

## **CITY COUNCIL**

Dennis Hoffman, Mayor  
Jeffrey A. Tolley, Vice-Mayor  
Bruce T. Roundy  
William "Billy" Irvin  
Chris Dobbs

## **CITY OFFICIALS**

Jennifer Schmitke  
City Clerk

Leticia Espinosa  
City Treasurer

# **CITY OF ORLAND**

INCORPORATED 1909

815 Fourth Street  
ORLAND, CALIFORNIA 95963  
Telephone (530) 865-1600  
Fax (530) 865-1632



## **CITY MANAGER**

Peter R. Carr

## **AGENDA**

### **REGULAR MEETING, ORLAND CITY COUNCIL**

**Tuesday, November 1, 2022 at 6:30 PM**

**This meeting will be conducted pursuant to the provisions AB361 which suspends certain requirements of the Ralph M. Brown Act.**

**This City Council meeting will be held at Carnegie Center, 912 Third Street, Orland and teleconferenced using Zoom technology. Councilmembers and City staff may choose to be in person or remote.**

**The public is encouraged to participate in the meeting via Zoom or can participate at Carnegie Center.**

**ZOOM Link: [www.zoom.us](https://www.zoom.us)**

**WEBINAR ID# 869 8051 6236**

**ZOOM Telephone - Please call: 1 (669) 900-9128**

- 1. CALL TO ORDER – 6:30 P.M.**
- 2. PLEDGE OF ALLEGIANCE**
- 3. ROLL CALL**
- 4. ORAL AND WRITTEN COMMUNICATIONS**

### **Public Comments:**

Members of the public wishing to address the Council on any item(s) not on the agenda may do so at this time when recognized by the Mayor. However, no formal action or discussion will be taken unless placed on a future agenda. Public is advised to limit discussion to one presentation per individual. While not required, please state your name and place of residence for the record. Please direct your comments to the Mayor or Vice Mayor. **(Oral communications will be limited to three minutes).**

## **5. CONSENT CALENDAR**

- A. Warrant List (payable obligations) (p.1)**
- B. Approve City Council Minutes for October 18, 2022 (p.6)**
- C. AB361 Compliance (p.10)**
- D. Vacation of a Portion of Central Street (Agreement and Resolution, No staff report) (p.12)**
- E. Receive and file Recreation Commission Minutes from June 22, 2022 (p.17)**

**6. ADMINISTRATIVE BUSINESS**

- A. Pension Funding Update & Public Safety Center Funding Options (Discussion/Direction) – Jeffery Small, Capitol PFG (p.19)
- B. Treasurer and Investment Committee Report (Discussion/Action) – Leticia Espinosa, City Treasurer (p.26)
- C. Water & Sewer Rates (Discussion/Action) – Paul Rabo, City Engineer (p.29)
- D. Verbal Update on Drought Conditions and Water Supply Project (Discussion) – Pete Carr, City Manager

**7. CITY COUNCIL COMMUNICATIONS AND REPORTS**

**8. ADJOURN**

**CERTIFICATION:** Pursuant to Government Code Section 54954.2(a), the agenda for this meeting was properly posted on October 28, 2022.

A complete agenda packet is available for public inspection during normal business hours at City Hall, 815 Fourth Street, in Orland or on the City's website at [www.cityoforland.com](http://www.cityoforland.com) where meeting minutes and audio recordings are also available.

In compliance with the Americans with Disabilities Act, the City of Orland will make available to members of the public any special assistance necessary to participate in this meeting. The public should contact the City Clerk's Office 865-1610 to make such a request. Notification 72 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting.

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**CITY MANAGER**

Peter R. Carr

## WARRANT LIST

November 1, 2022

Warrant	10/27/22	\$	222,469.51
Payroll Compensation	10/20/22	\$	119,932.68
		\$	342,402.19

### APPROVED BY

\_\_\_\_\_  
 Dennis Hoffman, Mayor

\_\_\_\_\_  
 Jeffrey A. Tolley, Vice-Mayor

\_\_\_\_\_  
 Bruce T. Roundy, Councilmember

\_\_\_\_\_  
 William "Billy" Irvin, Councilmember

\_\_\_\_\_  
 Chris Dobbs, Councilmember

REPORT.: Oct 27 22 Thursday  
 RUN....: Oct 27 22 Time: 15:01  
 Run By.: Leticia Espinosa

CITY OF ORLAND  
 Cash Disbursement Detail Report  
 Check Listing for 10-22 thru 10-22 Bank Account.: 1001

PAGE: 001  
 ID #: PY-DP  
 CTL.: ORL

Check Number	Check Date	Vendor Number	Name	Net Amount	Invoice #	Description
056134	10/26/22	ORL08	ORLAND UNIT WATER USERS	200.00	10202022H	PW-DWR/WATER PROJECT APPLICATION FEE
056135	10/27/22	CAR02	CARDMEMBER SERVICE	662.98	OCT220PDH	OPD/MISC. SUPPLIES/ ARPA #3 EQUIPMENT EVIDENCE RM
056136	10/26/22	CAR02	CARDMEMBER SERVICE	578.69	10202022H	REC/FIELD PAINT AND CLOUD STORAGE
056137	10/27/22	4LE00	4 LEAF INC.	10297.00	J0741-22H	BD/PLAN REVIEW LINWOOD, NEWVILLE, TEHAMA & 5TH
056138	10/27/22	ABD00	ADVANCED DOCUMENT	16.00	82888	FD/MEASURE A-PRINTER & COPIER
056139	10/27/22	AIR00	AIR RITE HEATING & AIR	725.00	12501	BUILDING MAINTENANCE ON CITY HALL AC UNIT
056140	10/27/22	ALT02	Alternative Energy System	310.00 580.00	13361 13362	PW/PREVENTATIVE MAIN ON WELL SOLAR PW/SOLAR LABOR SERVICE
Check Total.....:				890.00		
056141	10/27/22	AME00	AMERICAN FAMILY LIFE	736.24	267071	SUPPLEMENTAL INSURANCE
056142	10/27/22	AME05	American River College	155.00	10212022	PD/BASIC TRAINING SACRAMENTO DEC. 5-9
056143	10/27/22	AND06	EDGAR ANDRADE	100.00	NOV2022	Measure A UNIFORMS
056144	10/27/22	AND07	EDGAR ANDRADE	96.00	OCT172022	PD/GYM MEMBERSHIP REIMBURSMENT
056145	10/27/22	ANI00	ANIXTER, INC.	1702.66	194487120	PD/EVIDENCE ROOM
056146	10/27/22	ATT05	A T & T	154.28	18888630	FD/MEASURE A-PHONES
056147	10/27/22	ATT06	A T & T	24.87 888.69	10122022 18923971	PW/WH LIFT STATION -843 MULTI-DEPTS/PHONE
Check Total.....:				913.56		
056148	10/27/22	ATT07	A T & T	33.97	10072022	PW/SHOP
056149	10/27/22	ATT10	AT&T MOBILITY (FIRST NET)	98.51 144.35	10022022 X10102022	FD/MEASURE A-PHONES FOR ENGINE PW/CELL PHONE USAGE OCTOBER
Check Total.....:				242.86		
056150	10/27/22	AUT00	Auto Zone Inc.	10.75	409464658	PD/SUPPLIES'
056151	10/27/22	BRY02	BRYANT ENTERPRISES, LLC	1235.82	16480#2	FD/MEASURE A-REPEATER SALES TAX FOR RADIOS
056152	10/27/22	BUR04	Burnham Vet	62.50	151720	PD/FERAL CAT DISPOSAL
056153	10/27/22	BUT04	Butte College	1918.54	2348	PD/147TH BASIC LE ACADEMY
056154	10/27/22	CAM00	Gary Campbell	591.63	10242022	FD/MEASURE A-REIMBURSEMENT FOR PARTS FOR REPEATER
056155	10/27/22	CES00	Kyle Cessna	100.00	NOV2022	Measure A UNIFORMS
056156	10/27/22	CHA01	Justin Chaney	100.00	10272022	FD/MEASURE A- UNIFORM NOVEMBER 2022
056157	10/27/22	COM02	Comcast	291.40	10202022	MULTI-DEPT/INTERNET CONNECTION
056158	10/27/22	COR04	CORBIN WILLITS SYSTEMS	508.34	10272022	MULTI-DEPTS/MONTHLY SOFTWARE SUPPORT
056159	10/27/22	CRE00	CREATIVE COMPOSITION	886.06	19983	WATER/SEWER BILLING ENVELOPES
056160	10/27/22	CSA00	CSAC-EIA	480.24	23400700	EMPLOYEE ASST PROGRAM OCT-DEC 2022
056161	10/27/22	DOJ03	DEPARTMENT OF JUSTICE	66.00	609617	PD/FINGERPRINT APPS,CHILD ABUSE,PEACE OFFICER
056162	10/27/22	ECL00	ECLECTIC HORSEMAN COMM.,	255.00	59385	AC/WEBSITE HOSTING 4TH QUARTER 2022
056163	10/27/22	EIN02	Gregory P. Einhorn	4000.00	14733AUG	CA/CONTRACT SERVICE
056164	10/27/22	ENJ00	ENJOY	459.00	202227207	AC/AD 1/2 PG. MAGAZINE NOV.ISSUE 2022
056165	10/27/22	ENL00	ENLOE MEDICAL CENTER	647.00 494.00	09082022 09222022	PD/PRE-EMPLOYMENT PHYSICAL PD/PRE-EMPLOYMENT PHYSICAL
Check Total.....:				1141.00		
056166	10/27/22	FIR02	FIREPENNY-FIREFIGHHTER EQ	1719.87	52246	PW/VACCON #69 EQUIP MAINTENANCE
056167	10/27/22	FLE04	FLEMING, JOHN	1825.00	10/12-25	BD/INSPECTION SERVICES
056168	10/27/22	FLO03	JOSE FLORES	100.00	NOV2022	Measure A UNIFORMS
056169	10/27/22	FLO04	JOSE FLORES	250.00	10212022	PD/PER DIEM 40HR FTO BASIC TRNING DEC. 5-9



