

Meeting called to order by Mayor Elliott. Meeting opened with the Pledge of Allegiance.

ROLL CALL

Councilmembers present: Jim Paschall, Dennis Hoffman, Bruce Roundy, Vice Mayor Charles Gee and Mayor Wade Elliott

Councilmembers absent:

Staff present: Community Services Director Nancy Sailsbery, Pacific Municipal Consultant Scott Friend, Chief of Police J.C. Tolle, Finance Director Daryl Brock, City Attorney Greg Einhorn, Assistant City Manager/City Clerk Angie Crook and City Manager Peter R. Carr

ORAL AND WRITTEN COMMUNICATIONS

Citizen Business:

Byron Denton, 127 Tanner Way, attended the Memorial Day service at the cemetery which turned out very well.

CITY COUNCIL COMMUNICATIONS

Councilmember Hoffman reported on the following:

- Attended opening of the Farmers Market.
- Orland Chamber of Commerce will hold an Open House for new City Manager Peter Carr on June 28, 2012 from 5:30 – 7:30 p.m.

Councilmember Roundy reported on the following:

- Attended opening of Farmers Market.
- Attended Resource Conservation District annual BBQ at Lely Park.
- Attended Transportation Commission meeting; received funding for 2 new buses.
- Attended Art Gallery reception for two original Orland artists, Tamara Bonet and Jon Schultz.
- Attended Memorial Day service at the cemetery; raised flag for the Army.

Mayor Elliott reported on the following:

- Attended Memorial Day service at cemetery.
- Attended opening of Farmer's Market.
- Received letter from Orland Evangelical Church regarding donation of memorial bench for Library Park.

CONSENT CALENDAR

- A. Waive reading except by title, of any ordinances under consideration at this meeting for either introduction or passage per Government Code §36934.
- B. Approve City Council minutes for May 21, 2012.
- C. Approve Warrant List.
- D. Approve and authorize City Manager to sign Agreement to continue GIC services for updates and maintenance to City's GIS System from July 1, 2012 - June 30, 2013.
- E. Approve letter of authorization for submittal to the California Department of Resources Recycling and Recovery for regional application by Glenn County.

- F. Adopt Resolution consenting to the extension of service charges imposed on improved real property within the incorporated area of the City of Orland for the use and/or ability to use the Glenn County Solid Waste System.
- G. Approve waiver of Vinsonhaler park use fee for Orland Historical and Cultural Society's 35th Old Fashioned Fourth of July celebration.
- H. Receive and file Library Commission minutes for March 13, 2012.
- I. Receive and file Orland Arts Commission minutes for April 18, 2012.
- J. Receive and file correspondence from Chamber of Commerce.

Byron Denton request Item F. removed for discussion.

Councilmember Roundy moved, seconded by Councilmember Paschall to approve the consent calendar Items A. - J. except for Item F. Motion carried with no abstentions.

Vice Mayor Gee advised this item was discussed at the Solid Waste meeting. It's an annual appropriation that has to be approved each year for the parcel fee; there is no increase at this time.

Councilmember Roundy moved, seconded by Councilmember Paschall to approve Item F. Motion carried with no abstentions.

PUBLIC HEARING – None

ADMINISTRATIVE COMMUNICATIONS

Pacific Municipal Consultants:

Scott Friend, Pacific Municipal Consultants, gave a review of the 2011 General Plan and Housing Element Annual Progress Report. The report includes the following: 1.) status of the General Plan and progress in its implementation; 2.) progress made in meeting the City's share of Regional Housing Needs; 3.) local efforts to remove governmental constraints to the maintenance, improvements, and development of housing; 4.) degree to which the approved General Plan complies with the State's general plan guidelines. It was noted, with the exception of the Housing Element, the City last updated its General Plan in February 2012. The City adopted its Housing Element in March 2010 and adopted a subsequent amendment to the Element addressing the City's RHNA numbers in October 2011. Mr. Friend recommends the City Manager sign the documents and direct staff to submit the 2011 General Plan and Housing Element Annual Progress Report to the State. Mayor Elliott requested the letter to the State Housing and Community Development be revised to reflect no harm has been done to any applicant in regards to density issue concerns, specific to H.E.2.A. and the Conditional Use Permit process.

