

Gridley City Council – Regular City Council Meeting Minutes

Monday, May 23, 2016; 6:00 pm
Gridley City Hall, 685 Kentucky Street, Gridley, CA 95948

Approved as Submitted

Our purpose is to continuously enhance our community's vitality and overall quality of life. We are committed to providing high quality, cost-effective municipal services and forming productive partnerships with our residents and regional organizations. Working together, we develop, share, and are guided by a clear vision, values, and meaningful objectives

A. CALL TO ORDER

Mayor Hall called the meeting to order at 6:00 p.m.

B. ROLL CALL

Council members

Present: Draper, Stiles, Borges, Johnson, Hall
Absent: None
Arriving post roll call: None

Staff present: Dean Price, Chief of Police/Interim City Administrator
Tony Galyean, City Attorney
Matt Michaelis, Finance Director
Scott Rolls, City Engineer
Donna Decker, Planning Consultant
Daryl Dye, Electric Superintendent

C. PLEDGE OF ALLEGIANCE

The Pledge was led by Vice Mayor Johnson

D. COMMUNITY PARTICIPATION FORUM

Lynn Spencer, Chamber President, gave a Chamber update stating the success of the Chamber mixer at Bank of the West, Red Suspenders Day and the sale of the bricks to be placed in Daddow Park.

Marti Stiles, 284 Hazel Street, asked about the arrows that were left in the bike lane from a previous event. Chief Price stated that the arrows had been removed.

Tom Berenato, 450 Hazel Street, addressed Council regarding his concern over the 72-hour parking ordinance.

E. CONSENT CALENDAR

1. Electric Department monthly update, April 2016
2. Public Works Department monthly update, April 2016
3. Fire Department monthly update, April 2016
4. Recreation Department monthly update, April 2016

5. Police Department monthly update, April 2016
6. Code Enforcement update monthly update
7. Daddow Park Renovation update

Motion to approve the consent calendar by Councilman Stiles, seconded by Councilman Draper

ROLL CALL VOTE

Ayes: Draper, Stiles, Borges, Johnson, Hall

Motion passed, 5-0

F. ITEMS FOR COUNCIL CONSIDERATION

8. Consideration of Vierra Park Disc Golf Course proposal

This item was postponed to a later date due to last minutes concerns brought forward by staff

9. Approval of Resolution No. 2016-R-007: A Resolution of the City Council of the City of Gridley Authorizing Submittal of Application for Payment Programs and Related Authorizations

Michaelis addressed Council regarding items #9 and #10 concurrently. The California Department of Resources Recycling and Recovery (CalRecycle) administers funding programs to assist organizations with establishing convenient beverage container recycling and litter abatement projects, and to encourage market development and expansion activities for beverage container materials. Gridley is eligible to receive a minimum of \$5,000.

There was no discussion among Council. Motion to approve Resolution No. 2016-R-007 made by Vice Mayor Johnson, seconded by Councilman Stiles.

ROLL CALL VOTE

Ayes: Draper, Stiles, Borges, Johnson, Hall

Motion passed, 5-0

10. Approval of Resolution No. 2016-R-008: A Resolution of the City Council of the City of Gridley Authorizing Submittal of a Regional Payment Program Application as the Regional Lead Participant, Related Authorizations and Identification of Participating Jurisdictions

Motion to approve Resolution No. 2016-R-008 by Vice Mayor Johnson, seconded by Councilman Draper

ROLL CALL VOTE

Ayes: Draper, Stiles, Borges, Johnson, Hall

Motion passed, 5-0

11. Approval of Resolution No. 2016-R-009: A Resolution of the City Council of the City of Gridley Authorizing the Extension of the City's Participation in the Biggs-Gridley Hospital Agency JPA

Michaelis reported that in 2005, the City passed Resolution 2005-R-050 authorizing the City's participation in the Joint Powers Authority (JPA) with the City of Biggs and the County of Butte (representing the unincorporated area within Community Service Area (CSA) #37). This JPA, known as the Biggs-Gridley Hospital Agency, was created to assist with the extension of emergency care to residents within the area comprising CSA #37. On November 7, 2006, residents of the City voted to assess a \$70 per dwelling unit assessment for the benefit of providing hospital services in the community. 2016-17 represents the final year of the 10-year assessment. Therefore, the assessment will discontinue unless another vote is held to continue the assessment. The resolution today extends the participation in the JPA for the next 10 years, which is the framework for the assessment process.