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056170	10/27/22	FUL00	KRISTOPHER FULLMORE	100.00	NOV2022	Measure A UNIFORMS
056171	10/27/22	GAN00	Gandy & Staley Oil Co.	2154.22	139783	PW-PD/OIL
056172	10/27/22	GLE02	GLENN COUNTY SHERIFF	20.00	092722-BS	PD/LIVE SCAN ROLLING FEE
056173	10/27/22	GOL01	GOLDEN STATE RISK	50671.02	ANC & EB	DENTAL VISION AND HEALTH INSURANCE
056174	10/27/22	GRA02	GRAINGER, INC.	2388.31	146,153,	PW/SHOP,FLEET & SAFETY SUPPLIES
056175	10/27/22	GRO00	Ferguson Enterprises Inc	18409.70	005,905,	PW-DWR/SUPPLIES
056176	10/27/22	HIN03	Hinderliter deLlamas & As	2950.00	SIN022107	ADMIN/#18 COMMUNITY QB CARD BUCKS SETUP
056177	10/27/22	HOM00	HOME DEPOT CREDIT SERVICE	599.75	3911723	FINANCE/DESK - PD/BUILDING MAINTENANCE
056178	10/27/22	HOU05	HOUSING TOOLS	2540.00	2496	LIBERTY BELL HOME MONITORING
056179	10/27/22	INS01	INSTRUMART	3567.94	609353	PW/WELL PUMP
056180	10/27/22	JOH02	SEAN JOHNSON	100.00	NOV2022	Measure A UNIFORMS
056181	10/27/22	KEL01	KELLER SUPPLY COMPANY	968.90	72233.001	PW/MULTI-CHLOR (WELLS)
056182	10/27/22	LIN00	LINCOLN AQUATICS	3205.23	SN089318	REC/POOL SUPPLIES & EQUIPMENT
056183	10/27/22	LOW00	Katherine Lowery	100.00	NOV2022	Measure A UNIFORMS
056184	10/27/22	MAR17	MARTINDALE, RYAN	100.00	NOV2022	Measure A UNIFORMS
056185	10/27/22	MCM00	McMaster-Carr	159.05	460,023	PW/SEWER SUPPLIES
056186	10/27/22	MIL07	MILLS, DARYL	100.00	NOV2022	Measure A UNIFORMS
056187	10/27/22	MTS00	Mt. Shasta Spring Water	21.45	430233	FD/KEURIG RENT
056188	10/27/22	NOR37	NORTH STATE SCREENPRINTIN	29.82	195085	REC/SOCCER SHIRTS
056189	10/27/22	OHS00	OHS Student Body	405.00	10182022	REC/WRESTLING CAMP PARTNERSHIP
056190	10/27/22	PAC07	PACE ANALYTICAL SERVICES,	1210.03	815,079	PW/LAB SERVICES
056191	10/27/22	PAP01	PAPE MACHINERY	104.50	13996466	PARKS/MOWER PARTS
056192	10/27/22	PGE00	PG&E	23770.89 89.56	10172022 10182022	MULTI-DEPTS/UTILITY USAGE PW/TRAFFIC CONTROL
Check Total.....:				23860.45		
056193	10/27/22	PIN01	EDGAR PINEDO	100.00	NOV2022	Measure A UNIFORMS
056194	10/27/22	QUI02	QUILL CORP.	153.34 263.01	27931776 27992707	CITYHALL/OFFICE SUPPLIES MULTI DEPTS-SUPPLIES
Check Total.....:				416.35		
056195	10/27/22	RAW00	Keith Rawlings	2039.64	10242022	AC/FACILITY RENOVATION
056196	10/27/22	RIC00	GERALD RICE	182.30	10142022	BOOT REIMBURSEMENT
056197	10/27/22	RIV02	ISRAEL RIVERA	200.00	OCT,NOV22	Measure A UNIFORMS
056198	10/27/22	ROE02	Thomas Roenspie	100.00	NOV2022	Measure A UNIFORMS
056199	10/27/22	ROU01	Bruce Roundy	35.94	10212022	COUNCIL/MILEAGE REIMBURSEMENT
056200	10/27/22	SAC01	SACRAMENTO VALLEY MIRROR	82.00	1035	CLERK/ELECTION- COUNCIL NOMINEES NOTICE
056201	10/27/22	SCH18	JENNIFER SCHMITKE	21.44	10182022	CLERK/MILEAGE REIMBURSEMENT
056202	10/27/22	SHA08	Shasta Safety Supply	318.92	22525	PW/SAFETY SUPPLIES
056203	10/27/22	SUN05	Sun Life Financial	4431.80	OCT 2022	GAP MEDICAL INSURANCE
056204	10/27/22	SUT02	SUTTON, BRANDON	100.00	NOV2022	Measure A UNIFORMS
056205	10/27/22	TOL05	JEFFREY A. TOLLEY	13.75	10212022	COUNCIL/MILEAGE REIMBURSEMENT
056206	10/27/22	TOW00	TOWNE CARPET	1418.69	CG201883	AC/INSTALLATION OF NEW CARPET
056207	10/27/22	TRA02	TRANSAMERICA	594.00	OCT 2022	SUPPLEMENTAL INSURANCE
056208	10/27/22	TUR01	Rae Turnbull	950.00	10272022	AC/PURCHASE PAINTING

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Check Number	Check Date	Vendor Number	Name	Net Amount	Invoice #	Description
056209	10/27/22	UNI01	UNITED RENTALS	2009.75	68740-001	PW-DWR/SUPPLIES
056210	10/27/22	VAL02	VALLEY ROCK PRODUCTS	1674.72	389,432	PW/DWR- SUPPLIES
056211	10/27/22	VAN00	VANTAGE POINT TRANSFER AG	1669.66 1669.66	6111596 6266668	457 PLAN/304591 457 PLAN/304591
			Check Total.....:	3339.32		
056212	10/27/22	VER03	Verizon Wireless	304.08 78.47 164.04	918371311 918371312 918371313	PW/SCADA COMPUTER, IPADS, PD/LAPTOP REC/COMMUNICATIONS FD/MEASURE A RESPONSE SERVICE FOR CITY ENGINE
			Check Total.....:	546.59		
056213	10/27/22	VLA00	RAYMOND J. VLACH	100.00	NOV2022	Measure A UNIFORMS
056214	10/27/22	WEL02	Wells Fargo Vendor Fin Se	148.70	022239468	BD-PLAN/COPIER LEASE
056215	10/27/22	WEX00	WEX BANK	84.85 1181.28 6584.82 3817.54 216.53	551176BD 551176FD 551176PD 551176PW 551176REC	BLDG/FUEL FD/FUEL PD/FUEL PW/FUEL REC/FUEL
			Check Total.....:	11885.02		
056216	10/27/22	XYL00	Xylem Water Solutions USA	19489.82	556C44079	PW/SEWER PUMP LIFTSTATION
056217	10/27/22	YIF00	YIFTEE, INC	25000.00	4589	COMMUNITY E-GIFT CARDS
			Cash Account Total.....:	222469.51		
			Total Disbursements.....:	222469.51		
			Cash Account Total.....:	.00		

