

MT. SHASTA CITY COUNCIL REGULAR MEETING MINUTES
Monday, April 22, 2013; 6:30 p.m.

1. Call to Order And Flag Salute

At the hour of 6:30 p.m. Mayor Moore called the meeting to order and led the audience in the Pledge of Allegiance.

2. Roll Call

Present: Council Members Michael Burns Sr., Geoff Harkness, Tim Stearns, and Mayor Tom Moore

Absent: Council Member Jeffrey Collings

3. Public Comment:

No public comments were noted.

4. Approval Of Minutes: None

Mayor Moore suggested moving item No. 6 before item No. 5 in order to allow some extra time for Sergeant Lamanna to arrive at the meeting.

6. Consent Agenda:

a. Approval of Disbursements: Accounts Payable: 04/03/13, and 04/08/13

Total Gross Payroll and Taxes: For Period Ending 03/31/2013

b. Monthly Finance/Investment Report - March 2013 (Finance Director)

Council Action: Council Member Stearns made a motion seconded by Council Member Harkness to approve Consent Agenda Items **6a-6b**. Motion carried on a voice vote of 5-0.

5. Special Presentations & Announcements

a) Certificate of Appreciation to Eric Lamanna

At the hour of 6:35 p.m. Mayor Moore introduced the item and asked Chief Cross to step forward to begin the presentation ceremonies.

Mayor Moore asked Sergeant Lamanna to come forward in order to present him with a Certificate of Appreciation for his many years of service and dedication to the City of Mt. Shasta. Mayor Moore noted that Sergeant Lamanna had served as a Level II Reserve Officer beginning on July 16, 1988, had become a Police Officer on August 1, 1988, and a Sergeant from January 1, 2003 through March 17, 2013. Mayor Moore noted that Sergeant Lamanna would be missed. Mayor Moore presented Sergeant Lamanna with a City Pin in memory of his dedication and service to the City.

Police Chief Cross stated his appreciation to Eric Lamanna and presented him with an award from the Mt. Shasta Police Department and certificates from Congressman LaMalfa and Assembly Member Gaines. Police Chief Cross read the certificate from Congressman LaMalfa honoring Sergeant Lamanna's 25 years of dedicated service to the City of Mt. Shasta Police Department. Police Chief Cross read the certificate from California State Assembly Member Gaines honoring Eric A Lamanna's 25 years of dedicated service as an officer for the Mt. Shasta Police Department. Police Chief Cross expressed his gratitude and appreciation to Sergeant Lamanna for everything he has taught him.

Police Chief Cross stated this last award is a shadowbox containing 3 Police Office patches that represent the three patches the City has used during Sergeant Lamanna's tenure and it also contains an 1109 badge which is the first badge an officer wears and etched on the back of the badge are the names of all of the Mt. Shasta Police Department's officers names including Officer Lamanna's. Police Chief Cross stated he would not forget the 25 years of loyal service that Sergeant Lamanna has given to the Mt. Shasta Police Department and noted that Eric Lamanna is a local guy and he wanted this shadowbox to represent his thanks and gratitude for all Sergeant Lamanna has done for the City of Mt. Shasta and the Department. Police Chief Cross acknowledged how much the families of the Police Officers are affected by the job and Police Chief Cross expressed his thanks to Sergeant Lamanna's wife and daughters for the support they had given to Sergeant Lamanna when he was carrying out his duties of keeping the City safe.

7. Public Hearing RE: Unmet Transportation Needs (LTC Representative Mike Miles)

At the hour of 6:41 p.m. Mr. Miles introduced himself as the Coordinator for STAGE and noted he was here representing the LTC which is the Local Transportation Commission. Mr. Miles stated that each year the LTC provides the public with the opportunity to comment on any unmet needs they may want to bring to the attention of the County and to comment on the services they are currently receiving. Mr. Miles noted there were no other members in the audience other than himself and Diane Sponsler who had come to provide this opportunity to the public. Mr. Miles stated there are forms they had brought with them that could be completed by Siskiyou County residents and submitted to STAC (Social Services Transportation Advisory Council) regarding any unmet needs.

At the hour of 6:48 p.m. Mayor Moore opened the public input portion of the Public Hearing.

At the hour of 6:49 p.m., noting no public comments, Mayor Moore closed the public input portion of the Public Hearing.

Council Member Burns asked Mr. Miles for some information about the services now being provided by STAGE.

