” basis for formation and administration of Community Facilities Districts (CFD), and considered authorizing the formation of a CFD for the Hignell Development Group Martin Ranch Subdivision. (*Eric Teitelman, Director of Community Development and Public Works Department*)

Eric Teitelman, Director of Community Development and Public Works, explained that in October 2004 an NBS consultant discussed options for the City to consider funding infrastructure that would be needed for serving new subdivisions. There was discussion on both bonded and non-bonded assessment districts, and options for bonded and non-bonded Community Facilities Districts (CFD). A common term for a CFD is a Mello Roos, and there is legislation in the State that allows cities to create these districts. The developers want the capability to pass the costs along without having to finance the capital for construction of the infrastructure. There is a request from the Hignell Development Group, Martin Ranch Subdivision, that the City allow them to form a bonded CFD which will pay for park, road and sewer infrastructure. Future developments can be annexed into the CFD to help pay for the infrastructure.

Tim with NBS clarified that a developer puts up a deposit so no funds come from the City's general fund for the formation of a bonded CFD. The Council has complete authority over passing a resolution to form a district. It is a limited obligation bond, and there is no liability for the City. The only security for the bond is the property itself.

Hearing no more questions, a motion was made Council Member Sharkey, seconded by Council Member Corkin, to:

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Council Action Requested:

1. **Adopt Resolution No. 6426 – A RESOLUTION OF THE OROVILLE CITY COUNCIL AUTHORIZING AND DIRECTING THE MAYOR TO EXECUTE AN AMENDED AND RESTATED AGREEMENT WITH NBS LOCAL GOVERNMENT SOLUTIONS FOR PROVIDING PROFESSIONAL CONSULTING SERVICES, INCLUDING THE FORMATION OF COMMUNITY FACILITIES DISTRICTS – (AGREEMENT NO. 1518-3).**
2. **Authorize the formation of a Community Facilities District for the Hignell Development Group for the Martin Ranch Subdivision.**

The motion was approved by the following vote:

AYES: Council Members Berry, Corkin, Prouty, Sharkey, Simpson, Vice Mayor Jernigan, Mayor Andoe
NOES: None
ABSENT: None
ABSTAIN: None

12. AIRPORT HANGAR LEASE, TIE-DOWNS AND FUEL AGREEMENTS – staff report

The Council considered authorizing the Mayor to ratify agreements with existing tenants at the airport for hangar lease and tie-down rentals, authorizing staff to establish accounts to purchase aviation fuel at the airport, and authorizing staff to reimburse Oroville Aviation for fuel purchased but remaining in the tanks at the airport after February 28, 2005. **(Eric Teitelman, Director of Community Development and Public Works Department)**

Eric Teitelman explained that the current Fixed-Based Operator (FBO) at the Oroville Municipal Airport is terminating their services. The FBO has been providing flight training services, mechanics services, a pilot's lounge, fueling services, managing one row of t-hangars and rentals in two other buildings, and tie-down agreements. We have had interest from Chico Aviation to provide FBO services at the City airport. They would provide a full range of services; the City would like all services provided that were provided by the outgoing FBO, including the addition of flight charter services. Prior to finding another FBO to provide these services, the City needs to provide fuel to the City-owned tanks and to set up accounts with BP Aviation Fuel Services. The City would charge wholesale + 10% for fuel to create interest at our airport. Mr. Teitelman said he would like to price-fix the fuel price, and set it at a rate that is lower than other airports in the region to attract pilots to our airport.

Hearing no more discussion, a motion was made by Council Member Berry, seconded by Council Member Corkin, to:

1. **Adopt Resolution No. 6427 – A RESOLUTION AUTHORIZING AND DIRECTING THE MAYOR TO EXECUTE LEASE AGREEMENTS WITH ALL EXISTING FBO SUB-LEASE TENANTS, HANGAR TENANTS, AND TIE-DOWN RENTALS FOR RATES EQUAL TO THOSE CURRENTLY IN PLACE – (Agreement No. 1581).**
2. **Authorize staff to set up accounts for purchase of aviation fuel, and establish the fuel prices at wholesale plus 10% for administration and maintenance.**
3. **Approve the reimbursement to Oroville Aviation for carryover fuel in an amount not to exceed \$5,000, and subject to an actual fuel count taken on or after March 1, 2005.**