Vice Mayor Gee moved, seconded by Councilmember Hoffman to accept the 2011 General Plan and Housing Element Annual Progress Report with the provision that the cover letter to the 2012 Housing Element Annual Report will be revised to reflect the changes adopted in the 2012 General Plan Update and authorize the City Manager to sign the documents and direct staff to submit the same to the State. Motion carried with no abstentions.

Community Services Director:

Community Services Director Sailsbery brought forward request to consider burn-down letter for 720 Third Street. Community Services Director Sailsbery stated the Orland Municipal Code (Nonconforming uses), allows a building located in a commercial zoning district to be rebuilt as same if fifty percent or less of the building's assessed value were to be destroyed by fire, earthquake, etc. If over fifty percent of the assessed

value of the building were to be destroyed, the Code requires that a commercial use be constructed under existing commercial standards.

Vice Mayor Gee moved, seconded by Councilmember Hoffman to authorize the City Manager to sign and submit burn-down letter to allow residence located at 720 Third Street, Orland, CA 95963, in the C-2 (Community Commercial) Zoning District, to be fully rebuilt if destroyed in order to obtain a loan. Motion carried with no abstentions.

City Manager Carr stated the Municipal Code currently does not allow staff to make an administrative approval on this issue and asked Council if they would consider a code amendment or text change to the ordinance. Community Services Director Sailsbery advised the Zoning Ordinance is in the process of being updated and could consider modifications at that time. Randy Fortner, Empire Properties, advised the code should be modified or updated as it prohibits property owners from receiving financing. Staff advised modification of the code would enable staff to utilize discretion and/or request approval from Council if necessary.

Council directed staff to prepare changes to the ordinance in the future to satisfy these concerns.

Finance Director:

Finance Director Brock gave a review of the 2012-2013 Preliminary General Fund Budget. Mr. Brock advised sales tax has increased 25% since last year. Operating expenditures, salary and benefits have increased by 3.5%. Council discussed the increase in the City Attorney's budget which was due to additional litigation issues. Council suggested a separate line item between contract and litigation services. Council advised the Police and Fire departments to prepare for special departmental expenditures for the future. Chief of Police Tolle advised they have interviewed candidates for two police officer vacancies. It is estimated a \$102,000 General Fund Carryover is needed to balance the budget. Mr. Carr advised this creates unsustainable spending and violates the minimum reserve policy. Mr. Carr suggested Council determine whether to expend \$102,000 from the General Fund Reserves or consider the following options as expense reductions:

- A. Reduce discretionary purchases \$71 – 102K
 - 1. Fire Engine reserve \$30k (\$75k requested)
 - 2. Fire equipment matching grant \$5k
 - 3. Police Bullet Proof Vests \$10k

- B. Reduce Salaries and Benefits Expense \$71 -102k
 - 1. Public Works position open: 1 @ \$12k (\$68k x 17%)
 - 2. Community Services Director: 1 @ \$64k (\$114k –outsource cost)
 - 3. Police Sgt vs patrol \$21k
 - 4. Police open positions: 2 @\$79k each

Mr. Carr recommends options B1 and B2 (\$76k = within 1% of balanced revenue versus expenses) and direct staff to produce additional 1% over the next six months. Mr. Carr advised City reserves have increased. It is anticipated the budget ending June 30th, 2012 will be approximately \$31,000 ahead of minimum reserves requirement. Council agreed the fire and police equipment replacement funds

need to be budgeted and consider temporarily delaying the promotion of a police sergeant.

Council directed staff to bring forward at the next regularly scheduled Council meeting options B1 and B2 into the 2012-2013 preliminary budget; this would leave approximately \$26,000 needed

from reserves to balance the budget and would maintain reserves above the minimum target.

City Manager:

No verbal update was given.

ADJOURN

Meeting adjourned at 9:20 p.m.

_____Clerk

_____Mayor