Mr. Miles responded that STAGE has been in operation for 30 years and had started out with 1 bus, now there are 12 buses. Mr. Miles stated there would be 5 new buses arriving within several months that have been purchased from a company in Hayward. Mr. Miles stated STAGE is hauling from 80,000-100,000 people per year. Mr. Miles stated that STAGE will continue to keep 12 buses on line and some of the new buses would be replacing some of their out-of-date counterparts.

Council Member Stearns asked whether any changes were being planned for the current service in terms of expanding or shrinking of services.

Mr. Miles responded that STAGE would like to increase the number of bus stops here in Mt. Shasta because there are only two at this time, one at the shopping center and one at the hospital, and he noted there is a high volume of use of STAGE services in Mt. Shasta. Mr. Miles noted there has been some consideration of adding routes that would take passengers to Redding and to Medford. Mr. Miles noted such routes would involve taking passengers to a central location where they could take other transportation services from there.

Council Member Burns asked whether STAGE provided services to the ski park during the winter months.

Mr. Miles responded they had previously provided such services but had found that it was not a cost effective service to provide so it had been discontinued.

Council Member Stearns asked whether STAGE would reconsider offering such services again.

Mr. Miles responded in the affirmative, noting that the STAGE services go right by the Ski Park on the way to McCloud. Mr. Miles noted they have tried to contact the Ski Park about reinstating services to the Ski Park during the winter but have had no response from them. Mr. Miles made the observation that STAGE has reasonable rates and the fee for riding the bus from Dunsuir to Yreka is only \$4.00 one way.

Mr. Miles noted that individuals can submit a request to the County for a discount on fees. Mr. Wiles stated a weekly pass costs \$30.00 and it allows riders to go from Yreka to Mt. Shasta and back at \$3.00 per trip. Mr. Miles noted STAGE has a great group of drivers who are very dedicated to their work and who do a good job.

8. Discussion and Possible Action RE: Update from City Manager Recruitment Consultant

At the hour of 6:55 p.m. Mr. Butzlaff addressed the Council and stated he would be giving a progress report about the recruitment process. Mr. Butzlaff stated the ICMA and Jobs Available ads have been posted and an ad has also been placed in CalEd. Mr. Butzlaff stated he investigated other newsletters and outlets in California and an ad was placed on the jobs board of Public CEO. Mr. Butzlaff stated that City's ad has also been placed in californiacitynews.org and a County news publication. Mr. Butzlaff stated the City's ad, at no cost, was also placed in both the Municipal Management Associations of Southern California and Northern California. Mr. Butzlaff stated he had placed an ad on Craig's List at no cost and there were six sites (San Diego, San Francisco, Inland Empire, Sacramento) that had a cost involved and those were not used, however there were 24 other sites that did not have a cost associated with them and ads were posted on those including California, Medford, and Klamath Falls. Mr. Butzlaff stated the template for the fliers was provided to the printer on Wednesday and it had taken about a week to get the brochures printed and about two thirds of them have been distributed. Mr. Butzlaff stated a cover letter and flier was sent to all of the Colleges in California that have MPA programs (about 34), and the Administering Program for colleges located in Washington D.C. Mr. Butzlaff stated the Councils of Government in California (about 22) were also sent a letter and a flier. Mr. Butzlaff stated that 60% of the cities in California and over 80 cities in Washington and Oregon were also sent the flier with a cover memo. Mr. Butzlaff stated that 28 applications have been received, four of those appear to have applicants meeting the city's qualifications. Mr. Butzlaff stated he had talked to a retired City Manager he knows who had suggested the City of Mt. Shasta should take another look at the salary range being offered for its City Manager position. Mr. Butzlaff stated he has previously suggested to Council that the salary being offered by the City for the City Manager position is not competitive with the salaries being paid by other cities in California. Mr. Butzlaff suggested the City might have boxed itself in by offering a salary range that is not very competitive and even with efforts made in getting the word out to other areas there has been little response, except from Craig's List, and those applicants have not had the qualifications the City desires. Mr. Butzlaff pointed out that most California City Managers are already making higher salaries than that being advertised by Mt. Shasta to fill its City Manager vacancy and he expressed the opinion that by stating a preference for or desirability for California experience in its advertisement the City of Mt. Shasta has sent the message to out-of-state applicants that they need not apply. Mr. Butzlaff suggested there is a disadvantage to dissuading rather than attracting out-of-state candidates because it is often these out-of-state candidates who are more likely to be making a lower salary than that being advertised by the City of Mt. Shasta. Mr. Butzlaff made the observation that the number of applications and the quality of applicants that have been received to date are much lower than he had expected by this time given the nature of the position, the nature of the community, and the positive way in which Mt. Shasta has been represented. Mr. Butzlaff suggested Council should address the salary issue at its earliest opportunity, perhaps at a Special Meeting, to consider the matter and to monitor the quantity and quality of responses received between now and then.