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AYES: Council Members Berry, Corkin, Prouty, Sharkey, Simpson, Vice Mayor Jernigan, Mayor Andoe
NOES: None
ABSENT: None
ABSTAIN: None

**13. NOTICE OF COMPLETION AND REIMBURSEMENT OF SECURITY FOR CHEROKEE ESTATES
PHASE II – staff report**

The Council considered authorizing staff to file a Notice of Completion for the Cherokee Estates Phase II Subdivision, and refund a cash deposit to Community Housing Improvement Program (CHIP) for completed improvements in the amount of \$40,550. (***Eric Teitelman, Director of Community Development and Public Works Department***)

Eric Teitelman explained that securities were collected for the Cherokee Estates Subdivision project to guarantee the construction of the public infrastructure. The infrastructure has been completed, and Cherokee Estates is now asking for the release of their securities, which would bring the subdivision agreement to an end. There is an issue that came up about the drainage, but the securities collected did not cover private drainage issues, so there is no legal authority to keep the money.

Following discussion, a motion was made by Council Member Corkin, seconded by Council Member Berry, to:

Authorize staff to file a Notice of Completion for Cherokee Estates Phase II Subdivision, and refund \$40,550 to Community Housing Improvement Program.

The motion was approved by the following vote:

AYES: Council Members Berry, Corkin, Prouty, Sharkey, Simpson, Vice Mayor Jernigan, Mayor Andoe
NOES: None
ABSENT: None
ABSTAIN: None

14. ANNUAL AUDIT AND COMPREHENSIVE FINANCIAL REPORT – staff report

The Council received the 2003/04 Annual Audit and CAFR (Comprehensive Annual Financial Report).

Council Action Requested: **Receive the Comprehensive Annual Report for fiscal year 2003/04, and heard the presentation provided by the City's auditor, Steve Herr, C.P.A. with Davis Hammon and Company.**

Steve Herr, a Principal at Davis Hammon and Company, reported that the City received a "clean opinion" and there were no areas of reportable conditions. Mr. Herr stated that the general fund was in good shape, but the City faces challenges with PERS rate increases, higher wages, etc.

Mayor Andoe acknowledged received of the Comprehensive Annual Report for fiscal year 2003/04.

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15. LEGAL SERVICES AGREEMENT

The Council considered approving a two-year agreement with Dwight L. Moore to provide legal services as the City Attorney. *(Dwight L. Moore, City Attorney)*

Dwight Moore, City Attorney, said he has had the privilege of being the City Attorney for the past 5½ years. He provides a complete range of legal services. He is requesting a small increase for his services. Sharon Atteberry, City Administrator, said that Mr. Moore provides a wide-range of services to the City, including RDA activities. He also performs a lot of services many developers.

A motion was made by Council Member Berry, seconded by Council Member Corkin, to:

Adopt Resolution No. 6428– A RESOLUTION OF THE OROVILLE CITY COUNCIL AUTHORIZING AND DIRECTING THE MAYOR TO EXECUTE AN AGREEMENT WITH DWIGHT L. MOORE TO PROVIDE LEGAL SERVICES AS THE CITY ATTORNEY – (Agreement No. 1280-3)

The motion was approved by the following vote:

AYES: Council Members Berry, Corkin, Prouty, Sharkey, Simpson, Vice Mayor Jernigan, Mayor Andoe
NOES: None
ABSENT: None
ABSTAIN: None

16. EXTEND CONTRACT WITH PACIFIC MUNICIPAL CONSULTANTS (PMC) TO ASSIST THE CITY WITH PROCESSING DEVELOPMENT PROJECTS – staff report

The Council considered an amendment to the agreement with Pacific Municipal Consultants (PMC) to assist the Planning Department with processing development applications for an amount not to exceed \$25,000. *(Jo Sherman, Planning Manager)*

Eric Teitelman explained the need for these services due to a loss of an employee in the Planning Department. PMC already does a lot of work for the City of Oroville. We may get one or two employees working two days a week from PMC. Sharon Atteberry said the City would begin recruiting immediately to fill this position.