REPORT.: 10/20/22  
 RUN...: 10/20/22 Time: 14:39  
 Run By.: Deysy Guerrero

CITY OF ORLAND  
 Warrant Register

Warrant Number	Date	Payroll Date	**Employee** Num	Name	Actual Period	Fiscal Period	Gross Amount
14459	10/20/22	10/19/22	COX00	COX, PAYTON	10-22	04-23	172.50
14460	10/20/22	10/19/22	ESQ01	ESQUIVEL, ITZEL	10-22	04-23	82.50
14461	10/20/22	10/19/22	MAR03	MARTINS, PAULINA	10-22	04-23	90.00
14462	10/20/22	10/19/22	STO00	STORY, ZACHARY	10-22	04-23	82.50
14463	10/20/22	10/19/22	WAT04	WATHEN, MIDASIA	10-22	04-23	180.00
205645	10/20/22	10/19/22	ALV01	ALVA, MICHAELA	10-22	04-23	2027.61
205646	10/20/22	10/19/22	AND00	ANDRADE, EDGAR	10-22	04-23	3148.03
205647	10/20/22	10/19/22	BOW00	BOWERS, LINDA	10-22	04-23	408.00
205648	10/20/22	10/19/22	CAR03	CARR, PETER R	10-22	04-23	6153.85
205649	10/20/22	10/19/22	CES00	CESSNA, KYLE A	10-22	04-23	4168.00
205650	10/20/22	10/19/22	CHA01	CHANEY, JUSTIN	10-22	04-23	4633.08
205651	10/20/22	10/19/22	CRA00	CRANDALL, JEREMY	10-22	04-23	2606.67
205652	10/20/22	10/19/22	ESP00	ESPINOSA, LETICIA	10-22	04-23	2047.63
205653	10/20/22	10/19/22	FEN03	FENSKE, JOSEPH H	10-22	04-23	2988.19
205654	10/20/22	10/19/22	FLO00	FLORES, JOSE D	10-22	04-23	3166.62
205655	10/20/22	10/19/22	FUL00	FULLMORE, KRISTOPHER	10-22	04-23	3383.45
205656	10/20/22	10/19/22	GAM00	GAMBOA, YADIRA	10-22	04-23	302.10
205657	10/20/22	10/19/22	GUE01	GUERRERO, DEYSY D	10-22	04-23	2596.16
205658	10/20/22	10/19/22	GUE02	GUERRERO, JORGE	10-22	04-23	2234.12
205659	10/20/22	10/19/22	HAR00	ZOLLERHARRIS, TRAVIS	10-22	04-23	2111.69
205660	10/20/22	10/19/22	JOH01	JOHNSON, SEAN KARL	10-22	04-23	4632.76
205661	10/20/22	10/19/22	LOW00	LOWERY, KATHERINE	10-22	04-23	3669.27
205662	10/20/22	10/19/22	MAR02	MARTINDALE, RYAN EUGENE	10-22	04-23	3760.29
205663	10/20/22	10/19/22	MEJ00	APARICIO, LILIA MEJIA	10-22	04-23	2664.90
205664	10/20/22	10/19/22	MEZ00	MEZA, JODY L	10-22	04-23	3859.13
205665	10/20/22	10/19/22	MIL00	MILLS, DARYL A	10-22	04-23	3239.52
205666	10/20/22	10/19/22	MON03	MONDRAGON, MEAGAN N	10-22	04-23	1037.07
205667	10/20/22	10/19/22	MOR03	MORECI, RORY	10-22	04-23	165.00
205668	10/20/22	10/19/22	MYE00	MYERS, KEVIN	10-22	04-23	658.54
205669	10/20/22	10/19/22	OLI00	OLIVER, LINDA	10-22	04-23	408.00
205670	10/20/22	10/19/22	OVA00	OVARD, CONNOR	10-22	04-23	91.80
205671	10/20/22	10/19/22	PAI01	PAILLON, MICHAEL	10-22	04-23	2356.28
205672	10/20/22	10/19/22	PAN00	PANIAGUA, BLANCA A	10-22	04-23	698.82
205673	10/20/22	10/19/22	PEN01	PENDERGRASS, REBECCA A	10-22	04-23	3090.00
205674	10/20/22	10/19/22	PER00	PEREZ, MARGARITA T	10-22	04-23	2006.14
205675	10/20/22	10/19/22	PIN00	PINEDO, EDGAR ESTEBAN	10-22	04-23	3295.94
205676	10/20/22	10/19/22	POR00	PORRAS, ESTEL	10-22	04-23	1914.97
205677	10/20/22	10/19/22	PUN00	PUNZO, GUILLERMO	10-22	04-23	2068.88
205678	10/20/22	10/19/22	PUR01	PURCHASE, HEATHER	10-22	04-23	1575.44
205679	10/20/22	10/19/22	RIC01	RICE, GERALD W	10-22	04-23	2118.13
205680	10/20/22	10/19/22	RIV00	RIVERA, ISRAEL	10-22	04-23	1354.07
205681	10/20/22	10/19/22	ROD00	RODRIGUES, ANTHONY	10-22	04-23	2709.76
205682	10/20/22	10/19/22	ROE00	ROENSPIE, THOMAS LUKE	10-22	04-23	3877.71
205683	10/20/22	10/19/22	ROM00	ROMERO, ARNULFO	10-22	04-23	2812.16
205684	10/20/22	10/19/22	SAN02	SANDOVAL, LUCILA	10-22	04-23	1901.97
205685	10/20/22	10/19/22	SCH03	SCHMITKE, JENNIFER	10-22	04-23	2400.72
205686	10/20/22	10/19/22	SHA02	SHANNON, KYLE ANTHONY	10-22	04-23	532.50
205687	10/20/22	10/19/22	STE01	STEWART, ROY E	10-22	04-23	2944.75
205688	10/20/22	10/19/22	SUA02	SUAREZ, BRYAN E	10-22	04-23	2097.71
205689	10/20/22	10/19/22	SUT00	SUTTON, BRANDON KIJANA	10-22	04-23	1675.84
205690	10/20/22	10/19/22	SWI00	SWINHART, ROBERT	10-22	04-23	1970.36
205691	10/20/22	10/19/22	VAL00	VALENZUELA, BRENDA	10-22	04-23	316.54
205692	10/20/22	10/19/22	VLA00	VLACH, RAYMOND JOSEPH	10-22	04-23	5061.08
205693	10/20/22	10/19/22	VON00	VONASEK, EDWARD J	10-22	04-23	4383.93

119932.68

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**MINUTES OF THE ORLAND CITY COUNCIL**  
**REGULAR MEETING HELD OCTOBER 18, 2022**

**CALL TO ORDER**

Meeting called to order by Mayor Hoffman at 6:30 p.m.

Meeting opened with Pledge of Allegiance led by Mayor Dennis Hoffman.

**ROLL CALL**

Councilmembers present:	Councilmembers Bruce Roundy, Chris Dobbs, Billy Irvin, Vice Mayor Jeffrey Tolley and Mayor Dennis Hoffman
Councilmembers absent:	None
Staff present:	City Manager Pete Carr; Assistant City Manager/Director of Administrative Services Rebecca Pendergrass; City Clerk Jennifer Schmitke; City Planner, Scott Friend; Police Chief Vlach
Staff via Zoom:	Fire Chief Justin Chaney

**ORAL AND WRITTEN COMMUNICATIONS**

PUBLIC COMMENTS: None

**CONSENT CALENDAR**

- A. Warrant List (payable obligations)
- B. Approve City Council Minutes for October 4, 2022
- C. Receive and file Arts Commission minutes of September 28, 2022
- D. Accept Glenn Educational Center Utility Easement
- E. CV2/3 Realignment of Allocations

Councilmember Bruce Roundy pulled Item B and Vice Mayor Jeffrey Tolley pulled Item D from the consent calendar.

Action: Vice Mayor Tolley moved, Councilmember Roundy seconded, to approve items A, C, and E on the consent calendar. The motion carried by a voice vote 5-0.

Councilmember Roundy requested that the minutes from the October 4, 2022 meeting be amended to reflect his statement regarding the reduction of development impact fees for the Habitat for Humanity project. Councilmember Roundy suggested the 29% reduction spread equally across all categories (so all departments would share the cost), which was later approved by majority vote.