No public comments were noted.

Mayor Moore stated the recollection that Council had considered the salary matter as a part of its last Special meeting.

Mr. Butzlaff agreed that to be the case and stated he had attempted to convey his concerns to the Council during that meeting regarding the salary range Council wanted to use for the City Manager recruitment. Mr. Butzlaff provided as an example, the City of Firebaugh, a rural Fresno County city that is currently advertising to fill a City Manager vacancy with a salary range of \$98,000-\$115,000. Mr. Butzlaff noted that many of the cities in Fresno County, which are farm labor communities, are all paying over \$100,000 for a City Manager.

Mr. Butzlaff stated he was trying provide the Council with market information so Council could reconsider the matter should they decide to do so.

Council Member Stearns made the observation the process has just begun and all of the fliers have not yet been distributed. Council Member Stearns made the observation that some of those who have already responded might have the qualifications the City is looking for and he suggested implementing the current plan.

Council Member Harkness asked Mr. Butzlaff what his recommendation might be as to the salary range the City should be using for its City Manager recruitment process.

Mr. Butzlaff responded that by addressing the matter in about a week or so, that would give him the time to get more specifics in terms of a salary survey that he could bring to the Council. Mr. Butzlaff stated he was bringing this up now to prevent waiting until too long into the process to make a change if that is what Council decides to do. Mr. Butzlaff made the observation that the ad could be changed everywhere except for in Jobs Available. Mr. Butzlaff suggested a range of \$95,000-\$105,000 as being more reasonable.

Council Member Harkness made the observation that the City is currently in the middle of the process and all of the printed material reflects a salary range of \$85,000-\$95,000, and he questioned how a change would be advertised.

Mr. Butzlaff responded the flier could be amended online, however the printed versions could not.

Council Member Harkness made the observation the suggested salary increase is about 10 % more than is currently being advertised and he suggested candidates would have the ability to negotiate the upper end or possibly a higher salary than that as advertised.

Mr. Butzlaff agreed that any candidate could negotiate their salary amount with the City. Mr. Butzlaff made the observation the City is small with limited means but at the same time the City wants a professional organization. Mr. Butzlaff suggested the City would pay a price for not offering enough in terms of compensation, and in terms of not being able to attract a candidate with the abilities the City is looking for in a candidate. Mr. Butzlaff made the observation that a seasoned City Manager would be more adept at doing the job. Mr. Butzlaff suggested that what the City is willing or able to invest up front has a lot to do with the results or outcome.

Council Member Burns stated the understanding that Mr. Butzlaff was suggesting that by identifying California experience as part of the desirability for a candidate, it is actually limiting the amount of outside applicants the City is getting a response from. Council Member Burns asked Mr. Butzlaff how many outside applicants have responded to date.

Mr. Butzlaff responded that there are only a couple and the out-of-state applicants so far tend to be from fields having nothing to do with local government. Mr. Butzlaff stated the current advertisement expresses a desire for California experience yet the salary being offered is perceived as one that indicates the City is not willing to pay for that California experience. Mr. Butzlaff advised the Council that for those candidates from other states, for whom the salary level appears more appropriate because City Manager's outside of California are not paid as well as are those working for California cities, they would look at the California experience desirable portion of the advertisement as an indication the city would not be interested in them. Mr. Butzlaff suggested it is often the subtle message or tone that someone responds to.

Council Member Burns stated support for considering this matter at a future meeting as suggested by Council Member Stearns.

Mayor Moore expressed concerns about adjusting the salary now rather than having been told up front that the salary being considered was too low and needed to be higher in order to attract qualified candidates. Mayor Moore suggested it would have been better to have had this information earlier.

Council Member Harkness made the observation that April 22nd had been the date set for sending out the supplemental questionnaire and for creating a screening committee for preliminary review of applications and he asked whether those were things that needed to be done.

Mr. Butzlaff suggested there was no need to go forward with that until more applications are received. Mr. Butzlaff stated he had brought this matter to the Council's attention this evening for them to have an understanding as to where the City is at this point and to give them an opportunity to decide what they wanted to do going forward.

Mayor Moore asked when this matter would have had to have been brought forward in order to be on tonight's agenda.

City Manager Marconi responded that would have been last Wednesday. City Manager Marconi made the observation there is a provision that Council can take action on any item that Council considers as an emergency that arose after the agenda was published. City Manager Marconi stated it would take a 4/5 vote of the membership of the City Council to do so.