Motion to approve Resolution No. 2016-R-009 with the name change to Orchard Hospital by Councilman Draper, seconded by Vice Mayor Johnson

ROLL CALL VOTE

Ayes: Draper, Borges, Johnson, Hall

Abstain: Stiles

Motion passed, 4 with 1 abstention

12. Approval of Resolution No. 2016-R-010: A Resolution of the City Council of the City of Gridley Authorizing the Finance Director to Invest Funds and Choose an Investment Broker in Accordance with the City's Investment Policy

Michaelis addressed Council, stating that the City has approximately \$8 million in various investment funds, \$7.2 million in LAIF and \$1 million in a Wells Fargo savings account. From a financial statement perspective, this cash represents an "investment asset" and is classified as such on the City's financial statements. This LAIF money is indeed "sitting there" idly, but it by all means serves many purposes. It represents our "cushion," and choosing to spend it down on either special projects or fund deficits without the identification of additional revenues threatens the entire spectrum of our fiscal solvency.

LAIF currently has an interest rate of .29 percent, and our Wells Fargo savings account currently has an interest rate of .43 percent. Annual income from these investments ranges between \$20,000 and \$30,000, depending on what time of year the money is taken out. The City has never had a robust investment program and currently has an opportunity to start one by beginning investing amounts in increments of \$100,000 in short-term, liquid securities which are in accordance with the City's investment policy. He went on to describe the different types of investments, and answered the questions Council had brought up the first time this subject was addressed.

It is recommended that the City Council adopt a Resolution authorizing the Finance Director to begin an investment program as outlined in the staff report and choose a

broker which will enable the City to be in compliance with its investment policy and state law.

After much discussion as to the amount and length of investment desired, motion to approve Resolution No. 2016-R-010 with the removal of the words “and Choose an Investment Broker” and the investment of \$1million in 4 units for 1 year made by Councilman Stiles, seconded by Councilman Borges

ROLL CALL VOTE

Ayes: Draper, Stiles, Borges, Johnson, Hall

Motion passed, 5-0

G. VERBAL DEPARTMENT REPORTS

13. Cindy Townsend – Austin Harr Memorial Kids Fishing Derby update

Interim Administrator Price stated this item will be postponed until a later date.

14. Donna Decker - Daddow Park update/Brick sales

Decker stated that she had returned with answers to Councilman Stiles’ questions regarding who chose the color of the bricks to be used and who will benefit from the sale of the bricks. She provided a handout to Council showing the colors and said she chose them to complement the stonework on the columns and walls. She stated the Chamber of Commerce volunteered to sell the bricks and discussion as to who would benefit from the sales never happened. She stated it seemed like a reasonable option when viewed as a fundraiser to help the Chamber.

Stiles then stated his concern over the legality of a separate entity making a profit on something that would become part of a City asset. Attorney Tony Galyean stated that he would defer to the legal counsel or tax advisors to the Chamber of Commerce as to the legality of the situation.

Decker continued with an update on the progress on the work being done.

H. COUNCIL COMMITTEE REPORTS

Vice Mayor Johnson reported on the Butte County Mosquito and Vector Control District meeting he attended. He stated they will come out and spray if you call and request it.

Mayor Hall reported that he attended the “Career Day” event, two Loan Committee meetings, the Bank of the West Chamber mixer, the open house at the Labor Camp and a meeting with Caltrans.

I. CLOSED SESSION

15. **Public Employment (GC: 54957 (b)(1))**
Position: City Administrator
(recruitment update)

16. **Public Employment (GC: 54957)**
Positions: Interim City Administrator, Police Chief, IT Manager, Finance Director, Electric Superintendent, Public Works Director, Recreation Coordinator, Recreation Leader, Recreation Aid I/II, Chief Building Official, Part-time Building Inspector, Administrative Assistant (confidential)
17. Government Code 54956.9 – Consultation with Legal Counsel to discuss pending litigation – Bill Webb Construction, et al. vs. County of Butte, et al, Butte County Superior Court, Case No. 16CV00186

Council came out of closed session with no reportable action.

J. ADJOURNMENT



Paul Eckert, City Clerk