Action: Councilmember Roundy moved, Councilmember Dobbs seconded, to approve item B as amended. The motion carried by a voice vote 5-0.

Vice Mayor Tolley wanted to make note that the packet was missing the attached plat that was mentioned in the staff report for item 5.D., he stated he did receive the attachment at the meeting.



Action: Councilmember Tolley moved, Councilmember Dobbs seconded, to approve item D on the consent calendar. The motion carried by a voice vote 5-0.

## **ADMINISTRATIVE BUSINESS**

### **A. CHANGES IN HOUSING DEVELOPMENT LEGISLATION**

City Planner Scott Friend briefly updated Council on new legislation that has passed recently that could someday affect Orland. Mr. Friend spoke about Senate Bill 9 (SB9) Housing Development: Approvals; AB 2011: Affordable Housing and High Road Jobs Act; SB897: Junior Accessory Dwelling Units; AB2344: Wildlife Connectivity and Transportation Projects; AB 2449, AB2647 and SB 932. Mr. Friend shared that Legislature did not pass anything of substantial significance related to the environment and applicable to Orland.

Mayor Hoffman wanted on record that these are state laws and nothing that the City can change.

### **B. CITY-SPONSORED COMMUNITY E-GIFT CARDS**

City Manager Pete Carr shared an update on the City-sponsored community e-Gift Card program to Council. Mr. Carr briefly went over the e-Gift card programs including branding, eligibility, marketing, incentives, and accountability. Mr. Carr shared that this week notifications have been sent out to all qualifying merchants. Qualifying merchants were sent an invitation to a virtual webinar to learn how to participate and how the Orland Queen Bee Bucks e-Gift Card Program will work on Wednesday October 19, 2022 at 3:00 PM, this was also posted on the City's Facebook page.

Mayor Hoffman asked if the merchants that will be participating will have a sign or sticker in their windows to let patrons know they accept Queen Bee Bucks. Mr. Carr shared that Yiftee will produce marketing materials to all qualifying merchants to allow patrons to know they are part of the gift card program.

Mr. Carr shared what the Queen Bee Bucks digital e-Gift card webpage could look like and explained that the site would be run completely by Yiftee.

Barry Foster, HdL consultant shared that his company's goal is to launch the site by November 1, 2022 as long as there are at least 12 merchants signed up for the program.

Two Councilmembers stated concerns and asked questions regarding the exclusion of businesses that are mobile or home based. Mr. Carr shared that the parameters of the program can always be modified by the majority of Council.

Councilmember Roundy asked for clarification of how to use the Queen Bee Bucks website and how he would get the bonus. Mr. Foster explained how purchases will get their card and bonus card through their email and explained they can save the image on their phone or print out a piece of paper. Assistant City Manager Rebecca Pendergrass pulled up an example of YUBA BUCKS e-Gift card program that is also currently working with HdL and walked Council through the steps of purchasing a gift card.

Councilmember Irvin asked if there was an age limit on who you can send an e-Gift card to, and Mr. Foster clarified that anyone with an email address can receive an e-Gift card.

### **C. VERBAL UPDATE ON DROUGHT CONDITIONS AND WATER SUPPLY PROJECT**

City Manager Pete Carr provided an update on reported dry wells, stating there have been 4 additional well reported since the last City Council meeting. Currently the total of dry or at-risk wells being reported this year is 120. The total number of wells affected for this drought is now listed at 417.

Mr. Carr shared with Council that connections within City Limits are in progress (phase 1) and about 15% complete. Public Works Department is working on the project in between other weekly projects, today 60 feet of main line was installed. Mr. Carr shared the Public Works Director, Ed Vonasek is hopeful that phase 1 will be complete by January.

Mr. Carr stated that phase 2 (the yellow line that goes out into the County showing where the main lines are going to be) is about 90% completed between engineers and environmental considerations. Mr. Carr shared that he is hopeful phase 2 will be at 100% complete this fall and bids will be able to go out then.

Mr. Carr shared that the well that the Department of Water Resources (DWR) is building at west Walker Street is almost at 100% design ready, just waiting on a few engineering reviews that are needing to be addressed.

Mr. Carr stated that the City's municipal wells remain stable. Mr. Carr shared a 10-year review graph of the municipal well water level from October and March reads from 2013-2022.

### **CITY COUNCIL COMMUNICATIONS AND REPORTS**

#### **Councilmember Roundy:**

- Attended the LAFCO meeting October 10, 2022.
- Will be attending the Glenn Groundwater Authority meeting October 21, 2022.
- Will be attending the Golden State Risk Management Authority (GSRMA) training session October 21, 2022.
- Will be attending an investment meeting at City Hall October 21, 2022.
- Thanked Councilmember Irvin for his kind words in a recent newspaper article.
- There is a monthly meeting with the Superintendent of Orland schools; Councilmember Roundy felt a Councilmember should be present to represent the City and show partnership between the two groups.

#### **Councilmember Dobbs:**

- Shared that the new fire truck is almost complete and should be in Orland by mid-November. Councilmember Dobbs thanked Assistant Chief McDermott and City staff for all the help on the grant, that helped make it possible to get the new fire truck.

#### **Councilmember Irvin:**

- Shared he has been interviewed a few times for newspapers for the upcoming elections.
- Will be attending the Golden State Risk Management Authority (GSRMA) training session October 21, 2022.

#### **Vice Mayor Tolley:**

- Nothing to report.

#### **Mayor Hoffman:**

- Will be attending the Chamber of Commerce meeting October 19, 2022.
- Will be attending the Planning Commission meeting October 20, 2022.
- Will be attending the Golden State Risk Management Authority (GSRMA) training session October 21, 2022.
- Will be attending the Chamber of Commerce Rib Cook-Off October 22, 2022.

**MEETING ADJOURNED AT 7:39 P.M.**

Jennifer Schmitke, City Clerk

Dennis G. Hoffman, Mayor

**CITY OF ORLAND  
RESOLUTION NO. 2022-04  
RESOLUTION TO IMPLEMENT TELECONFERENCING REQUIREMENTS  
DURING A PROCLAIMED STATE OF EMERGENCY**

WHEREAS, the Ralph M. Brown Act requires that all meetings of a legislative body of a local agency be open and public and that any person may attend and participate in such meetings;

WHEREAS, the Brown Act allows for legislative bodies to hold meetings by teleconference, but imposes specific requirements for doing so;

WHEREAS, on March 17, 2020, in order to address the need for public meetings during the present public health emergency, Governor Newsom issued Executive Order No. N-29-20, suspending the Act's teleconferencing requirements; and

WHEREAS, on June 11, 2021, Governor Newsom issued Executive Order No. N-8-21, continuing the suspension of the Brown Act's teleconferencing requirements through September 30, 2021; and

WHEREAS, these Executive Orders allowed legislative bodies to meet virtually as long as certain notice and accessibility requirements were met; and

WHEREAS, the State Legislature amended the Brown Act through Assembly Bill No. 361 (AB 361) on September 16, 2021; and

WHEREAS, AB 361 amended the Brown Act so that a local agency may use teleconferencing without complying with the regular teleconferencing requirements of the Act, where the legislative body holds a meeting during a proclaimed state of emergency and makes certain findings; and

WHEREAS, Government Code section 54953 requires that the legislative body make additional findings every 30 days in order to continue such teleconferencing.

NOW THEREFORE, the City of Orland hereby finds, determines, declares, orders, and resolves as follows:

1. That the foregoing recitals are true and correct and incorporates them by this reference.
2. The City Council of the City of Orland finds, by a majority vote, the following:
  - a. That there exists a proclaimed state of emergency; and
  - b. State or local officials have imposed or recommended measures to promote social distancing.

3. The City Council and any of its committees, joint committees, ad hoc groups, and staff is authorized to take all steps and perform all actions necessary to execute and implement this Resolution in compliance with Government Code section 54953.

4. This Resolution shall take effect November 1, 2022 and shall remain in effect for thirty (30) days thereafter (until December 6, 2022), provided the conditions set forth in Section 2 remain.

PASSED AND ADOPTED by the Orland City Council this first day of November, 2022, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

\_\_\_\_\_  
Dennis G. Hoffman, Mayor

ATTEST:

Jennifer Schmitke, City Clerk

By: \_\_\_\_\_

I, Jennifer Schmitke, City Clerk of the City of Orland, hereby certify that the attached is a true and correct copy of a Resolution duly made by the City Council at a regular meeting of said City Council, at Orland, California, on the first day of November 2022, the original of which is on file in my office and duly and regularly entered in the official records of proceedings of the City Council of the City of Orland.