Mayor Moore asked whether Council would like to consider this an emergency item.

Council Member Stearns expressed the opinion this is not an emergency item because the fliers have just been mailed out and may still be in transit. Council Member Stearns stated the recollection that Council had previously been advised of competitiveness and a recommended salary range and Council had chosen to go with a salary range he believes to be workable.

Mayor Moore noted that without Council Member Stearns' vote there would not be a 4/5 vote of the Council.

Council Member Harkness suggested the Council could consider the matter at a Special Meeting where Council could also discuss the supplemental questionnaire and setting up a committee for the candidate screening. Council Member Harkness stated a desire that Council also receives an update at the next regular meeting as regards the total number of applications received by the City.

Mr. Butzlaff stated he had brought this matter forward tonight due to the fact that there are three weeks until the next Council meeting and he had not intended to create an emergency situation but had intended to avert one.

Council Member Burns stated a desire to give it a little more time for responses to come in and asked Mr. Butzlaff what might be considered the drop dead timeframe to make a change.

Mr. Butzlaff suggested giving it another two weeks and perhaps holding a Special Meeting then because it will have allowed some additional time for applications to come in.

Council Member Stearns asked whether Mr. Butzlaff had done an investigation into salary ranges for people employed in redevelopment agencies and/or with economic development Councils and if not, could he do so before the next meeting at which this issue would be discussed.

Mayor Moore agreed that the information in the current advertisements have not been out there long enough and any changes would be internet based and noted the consensus of the Council to wait until the next meeting.

Council Member Stearns agreed and suggested should Mr. Butzlaff determine a need to do so, the Mayor and City Manager could make a decision as to whether or not to call a special meeting.

**9. Discussion and Possible Action RE: Third Quarter Budget Report - 2012-2013 Fiscal Year
(Finance Director)**

At the hour of 7:34 p.m. Finance Director Terrell presented the staff report.

No public comments were noted.

Council Member Harkness asked Finance Director Terrell if she could explain to the rest of the City Council, as she had done for him, the reason for the decrease in the City's reserves and why she believes the current reserve levels are appropriate.

Ms. Terrell stated the reserves for the 2012-2013 fiscal period will wind up being at about 10% at \$321,000 and at the end of 2011-2012 it was about 17% because we had some expenditures that we had budgeted in fiscal year 2011-2012 that didn't happen until 2012-2013 that increased expenditures for 2012-2013 and brought the reserves down to where we needed to be for 2011-2012 and 2012-2013.

10. Discussion and Possible Action RE: Review of Draft Five Year Capital Improvement Program (CIP) and Five Year Fleet & Equipment Replacement Program (FERP) for Fiscal Years 2013-2014 to 2017-2018 (City Manager)

At the hour of 7:43 p.m. City Manager Marconi presented the staff report.

No public comments were noted.

Council Member Harkness expressed concerns regarding the fact that many of the accounts show a positive balance this year but over time they have negative balances. Council Member Harkness asked whether the purpose is to present to Council a wish list so that we can have further discussion in the budget process.

City Manager Marconi responded that it is a little of both. City Manager Marconi noted the current year is much more of a spending projection, from staff's standpoint, than the out years are. City Manager Marconi pointed out the farther out you get from the current year the more it becomes a wish list. City Manager Marconi noted the current year is something that we can realistically achieve. City Manager Marconi stated the General Fund is somewhat unusual because the General Fund does not have any reserves. City Manager Marconi stated the negative amounts reflected on page 35, over time, are to show Council what kind of contributions are going to be necessary from the General Fund in future periods. City Manager Marconi noted that if the second line, under the General Fund item, were filled in with appropriations of \$75,000 a year then the City would actually have the funding to make it through the five years shown without going negative. City Manager Marconi noted that as regards the Transportation Tax Fund, on that same page, the negative amounts shown for years 4 and 5 would be correct if the City were to do all the proposed projects shown. City Manager Marconi noted there to be an error in the information for the Fire Assessment Fund on page 35 because the loan payments on that piece of fire equipment ends in 2015-2016 so the negative amounts shown for years 4 and 5 in that account would actually drop down to be a positive amount just above zero. City Manager Marconi stated that in the Enterprise Funds, the Water Improvements and Wastewater Improvements funds will get drawn down and the most critical is the Wastewater Fund but those funds also project a contingency reserve in those funds so even though the fund would show a negative balance in years 3-5 it would not be a cash deficit in those years, but the City needs to plan for that in terms of our rate structure going forward so we do not go down to those levels in those out years.