A motion was made by Vice Mayor Jernigan, seconded by Council Member Corkin, to:

Adopt Resolution No. 6429 – A RESOLUTION OF THE OROVILLE CITY COUNCIL AUTHORIZING AND DIRECTING THE MAYOR TO EXECUTE AN AMENDMENT TO THE AGREEMENT WITH PACIFIC MUNICIPAL CONSULTANTS TO ASSIST THE PLANNING DEPARTMENT WITH PROCESSING DEVELOPMENT APPLICATIONS - (Agreement No. 1511-3).

The motion was approved by the following vote:

AYES: Council Members Berry, Corkin, Prouty, Sharkey, Simpson, Vice Mayor Jernigan, Mayor Andoe
NOES: None
ABSENT: None
ABSTAIN: None

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17. MONTHLY FINANCIAL REPORT FOR JANUARY 2005 AND MONTHLY SUMMARY OF INVESTMENTS FOR DECEMBER 2004.

The Council received a copy of the Monthly Financial Report for January 2005 and the Monthly Summary of Investments for December 2004. **(Diane MacMillan, Interim Finance Director)**

Acknowledge receipt of the January 2005 Monthly Financial Report and December 2004 Summary of Investments.

The Council acknowledged receipt of the January 2005 Monthly Financial Report and the December 2004 Summary of Investments.

MAYOR/ COUNCIL REPORTS

COUNCIL ANNOUNCEMENTS/COMMITTEE REPORTS (A verbal report may be given regarding any committee meetings attended.)

Chamber of Commerce Meeting

Vice Mayor Jernigan reported that the Chamber was looking into hiring a facilitator to develop a mission statement.

Oroville Recreation Area Committee Meeting - (ORAC)

Council Member Sharkey said that trails were a large part of the discussion at the ORAC meeting. A decision came from FERC that the trails would remain as originally designed, not as multi-use trails. The SBF fund was also discussed.

CITY ADMINISTRATOR/ ADMINISTRATION REPORTS

1. Nominations for Sam Norris Award.

Ballots were distributed to the Council Members. The committee reviewed the applicants and two names were decided upon. The ballots should be returned with the selection by the following Thursday.

2. Oroville Fire Department – Monthly report of activities
3. Community Development and Public Works Department activities report
4. Chamber of Commerce activities report

Sharon Atteberry reported on the Recreation Group meeting for the FERC relicensing held on Thursday, February 10, 2005. The stakeholders reviewed the SBF fund, and there was overwhelming support. There were regulatory agencies that abstained from voting. The Town of Paradise, the equestrians, and Richard Bruce Collins from American Rivers expressed concern over the makeup of the steering committee, and the word “*regional*” in the SBF fund, and wondered why, if it is regional, is the committee made up of three members of the Oroville City Council, one member from Butte County, and one from Feather River Recreation Park District. Butte County chose to take no vote and to withdraw from any position on the committee, and requested that the word *regional* be removed from the SBF language. The County felt that it was an Oroville fund, and it should be an Oroville committee. DWR wanted to review some of the comments made at the meeting, so there will be more meetings to

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follow regarding the SBF fund. Mayor Andoe commented that the *region* refers to the greater Oroville area. The JPA was formed for this purpose. Oroville bore the major portion of the burden of the negotiations when it came to the recreational aspect. Council Member Sharkey said the City will persevere through the rest of the process, and is still optimistic.

CORRESPONDENCE - None

HEARING OF INDIVIDUALS ON NON-AGENDA ITEMS - None

CLOSED SESSION

The meeting was adjourned to Closed Session at 9:11 p.m. to discuss the following:

1. Pursuant to Government Code Section 54957, the Council will discuss the recruitment for, or appointment to, the position of Finance Director.
2. Pursuant to Government Code Section 54957.6, the Council will meet with labor negotiator, Sharon Atteberry, to discuss labor negotiations for:

Oroville Fire Fighters Association
Oroville Police Officers Association -
(Sworn and Non-Sworn)

Oroville Mid-Managers Association
Oroville City Employees Association

The meeting was reconvened at 10:00 p.m., and Mayor Andoe announced that the Council voted unanimously to appoint Diane MacMillan to the position of Director of Finance. The Mayor also announced that no action was taken on item no. 2, and direction was given to staff.

ADJOURNMENT

The meeting was adjourned at 10:01 p.m. A joint meeting of the Oroville City Council and Redevelopment Agency will be held on Friday, February 15, 2005 at 8:30 a.m.

Sharon Atteberry, City Clerk

Gordon Andoe, Mayor