Dated: \_\_\_\_\_

\_\_\_\_\_  
Jennifer Schmitke, City Clerk



**AGREEMENT BETWEEN THE CITY OF ORLAND AND WALTER LEON PONCI  
FOR VACATION OF CITY STREET IN EXCHANGE FOR SPECIFIC  
CONSIDERATION**

The City Orland, a general law city of the state of California (Orland), and Walter Leon Ponci (Ponci) (collectively, Parties), hereby agree as set forth herein (Agreement):

1. Ponci wishes to acquire a portion of Central Street, a city street of and in Orland (Street). The portion of the street sought to be acquired is depicted in Exhibit A.
2. The Street, currently owned in fee by Orland, is not required for street or highway purposes, lies contiguous with property owned by Ponci, and has not been used as a public street for many years. Orland intendeds to abandon the Street.
3. In exchange for the consideration set forth in paragraph 4, Orland shall vacate the Street pursuant to the summary procedure set forth in California Streets and Highways Code sections 8330 et seq., on the ground that this portion of city roadway is a surplus street not required for street purposes. Upon such vacation, title of said property shall be transferred by deed in fee to Ponci, with a utility easement for access to City utilities, including water and sewer, and City services, reserved in favor of the City. Ponci shall prepare any documents necessary for the transfer of title, and for creating and reserving the utility easement, with review by the City, and shall be responsible for recording the same.
4. Consideration: Ponci shall pay to the City the sum of \$10.00.
5. To the extent that the matters herein constitute a project, they are categorically exempt from the provisions of the California Environmental Quality Act, pursuant to 14 CCR 15301 (existing facility), 14 CCR 15305 (minor alterations of land use) and 14 CCR 15312 (sale of surplus property).
6. In the event any legal action is commenced to enforce this Agreement, the prevailing party is entitled to reasonable attorney's fees, costs, and expenses incurred.
7. All notices, demands, or other communications which this Agreement contemplates or authorizes shall be in writing and shall be personally delivered or mailed to the respective party at the respective party's published business address.
8. This Agreement may not be modified orally or in any manner other than by an agreement in writing signed by both parties.
9. In the event any term of this Agreement is held invalid by a court of competent jurisdiction, the Agreement shall be construed as not containing that term, and the remainder of this Agreement shall remain in full force and effect.

10. The interpretation, validity, and enforcement of the Agreement shall be governed by and construed under the laws of the State of California. Any suit, claim, or legal proceeding of any kind related to this Agreement shall be filed and heard in a court of competent jurisdiction in the County of Glenn.
11. This Agreement, including all attachments, comprises the entire integrated understanding between the parties concerning the matters stated herein.

IN WITNESS WHEREOF the parties do hereby agree to the full performance of the terms set forth herein.

CITY OF ORLAND

WALTER LEON PONCI

\_\_\_\_\_

\_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Attest: \_\_\_\_\_

\_\_\_\_\_

By: \_\_\_\_\_

Title: CITY CLERK

Date: \_\_\_\_\_

Approved As To Form:

\_\_\_\_\_

By: Gregory P. Einhorn

Title: CITY ATTORNEY

Date: \_\_\_\_\_

**RESOLUTION NO. 2022-\_\_**

**A RESOLUTION OF THE CITY OF ORLAND  
VACATING AN UNUSED CITY STREET**

The City Council of the City of Orland does hereby resolve as follows:

WHEREAS, California Streets and Highways Code section 8334 provides that a city may summarily vacate an excess street or highway not required for street or highway purposes; and,

WHEREAS, that portion of Central Street, a city street of and in Orland, depicted in Exhibit A (Street), currently owned in fee by the City, is not required for street or highway purposes, lies contiguous with property owned by Walter Leon Ponci (Ponci), and has not been used as a public street for many years; and,

WHEREAS, upon vacation of this surplus street, the City will grant by deed the City's fee interest in the Street to Ponci, reserving a Public Utility Easement and a Public Service Easement for access in favor of the City; and,

WHEREAS, vacation of excess street property is categorically exempt under the California Environmental Quality Act Guidelines (CEQA), pursuant to 14 CCR 15301 (existing facility), 14 CCR 15305 (minor alterations of land use) and 14 CCR 15312 (sale of surplus property); and,

WHEREAS, based on the staff report, staff presentation and having heard all evidence offered by any person interested in the proposed vacation, the City Council of the City of Orland finds that the Street described in Exhibit A attached to this Resolution, is unnecessary for present or prospective public use.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Orland, pursuant to California Streets and Highways Code section 8334, it is hereby ordered that the portion of Central Street within the City of Orland, depicted in Exhibit A, is hereby vacated and the City Clerk is authorized and directed to cause a certified copy of this resolution to be recorded in the office of the County Recorder of Glenn County. From and after the date this resolution is recorded, the street vacated no longer constitutes a public street.

BE IT FURTHER RESOLVED that the City Manager is authorized to execute grant deeds to Ponci of and regarding the portion of Central Street within the City of Orland, depicted in Exhibit A.

Passed and adopted this 1st day of November 2022, by the City Council of the City of Orland by the following vote:

AYES:

NAYS:

ABSENT:

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Dennis G. Hoffman, Mayor

ATTEST:

APPROVED AS TO FORM:

---

Jennifer Schmitke, City Clerk

---

Gregory P. Einhorn, City Attorney







**Recreation Commission**

Karen Baldrige, Chair  
Shannan Ovard, Vice Chair  
Larry Carmona  
Joser Rosales  
Jason Ovitz



**City of Orland  
Recreation Commission Minutes  
June 22<sup>nd</sup>, 2022, 6:30pm**

**1. CALL TO ORDER – 6:30 p.m.**

*Meeting called to order by Chairperson Baldrige at 6:32pm*

**2. PLEDGE OF ALLEGIANCE**

**3. ROLL CALL**

*Commission members present – Chair Karen Baldrige, Vice Chair Shannan Ovard, Commissioner Joser Rosales.*

*Commission members absent – Commissioner Ovitz and Carmona*

*Staff members present – Recreation Director Joe Fenske*

**4. ORAL AND WRITTEN COMMUNICATIONS**

**Citizen Comments:**

Any person may address the Recreation Commission at this time upon any subject within the authority of the Recreation Commission; however, public is advised to limit discussion to one presentation per individual. Please state your name and address for the record.

*No citizen comments at this time.*

**5. CONSENT CALENDAR**

**A. Approve March 23<sup>rd</sup>, 2022, Recreation Commission minutes.**

*Vice Chair Ovard moved, seconded by Commissioner Rosales to approve consent calendar. Motion carried 3-0.*

**6. ADMINISTRATIVE COMMUNICATIONS, REPORTS, AND ACTIONS**

**A. Skate Park Update – Vice Mayor Tolley**

*Vice Mayor Tolley presented to the Commission the results from the survey that was sent out through the school district. 257 surveys were returned 85% of the surveys supported a skate park in Orland. Vice Mayor Tolley highlighted positive and negative responses that were written in on the survey. 85% of the responses said they would or someone they know would use the skate park. Orland residents Deborah Fogarty, Dianna Graves and Leilani Miller spoke in favor of the skate park. The Commission discussed how this survey didn't accurately represent the residents of Orland as it was sent out to the schools in the Orland District. Recreation Commission wanted cost estimates of a skate park. Recreation Director Joe Fenske provided information on the current project list and funding allocated for Recreation projects that was approved by City Council on February 1<sup>st</sup>, 2022. After an in-depth discussion the Recreation Commission is recommending the following to City Council; move forward with more information; City staff does a City resident survey, including cost estimate of skate park, bring forward possible locations for skate park, and city provides minimal cost not to exceed 5% of total project cost. Commission Ovard made motion and Commissioner Rosales seconded. Motion carried 3-0.*

**B. Summer Programs and Activities Update – Recreation Director Joe Fenske**

*Recreation Director Joe Fenske updated the commission on all summer programs. Mr. Fenske stated all programs are running smoothly and program numbers are up from previous years. Mr. Fenske stated the Parent Code of Conduct that was implemented this year has helped solve some of the issues in the past. Mr. Fenske stated that he did have to implement the Code of Conduct in adult basketball but overall, it is helping. Mr. Fenske said partnership camps with Orland High School are going extremely well.*

**7. COMMISSIONER REPORTS**

A. Miscellaneous reports if any from commissioners.

*None at this time.*

**8. ADJOURNMENT**

*Meeting adjourned at 8:19pm*

## **CITY OF ORLAND**

### **CITY COUNCIL AGENDA ITEM #: 6.A.**

**MEETING DATE: November 1, 2022**

**TO:** Honorable Mayor and Council  
**FROM:** City Manager Pete Carr  
**SUBJECT:** **Pension Funding and Capital Planning Update** (Discussion/Direction)

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City Staff and Consultant are reporting on pension funding and advising on options for risk management and funding future capital facilities.