Council Member Harkness asked the City Manager when he thought the Council would be considering the water and wastewater rates.

City Manager Marconi responded he believes Council would have to start addressing the City's rate structure questions in the upcoming 2013-2014 fiscal year. City Manager Marconi made the observation the City would not be getting its WWTP feasibility study until February 2014. City Manager Marconi suggested it would be toward the end of next fiscal year when the City would have to get serious about the rate structure analysis and it would have to happen very quickly thereafter.

Council Member Harkness asked City Manager Marconi to explain the comment in his staff report regarding the fact that the \$75,000 being transferred to the Equipment Replacement Fund does not cover the \$41,897 of amortized prior depreciation.

City Manager Marconi responded that staff had taken the expected useful life of the City's vehicles and equipment as of the date of acquisition and projected that forward. If the City had set aside the annual depreciation beginning after the date of acquisition the City should have accumulated \$1.2 Million in the Equipment Replacement Reserve Fund based on the useful life of those vehicles that's already been used up. City Manager Marconi noted there had been \$0 in the Fund when the City first started setting monies aside. City Manager Marconi noted that in the past 10 years, the period during which monies have been set aside, the City has not been able to accumulate or set aside more than what the City's current depreciation expenses are. City Manager Marconi stated the FERP projects that the City would amortize that \$1.2 Million deficit over a period of 25 years which equates to that \$41,897 per year. City Manager Marconi stated that the \$71,000 is what this year's annual current depreciation would be on our existing equipment stock.

Council Member Harkness stated the understanding the City is half way into that 25 year depreciation cycle.

City Manager Marconi responded in the negative, stating the City has not yet begun including the additional amount of \$41,897 in depreciation that would be needed to do so and he pointed out the City was still at zero at the beginning of this current fiscal year.

Council Member Harkness stated the understanding that rather than setting aside \$71,000 for the current depreciation costs the City should be setting aside \$71,000 plus an additional \$41,897 annually.

City Manager Marconi responded in the affirmative, if the City were to fully fund on that 25 year amortization period.

Council Member Harkness made the observation this was an important point that would need to be addressed during the budget discussions. Council Member Harkness made the observation that last year's CIP was \$23 Million and now it is about \$42 Million and made the observation that a lot of the increase could be attributed to the Crystal Geyser project and he asked where the rest of the increase might be coming from.

City Manager Marconi responded the other big increase is the improvements to the Wastewater Treatment Plant (WWTP) itself which is about \$12 Million.

Council Member Burns asked whether City Manager Marconi would recommend that Council tailors back and focuses in on priority projects that the City needs to do.

City Manager Marconi responded the City would probably need to do that for those projects that are not grant funded and some of the projects would then be pushed out to further years. City Manager Marconi referred to page 39 that lists a summary of the current year's projects and made a comment for each of the projects listed on that page as follows:

- Project SP-04 - Is grant funded so it would be ongoing.
- Project SP-06 – Council had agreed to put aside \$25,000 of Gas Tax monies each year to upgrade sidewalks. Staff has found it more cost effective to do it all at once so the monies are set aside each year and a project is done every 3 years with the accumulated \$75,000. A project was completed last year so \$25,000 would be set aside this year for a future project.
- Project SP-10 – \$90,000 of the cost of this project is coming from a grant, \$8,000 is coming from donations, and the balance of \$2,000 would come from the City's current year's budget.
- Project CF-01 – Is for new carpet and flooring at the Library and the money for this project would come out of the Library Tax add on sales tax and there are also donations from the Friends of the Library and Rotary for this project.
- Project ST-04 – This is a project that would most likely be cut back because the funding comes from Gas Tax monies and, as noted earlier, the Gas Tax Fund would be drawn down below what its annual revenues are by the end of the five year cycle. All of the paving projects the City would like to do are not going to be possible under those circumstances.

- Project ST-06 – Stated he would not recommend these be put off because chip sealing buys the City 2-3 years of extended life.
- Project ST-08 – Is another grant funded project.
- Project PS-03 – This is dependent on revenues coming in from either out-of-area fires calls or something else because most of the money from Measure A is committed to the replacement of the Type III vehicle budgeted for this year and the OSH KOSH lease payment on the Pierce that runs for another 3 years.
- Project WW-01 – Is a problem area and is one that needs to be addressed within the next 2-3 years.
- Project WW-03 – This is budgeted for on an annual basis because it is a requirement of one of the City's prior Wastewater Grants and loans that the City continues to work on I and I. Some years the repairs don't get done, so some years the City doubles up and the City does \$50,000 or \$75,000 in one year.
- Project WW-04 & WW-05 – This is the \$6 Million project that is dependent on Grant funding and a Crystal Geyser decision.
- Project WW-12 – Is ongoing right now, staff will be reviewing proposals and interviewing candidates next Monday and will come to Council on May 13th with a recommendation of award of that study.
- Project WW-14 – Is a roll-over from projects done in the current year with the chlorine and sulfur dioxide feed and analyzer components and this would upgrade the computers and bring everything into line so the reporting system works as it is intended to do with the new components.