#### **BACKGROUND**

The City retains the services of financial fiduciary Capitol Public Finance Group (PFG), LLC to advise on capital project financing and pension bond funding. The City Council Policy on Pension Funding directs Staff to provide an annual update to Council.

#### **DISCUSSION**

Jeff Small of Capitol PFG will discuss and advise the Council on results of the pension obligation bond (POB), including a net savings of approximately \$70,000 to date. He will also provide advice to the City on options for risk management for potential future pension obligations as well as the City's objectives of planning for funding of a Public Safety Center (PFC).

Attachment: Pension Funding Update from Capitol PFG for presentation at Orland Council meeting

#### **RECOMMENDATION**

No specific action recommendation is presented at this time.  
Staff welcomes direction from Council.

**Fiscal Impact of Recommendation:** N/A



# **CITY OF ORLAND**

## **2022 PENSION FUNDING UPDATE**

**NOVEMBER 1, 2022**



**Capitol | PFG**

Capitol Public Finance Group, LLC  
2436 Professional Drive, Suite 300  
Roseville, CA 95661  
T (916) 641 2734  
F (916) 921 2734  
[www.capitolpfg.com](http://www.capitolpfg.com)



## SECTION 1: PENSION FUNDING POLICY

The City Manager will annually review actuarial valuations. As part of the review, the City Manager will take into account criteria such as the affordability of annual contributions, increases or decreases in unfunded liabilities and funded status.

The City Manager will periodically make note of factors that influence the unfunded liabilities such as changes to the discount rate, investment earnings on assets, assumption changes as a result of a new experience study and actual experience changes.

Following the reviews, the City Manager shall recommend to the City Council any changes deemed necessary or desirable.

## SECTION 2: FUNDED STATUS

The City has a goal of accumulating sufficient assets held at CalPERS to maintain a minimum funded status of 80% and a target funding status of 100%. The Chart below summarizes the Funded Status from the CalPERS Actual Valuation as of June 30, 2021.

CalPERS Pension Funded Status						
As of June 30, 2021	Safety Plan	PEPRA Safety Fire	PEPRA Safety Police	Miscellaneous Plan	PEPRA Miscellaneous	Combined UAL
Accrued Liability	\$10,522,923	\$57,422	\$446,847	\$14,203,292	\$428,287	\$25,658,771
Market Value of Assets	\$8,389,013	\$42,004	\$470,507	\$10,966,795	\$443,807	\$20,312,126
<b>Unfunded Accrued Liability</b>	<b>\$2,133,910</b>	<b>\$15,418</b>	<b>-\$23,660</b>	<b>\$3,236,497</b>	<b>-\$15,520</b>	<b>\$5,346,645</b>
Funded Ratio	79.72%	73.15%	105.29%	77.21%	103.62%	79.16%

The City issued a \$4,060,000 pension obligation bond (POB) in September 2021 with an interest rate of 2.95%. The most recent actuarial valuation does not account for the POB as it was issued after June 30, 2021. The Chart below summarizes the estimated Funded Status including the POB. The POB refinanced a portion of the Safety and Miscellaneous Unfunded Actuarial Liability (UAL).

Estimated CalPERS Pension Funded Status Including 2021 POB		
As of September 21, 2021	Safety Plan	Miscellaneous Plan
Accrued Liability	\$10,522,923	\$14,203,292
Market Value of Assets	\$8,389,013	\$10,966,795
2021 POB Deposit	\$1,552,910	\$2,420,045
<b>Unfunded Accrued Liability</b>	<b>\$581,000</b>	<b>\$816,452</b>
Funded Ratio	94.48%	94.25%



### SECTION 3: AFFORDABILITY

The table below shows the required employer contribution for Fiscal Year 2023-24. It is provided by CalPERS in early fiscal year 2022-23 to allow for budgeting in the next fiscal year.

Required Employer Contribution for Fiscal Year 2023-24			
	Estimated Normal Cost	UAL Payment	Estimated Total Contribution
<b>Safety</b>	\$124,810	\$71,391	\$196,201
<b>PEPRA Safety Fire</b>	\$12,434	\$2,216	\$14,650
<b>PEPRA Safety Police</b>	\$67,718	\$0	\$67,718
<b>Miscellaneous</b>	\$157,612	\$94,186	\$251,798
<b>PEPRA Miscellaneous</b>	\$50,812	\$0	\$50,812
<b>Total</b>	<b>\$413,386</b>	<b>\$167,793</b>	<b>\$581,179</b>

*Note: The UAL payment above is based on making monthly payments. The payment may be reduced approximately 3.3% by paying in full prior to July 31<sup>st</sup>.*

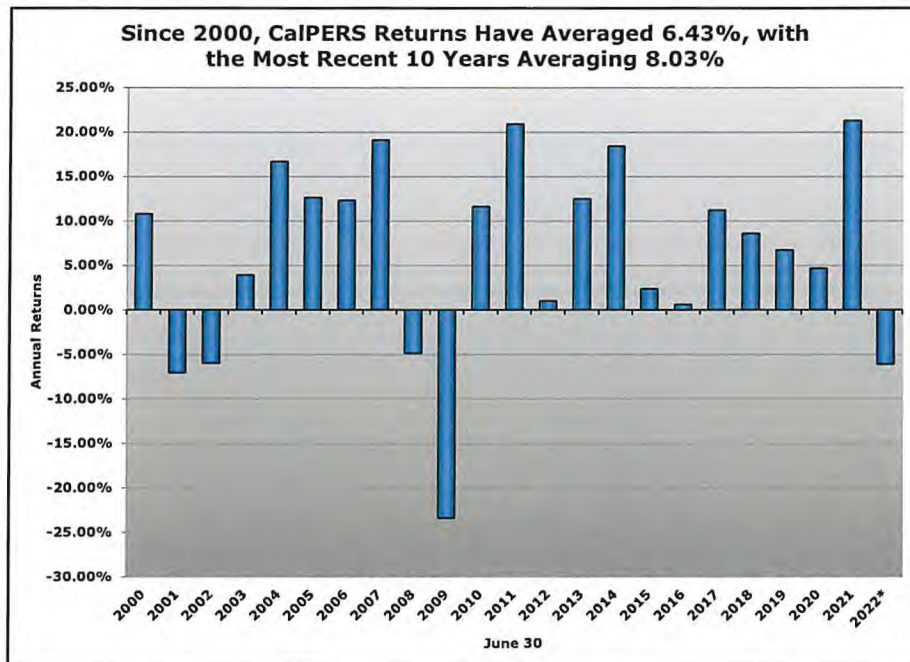
The following tables show the costs of funding the UAL with the 2021 POB and the savings for 2022-23 and 2023-24. To date the City has netted approximately \$70,345 in savings.

2022-23 UAL Payments			
	Actual 2022-23	W/O POB 2022-23	Savings 2022-23
Safety	\$ 79,934.00	\$ 222,309.00	
Pepira Safety Fire	\$ 2,496.00	\$ 2,496.00	
Pepira Safety Police	\$ 2,484.00	\$ 2,484.00	
Miscellaneous	\$ 108,740.00	\$ 339,143.00	
Pepira Miscellaneous	\$ 2,717.00	\$ 2,717.00	
<b>Total CalPERS</b>	<b>\$ 196,371.00</b>	<b>\$ 569,149.00</b>	
8/1/2022 POB	\$ 338,135.00		
2/1/2023 POB	\$ 56,418.00		
<b>Total POB</b>	<b>\$ 394,553.00</b>		
<b>Total UAL</b>	<b>\$ 590,924.00</b>	<b>\$ 569,149.00</b>	<b>\$ (21,775.00)</b>

2023-24 UAL Payments			
	Actual 2023-24	W/O POB 2023-24	Savings 2023-24
Safety	\$ 69,081.00	\$ 229,958.00	
Pepra Safety Fire	\$ 2,144.00	\$ 2,852.00	
Pepra Safety Police	\$ -	\$ 2,569.00	
Miscellaneous	\$ 91,138.00	\$ 350,812.00	
Pepra Miscellaneous	\$ -	\$ 2,811.00	
<b>Total CalPERS</b>	<b>\$ 162,363.00</b>	<b>\$ 589,002.00</b>	
8/1/2022 POB	\$ 281,418.75		
2/1/2023 POB	\$ 53,100.00		
<b>Total POB</b>	<b>\$ 334,518.75</b>		
<b>Total UAL</b>	<b>\$ 496,881.75</b>	<b>\$ 589,002.00</b>	<b>\$ 92,120.25</b>

#### SECTION 4: EARNING RESULTS

For Fiscal Year ending June 30, 2021, CalPERS reported investment earnings of 21.3%. For Fiscal Year ending June 30, 2022, CalPERS estimates investment earnings of (-6.1%).





## SECTION 5: DISCOUNT CHANGES

Actuarial valuations are based on assumptions regarding future plan experience including investment return, payroll growth, eligibility for the types of benefits provided, and longevity among retirees. The primary economic assumption is the discount rate.

The discount rate refers to the investment return. As part of the Asset Liability Management process, in November 2021, the CalPERS Board utilized a portion of the investment gain to offset the cost of reducing the discount rate assumption from 7.0% to 6.8%. A lower discount rate has the following impacts:

- Reduces investment risk
- Guards against future investment returns being too low
- The change in discount rate results in a higher unfunded liability that is paid for by a portion of the 21.3% investment gain. With the discount rate change, the net return for 2021 was 14.3%.

Below are historical changes to the discount rate.

CalPERS Discount Rate Changes	
2021	6.800%
2020	7.000%
2019	7.250%
2018	7.375%
2017	7.500%

## SECTION 6: ASSUMPTION CHANGES

In addition to the Discount Rate, several demographic assumptions are used to set the contribution schedule of employee and employer contributions. These demographic assumptions include mortality rates, retirement rates, disability rates, and rates of salary increases.

In 2021, CalPERS completed its Experience Study and Review of Actuarial Assumptions. Significant outcomes of the study include:

CalPERS noted modest improvements in post-retirement mortality rates for healthy male and female recipients. Recommended mortality rate modifications result in increased life expectancy at age 55 of 0.7 years for males and by 0.4 years for females.

Some groups experienced lower numbers of retirements than expected including State Miscellaneous, Schools Pool and Public Agency Miscellaneous plans. Other groups such as

CHP, State Peace Officers and Firefighters and certain public agency safety groups experienced more retirements than expected.

Higher than expected salary increases were observed within certain groups including CHP, POFF, State Miscellaneous, State Safety, and the Schools Pool. Other groups experienced slightly lower than expected increases including State Industrial and Public Agency County Peace Officers.

A new set of assumptions for terminations with vested benefits and refunds is being proposed for all 11 groups. Significant differences were observed between males and females. Females generally terminate at higher rates than males. Separate rates were developed for males and females in this study. The proposed assumptions predict higher rates of termination except for State Industrial.

CalPERS analysis indicated that in general there have been fewer disability retirements for State Miscellaneous Female, State Industrial, State Safety, Schools and public agency members than expected based on the current assumptions. CalPERS recommending slightly reduced non-industrial disability retirement rates for these groups. For all other groups, the actual experience was generally close to expected.

## **SECTION 7: RECOMMENDATIONS**

The City has exercised two methods for addressing its unfunded liabilities at CalPERS: Prepaying annual UAL payments by July 31; and restructuring most of its UAL with a POB. The funded status of the Safety and Miscellaneous Plans is approximately 94%.

Although most of the UAL has been eliminated, the City can save approximately \$5,430 in 2023-24 by prepaying its UAL payments by July 31, 2023. This allows for a savings of approximately 3.3% of the scheduled UAL payment.

In addition, the City may consider establishing a Section 115 Irrevocable Exclusive Benefit Trust (Pension Trust) to be used exclusively for reimbursing or paying pension benefits and for accumulating funds to help buffer against future pension costs.

Contributions to a Pension Trust are discretionary. The City can utilize the Pension Trust and amounts at CalPERS to maintain its funding target range of 80%-100%.

**CITY OF ORLAND**  
**CITY COUNCIL AGENDA ITEM #: 6.B.**

**MEETING DATE: November 1, 2022**

**TO:** Honorable Mayor and Council

**FROM:** Leticia Espinosa, City Treasurer  
Pete Carr, City Manager/Finance Director

**SUBJECT: Investment Report and Debt Reduction Proposal** (Discussion/Action)

---

City Treasurer is informing City Council of an adjustment in investment allocations, and seeks authorization to utilize available cash to pay down certain outstanding loans.

**BACKGROUND**

As noted in Paragraph IV of the City of Orland Investment Policy, the City Treasurer is authorized to invest funds upon the direction of the City of Orland Investment Committee. Paragraph V provides for a quarterly investment report. The financial audit report also provides an audited annual summary of investments (see FY21 audit, pg. 24-25), and the City's financial position is reviewed as part of the annual budget process in May-June.

The City Investment Committee is comprised of the City Treasurer, Administrative Services Director/Accounting Manager, the Mayor and one other Councilmember – currently Mayor Dennis Hoffman and Councilmember Bruce Roundy. The City's CPA also participates and advises, along with the City Manager/Finance Director. The Committee advises the Treasurer on the City's investment portfolio and debt management.

In March 2022, Council directed the Treasurer to pay off certain outstanding loans with available cash and indicated interest in continuing to pay off debt if possible. The result of this action is reflected on the current City Budget page 36.

**DISCUSSION**

All of the City's reserve cash (approximately \$9 million) representing a combination of General, Water, Sewer, Development Impact (DIF) and other funds, is invested with the Local Agency Investment Fund, which is currently paying 1.35% interest on the City's funds. Based on two recent Investment Committee meetings, the Treasurer has researched rates for alternatively investing City funds and is reallocating \$1 million into one 12-month certificate of deposit (CD) @ 1.75% interest and \$1 million into one 24-month CD @ 2.00%.

Considering the City's current cash position, growing but still relatively low rate of return on investments, and portfolio of outstanding debts, the City Treasurer and Investment Committee



propose the City utilize cash resources to pay down or pay off two lease agreements (loans) before their maturity dates. Neither of these agreements has an early payoff penalty.

1. Blue Frog wastewater treatment pond aerators @ 5% interest with current expiration 2024; City will save \$9,448.71 in avoided interest plus two annual fees for personal property tax (\$7500 per year) for a total savings \$24,448.71. Payoff is \$ 251,568.36.
2. Fire Ladder Truck @ 3% with current expiration of 2026, saving \$15,086.02 in avoided interest. Payoff is \$300,262.24.

These items are included in the Fiscal Year 2022-2023 Budget, page 36. Note that the Blue Frog project is a Sewer Fund expense, while the Ladder Truck is a Measure A / Public Safety Fund expense; neither affects the General Fund.

Attachment: Quarterly Treasurer Report as of October 31, 2022

**RECOMMENDATION:**

Authorize Treasurer to utilize current cash assets to pay off all or a portion of the proposed lease agreement indebtedness.

**Fiscal Impact of Recommendation:**

Up to \$552k in expense which will produce nearly \$40k in savings by avoiding future interest payments, less the interest the City might have earned on the invested cash.

**City of Orland**  
**Report of the Treasury**  
**Schedule of Cash and Investments**  
**As of October 21, 2022**

Pursuant to Government Code Section 53646, listed below is a schedule of Cash and Investments held by the City of Orland

<u>Description of Security/Financial Institution</u>	<u>Investment Policy Category</u>	<u>Reconciled Balance</u>
Cash Held on Hand:		
City Hall		\$ 150
City Pool		\$ 25
Public Works		\$ 35
Police		\$ 100
Subtotal		\$ 310
Cash and Investments Held by Banking Institutions:		
Umpqua Bank:		
Checking Accounts, General and Payroll	N/A	\$ 215,077
Deposit Account	N/A	\$ 501,566
Evidence Fund Account*	D	\$ 14,327
Housing/Economic Development Program Income Account*	D	\$ 848,497
Subtotal		\$ 1,579,467
* = restricted use		
Local Agency Investment Fund (LAIF), Office of the Treasurer, State of CA	C	\$ 9,060,855
LAIF Current interest rate 1.276		

**Total Cash and Investments Held by the City of Orland** **\$ 10,640,632**

I Certify that this report reflects all Government Agency cash and pooled investments and is in conformity with the investment policy of the City of Orland as stated in the annual investment policy approved by the City Council.

A copy of the investment policy is available at the office of the City Clerk.