Mayor Moore made the observation the CIP is not a static document because it is reviewed and upgraded every year.

City Manager Marconi pointed out there are different funding sources for some of the projects listed. Although the WWTP projects would be the City's highest priority, the funding for the project comes from the Wastewater Fund and not the General Fund.

Council Member Harkness made the observation that Police vehicle depreciation is not accounted for anywhere within the City's budget and he asked whether the City should protect itself by including the replacement of Police vehicles in the FERP and setting more monies aside to allow for their replacement at a future date.

City Manager Marconi responded the City should probably be doing that and stated the FERP had been set up this way because the Police and Fire Departments have an independent source of funding for their equipment. City Manager Marconi stated that including them also skews the FERP, the City uses \$40,000 a year from COPS funding for police vehicles and monies from Measure A for fire equipment and this could have been included in the FERP but the way the General Fund is set up with the General Fund contributing to the Equipment Replacement Fund, putting those numbers in there skews the whole analysis. City Manager Marconi agreed that if those two funding sources were to go away, the General Fund would have to make up those costs so it would make sense to be setting aside an amount for depreciation for replacing those vehicles. City Manager Marconi pointed out that it would change the number rather dramatically, from \$115,000 to about \$150,000 to plan for replacing all of the vehicles. City Manager Marconi stated that staff has set up rotation schedules for public safety vehicles that take into account their funding sources so the City is able to replace those vehicles when the City needs to. City Manager Marconi stated the City is on track to be able to do that. City Manager Marconi stated the Fire Department vehicles are on a 30 year rotation and there are 3 main engines, the Rapid Response vehicle, and the two Chief's pick-ups in that rotation and the \$47,000-\$49,000 generated from Measure A over those years provides the City with the replacement capacity for those engines once the City has paid off the lease on the Pierce engine. City Manager Marconi noted that Measure A is a permanent fee that was voted on by the electorate and the City Council analyses and affirms it every year.

11. Discussion and Possible Action RE: Presentation of Budget Revenue Projections for the 2013-2014 Fiscal Year (Finance Director)

At the hour of 8:24 p.m. Finance Director Terrel presented the staff report.

No public comments were noted.

City Manager Marconi stated that even though the revenues are projected as being lower than the amended budget for last year they're actually going to be about \$20,000 higher than the original budget. City Manager Marconi stated the projections assume that our property and sales taxes are going to increase about \$40,000-\$50,000, which in a \$3 Million budget is pretty much flat. City Manager Marconi stated they are not looking at the revenue source going down, we're looking at the transfers that were brought in last year to help balance the budget going down.

City Manager Marconi noted another matter for consideration of a schedule for Budget Workshops. City Manager Marconi noted there were three weeks between meetings this time rather than just two weeks and he would suggest Council provides dates of their availability to Deputy City Clerk Studer so the budget workshops could be scheduled.

Council Member Harkness asked whether holding a meeting next week would be too soon.

City Manager Marconi responded that next week would be too soon, two weeks out might be doable. City Manager Marconi noted that it was more realistic to hold a meeting during the week of May 6th. City Manager Marconi suggested it would be better to hold such a meeting toward the end of that week rather than at the beginning of the week.

Council Member Stearns stated he would not be available during the day for such a meeting. Council Member Stearns stated he could make an evening meeting on Monday, Tuesday, or Wednesday of that week.

City Manager Marconi suggested that information could be provided to Deputy City Clerk Studer so the best date for everyone could be determined.

Mayor Moore suggested holding the meeting on Monday, May 6th.

Council Member Harkness and Council Member Burns stated they were available.

Mayor Moore noted the Special Workshop would be held on Monday, May 6th at 6:30 p.m.

12. Discussion And Possible Action RE: Continuation of Strategic Planning and Goal Setting (*THIS ITEM IS CONTINUED FROM THE APRIL 8, 2013 REGULAR CITY COUNCIL MEETING*)

At the hour of 8:30 p.m. Mayor Moore introduced the item.

Council Member Stearns stated a desire to receive a report on what had occurred at the last CEDAC meeting.

Council Member Harkness stated he had made a presentation at the last CEDAC meeting concerning the City Council's decision to make economic development a priority for the next two years and he had asked if CEDAC could lend their assistance in moving forward two ideas Council considers as priorities. One is to establish a group of investors who could provide capital to businesses and the second was to establish a professional network. Council Member Harkness stated he had asked CEDAC to consider developing an economic development plan that includes or addresses these main issues or at least something that would help businesses overcome business challenges through some type of professional networking. Council Member Harkness stated he had also mentioned branding and marketing as well. Council Member Harkness stated they had accepted that challenge and he noted there would be a special CEDAC meeting on May 1st at which time it is expected that a problem statement would be considered for the problem that we are trying to solve. Council Member Harkness made the observation the members of CEDAC would need to agree on the challenges the City is facing and the next step would be to develop plans that would address those problems.

Council Member Stearns stated he and Council Member Collings had met with Greg Messer who is in the computer industry and Mr. Messer had indicated there are adequate resources in Mt. Shasta for that type of business.

Council Member Stearns stated he had met with Greg Bookout another IT person who had volunteered to contact other IT contacts to get the word out about Mt. Shasta as being a great place to live. Council Member Stearns stated that Council Member Collings had volunteered to draft some type of marketing plan for Council's consideration and would try to do that before the next meeting.

Council Member Harkness made the observation that once CEDAC reconvenes and the challenges have been agreed upon, the next step would be to formalize mission statements and plans around these specific problems. Council Member Harkness suggested by that time the CEDAC members might branch out to address each specific problem. Council Member Harkness suggested that might be the appropriate time for Council Member Collings join that group to help develop the plan. Council Member Harkness stated that he saw things proceeding through the development of a strategic plan that not only addresses the issues and challenges that we face but also would have missions and visions and guiding principles that each project would follow and also action plans related to each project. Council Member Harkness suggested that having one economic development plan does allow us to periodically review the document to determine whether progress is being made.

City Manager Marconi stated he had intended to talk about the rest of the meeting under item 14 but he would do that now. City Manager Marconi stated CEDAC had also talked about the Business Outreach Walk and CEDAC had decided it would be better to schedule it over a period of time rather than doing it all in one day. City Manager Marconi stated they had decided to set aside the week of May 13th and May 20th to try to put together teams of people to make contact with all of our businesses on our main boulevard and then branch out from there. City Manager Marconi stated CEDAC would like to invite all of the City Council Members to participate on one of those teams and they wanted to include members from the Mt. Shasta Planning Commission and the Chamber of Commerce is looking at their Board Members to participate as well. City Manager Marconi stated that if there are 5-6 teams with three people each, then all of the downtown business community could be covered without it being too onerous a burden on anybody. City Manager Marconi stated the CEDAC Special meeting of May 1st could be a joint meeting of the Council and CEDAC if there are enough Council Members who would like to attend that meeting. City Manager Marconi suggested Council could contact himself or Deputy City Clerk Studer to let them know whether or not they are interested in participating in such a joint meeting.

Council Member Stearns stated he was out of town on May 1st.

Mayor Moore suggested holding just a regular CEDAC meeting. Mayor Moore suggested a joint meeting could be held at a future date. Mayor Moore stated the Council Members could contact City Manager Marconi or Deputy City Clerk Studer as to their preferences.

13. Brown Act Committee Minutes/Meetings – None

At the hour of 8:48 p.m. Council Member Burns stated he had attended the ATAC Meeting on April 19th and the committee members had expressed their disappointment that Public Works Director Bryan had been unable to attend the meeting because they had wanted an update on the Pine Street sidewalk project. Council Member Burns stated they are considering a project that would provide for a trail north out of the City Park and trail routes south of town. Council Member Burns stated they would need parcel maps and property plot maps from the County Clerk for this project to get an idea as to the ownership of the properties along the trail routes to begin contacting them. Council Member Burns made the observation there had been no clear definitive direction made at the meeting other than there was some fact finding and resources to look into that would give them a better understanding of the obstacles they might encounter with the north route behind the elementary school and with the south route that would go back behind the Resort. Council Member Burns stated they had discussed the care and maintenance requirements the trail would need and who would take on that responsibility. Council Member Burns stated they had expressed a desire to change the meetings to monthly through the summer.

Council Member Harkness stated he had attended the Library Tax Advisory Committee meeting at which time the committee had talked about next year's budget.