The investment program herein provides sufficient cash flow liquidity to meet the estimated expenditures for the next 180 days.



Submitted: Leticia Espinosa/City Treasurer

## CITY COUNCIL AGENDA ITEM

Item No.: 6.C.  
Meeting Date: November 1, 2022  
From: Paul W. Rabo, City Engineer  
Subject: Annual Review and Possible Adjustment to Water and Sewer Rates

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### Background:

The City of Orland operates and maintains a public water system consisting of six wells, one elevated storage tank, over 400 fire hydrants, 34 miles of water distribution main and over 2,600 metered water services. The City is not responsible for maintenance of water services beyond the water meter. The City's sanitary sewer system includes 30 miles of pipelines, 400 sanitary sewer manholes, and four lift stations. The City is not responsible for maintenance of sewer service laterals beyond the right-of-way.

See Attachment A for an update on the City's water and sewer system Capital Improvement Projects.

Per Municipal Code Section 13.04.350 the City of Orland shall perform an annual review of the water and sewer rates and make adjustments as necessary. The Consumer Price Index for the period beginning September 2021 and ending September 2022 shows an increase of 4.8% in water and sewer maintenance costs. The Engineering News Record shows construction cost increases of 5.7% for the same period.

### Current and Proposed Water Rates:

City staff does not recommend an increase to water rates beginning in January 2023. The existing and proposed water rates are:

	Inside City Limits		Outside City Limits	
	Existing	Proposed	Existing	Proposed
Fixed Bi-Monthly Charge Rate	\$63.31	<b>\$63.31</b>	\$126.63	<b>\$126.63</b>
Per 1,000 gallons with more than 15,000 gallons	\$1.70	<b>\$1.70</b>	\$1.70	<b>\$1.70</b>

### Current and Proposed Sanitary Sewer Rates:

City staff recommends an increase to sewer rates beginning in January 2023. The existing and proposed sewer rates are:

	Inside City Limits		Outside City Limits	
	Existing	Proposed	Existing	Proposed
Fixed Bi-Monthly Charge Rate	\$61.61	<b>\$64.57</b>	\$123.22	<b>\$129.13</b>
Per 1,000 gallons with more than 15,000 gallons	\$0.88	<b>\$0.92</b>	\$0.88	<b>\$0.92</b>

### Requested Action:

Adopt Resolution 2022-\_\_\_\_\_ "A Resolution of the City Council of the City of Orland to Establish Water and Sewer Rates for 2023".

### Fiscal Impact:

Increased revenues will be put towards projects shown in the Capital Improvement Plan (CIP) and maintenance operations.

Approved by City Manager: *PRC*



## ATTACHMENT A

### WATER SYSTEM CAPITAL IMPROVEMENT PROJECTS

In 2014 the City completed a "Water System Capacity Study" and "Meter and Water Loss Management Report". Both reports recommended projects to be included in the City's 15-year Capital Improvement Plan. These projects and estimated costs are shown in the tables below. Since 2015 the City Council has increased water rates to cover operational expenses and generate revenue for the nearly \$10 million in anticipated repairs and upgrades. Revenue from rates has covered operational expenses and been sufficient to set aside reserves of \$3.5 million to date.

It should be noted that a number of the capacity related improvements are population driven. This means those capacity increasing items may not need to be as large, or could be delayed, should the City's population not increase as projected in the General Plan. On the other hand, adding water service connections, outside City limits as part of the Orland Groundwater Supply Project, has the effect of increasing the population.

Additionally, some of the distribution improvements will increase efficiency and overall production. With reductions to water consumption, it is possible some of the distribution improvements could be delayed. It can be expected there will be some additional improvements and repairs, not yet identified, which will occur each year.

CAPACITY IMPROVEMENTS		
	2014 Cost	2022 Cost
Eva Drive well	Completed	Completed
Central building	Completed	Completed
Suisun storage (DWR funded storage tank)	\$1.4M	\$1.9M
Well 2 (DWR funded well)	\$1.2M	\$1.6M
Corp yard storage	\$1.4M	\$1.9m
Well 3 (proposed at 6 <sup>th</sup> Street)	\$1.2M	\$1.6M
<b>TOTAL:</b>	<b>\$5.2M</b>	<b>\$7.0M</b>

DISTRIBUTION IMPROVEMENTS		
	2014 Cost	2022 Cost
Leak Detection	Completed	Completed
Pump efficiency	Completed	Completed
Well SCADA	Completed	Completed
Smart irrigation	Completed	Completed
Main replacement - general	\$140k	\$190k
Main replacement - between storage tanks	\$1.5M	\$2.0M
Meters & radio data	\$1.1M	\$1.5M
Water loss software	\$50k	\$70k
<b>TOTAL:</b>	<b>\$2.79M</b>	<b>\$3.76M</b>

The City has completed many projects shown in the Capital Improvement Plan including the Eva Drive



Well in 2016. The Central Well building improvements including a new variable frequency drive, SCADA interface and numerous other upgrades were completed in 2019. Leak detection, pump efficiency and Supervisory Control and Data Acquisition (SCADA) system improvements have also been completed. The water storage tank proposed for the Suisun Street well site has been relocated to the Sixth Street site which will include another municipal groundwater well.

The Public Works Department is also interested in installing dedicated generators at the Lely, Roosevelt and Central well sites. The generators would allow the municipal well to continue operating during power outages. These projects and construction costs have not been included in the Capital Improvement Plan at this time.

The City is currently working with California Department of Water Resources (DWR) and Glenn County to construct water improvements to serve those in the county that have reported dry wells. This project will add approximately eight miles of water main, fire hydrants, water valves and water services for the City to own, operate and maintain. Two of the project phases are dedicated to the design and construction of a new municipal groundwater well and water storage tank. The proposed DWR funded groundwater well could be considered a replacement for CIP Well 2 and the storage tank could be considered the replacement for the Suisun storage. It should be noted the groundwater well being constructed with DWR funding will be designed to produce enough groundwater to accommodate county residents who will be connected to the City's water system in the coming months.

To the extent that grant funding is being identified and obtained, and customers continue to conserve water, new infrastructure is being installed to meet demand with less pressure on rates to customers. Current rates are deemed sufficient for current operations and projected near-term capital needs.

## **SEWER SYSTEM CAPITAL IMPROVEMENT PROJECTS**

Similar to the water rates, City Council has increased sanitary sewer rates since 2015 to cover operational expenses and generate revenue for capacity, conveyance and treatment repairs and upgrades. Revenue from rates has covered operational expenses and has been sufficient to set aside approximately \$860,000 in reserves.

The City has completed improvements at the sewer ponds including the installation of a Blue Frog system to digest wastewater sludge within the ponds and a bypass channel at the headworks. The new gravity sewer trunk line along County Road MM has also been completed. Additional upgrades and repairs have been occurring at sanitary sewer pump stations within the system as they are needed and the installation of SCADA systems at pump stations will be implemented in the next few years.

The City will be accepting ownership and maintenance of a new lift station located along Cortina Drive in the coming months. The developer has fronted the cost for the design and construction of lift station and will be reimbursed with a combination of ARPA and Sewer Funds.

RESOLUTION 2022 - \_\_\_\_\_

A RESOLUTION OF THE CITY COUNCIL  
OF THE CITY OF ORLAND TO ADJUST  
WATER AND SEWER RATES

WHEREAS, the City Council of the City of Orland established the adjustment of water and sewer rates by adopting Ordinances 2005-05 and 2010-01; and

WHEREAS, the City of Orland Municipal Code Section 13.04.350.B provides for adjustment of said water and sewer rates; and

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. That the City Council of the City of Orland does hereby adopt the adjusted water and sewer rates.
2. That the adjusted water and service rates will take effect 60 days thenceforth, on January 1, 2023.

PASSED AND ADOPTED this 1<sup>st</sup> day of November, 2022, by the following vote:

AYES:

NOES:

ABSENT:

\_\_\_\_\_  
Dennis G. Hoffman, Mayor

ATTEST:

\_\_\_\_\_  
Jennifer Schmitke, City Clerk

I, Jennifer Schmitke, City Clerk, of the CITY OF ORLAND, hereby certify that the attached is a true and correct copy of a Resolution duly made by the City Council at a meeting of said City Council, at Orland, California, on the \_\_\_\_\_ day of \_\_\_\_\_, 2022, the original of which is on file in my office and duly and regularly entered in the official records of proceedings of the City Council of the CITY OF ORLAND.

Dated: \_\_\_\_\_

\_\_\_\_\_  
Jennifer Schmitke, City Clerk