14. Reports RE: Attendance at Outside Meetings

At the hour of 8:51 p.m. Mayor Moore stated he had met with the Principal and the Superintendent of Sisson about the K-8 issue and what it entails and why and he had not gotten enough information to share. Mayor Moore stated the hope that more information would be forthcoming as to the reasons.

Council Member Burns stated he had attended the LOLA meeting and had found it helpful meeting other City representatives and talking with them.

Mayor Moore made the observation that all of the cities had said something positive about businesses coming in and how storefronts are being filled. Mayor Moore stated he had come out of that meeting with the feeling that maybe things are coming back.

Council Member Stearns stated he had sat at a table with the City Manager's from Dunsmuir and Weed and as a result of the conversation he had held with those City Managers he had contacted the California League of Cities to see if they would include a workshop at the annual convention that concerns carrots and sticks that cities can use to encourage property owners who have vacant commercial space to utilize those spaces. Council Member Stearns stated the League had agreed to include such a workshop at the annual meeting.

15. Future Agenda Items:

- **Consider Resolution No. CCR-13-XX RE: Authorizing Entering Into a Contract for the Conduct of a Feasibility Study for the Wastewater Treatment Plant (WWTP)**
- **Special Budget Workshops**
- **Presentations by Developers RE: Proposed HOME Program Funded Projects**

Council Member Stearns requested an update report from staff regarding the Centennial Park property, the property behind the Black Bear Restaurant, and asked whether a deed transfer has been done and if not, why not, and he would like to know what is being done and what the projected time is for this to get done. Council Member Stearns suggested an item on the agenda regarding the Triathlon.

Deputy City Clerk Studer stated she had intended to ask the Council, during item 16, as to their thoughts about the Triathlon because she understands there is some interest in participating in the event. Deputy City Clerk Studer stated a need for clarification from the City Council on that issue.

Council Member Stearns noted that Rancho Cordova would be having a Triathlon and they are contemplating adding a City category to the event in which cities would compete against one another for a trophy. Council Member Stearns noted that Council Member Harkness has volunteered to be one of the team members for the City of Mt. Shasta and to help put together a team from Mt. Shasta at no cost to the City of Mt. Shasta.

Council Member Harkness stated he would be honored to do that. Council Member Harkness stated the understanding the City of Rancho Cordova is requesting feedback from cities as to whether or not they would be interested in participating. Council Member Harkness requested Deputy City Clerk Studer to express the interest of the City of Mt. Shasta to the City of Rancho Cordova that the City of Mt. Shasta would like to participate in the triathlon. Council Member Harkness stated his willingness to put together a team for Mt. Shasta.

Deputy City Clerk Studer stated she would notify Rancho Cordova the City of Mt. Shasta is interested in participating in the triathlon if they decide to include a city competition. Deputy City Clerk Studer stated she would keep the Council up-to-date about the matter as more information becomes available.

16. Council and Staff Comments

At the hour of 8:56 p.m. Council Member Harkness announced that the week of May 13th is bike to work week and May is actually bike month and anything that can be done to encourage our citizens to participate would be great. Council Member Harkness stated he had talked with Principal Cael Riccomini and had learned there is also a bike to school day on May 8th.

Council Member Burns noted the Collier Welcome Center opening celebrations would be taking place on May 29th so if anyone is available to go he would encourage them to do so. Council Member Burns stated he planned to attend.

Council Member Stearns noted the League of California Cities annual conference was being held in Sacramento this year and he stated the hope that all three of the new Council Members would be able to attend.

Council Member Stearns stated that April 24th is the next Legislative Action Day for the League of Cities in Sacramento and he stated he was unable to attend but if there were another Council Member who might be able to attend he has the flier for that event.

At the hour of 9:03 p.m. Mayor Moore adjourned the meeting to Closed Session; reconvened at the hour of 9:06 p.m.

17. Closed Session

- a. Liability Claims – Pursuant to Government Code §54956.95 - 1 Case
Claimant – 1) Jamie Wright

Agency claimed against: City of Mt. Shasta

City Manager Marconi reported that Council had held discussion regarding the claim submitted by Jamie A. Wright and direction was given to staff and no final action was taken.

18. Adjourn

There being no further business before the Council, the meeting was adjourned at the hour of 9:07 p.m. to the next Regular City Council Meeting to be held on Monday, May 13, 2013 at 6:30 p.m.

Respectfully Submitted,

Sandra K. Studer

Sandra K. Studer, Deputy City Clerk
For John E. Kennedy Sr., City Clerk