

**CITY OF NEVADA CITY
CITY MANAGER'S REPORT
March 24, 2010**

To: Honorable City Council

From: Gene Albaugh, City Manager

- **Please stop and take a look at the wonderful art display in the lobby created by the 2nd grade class of Mrs. Broz' at the Nevada City Elementary School.**
- **Snow Falling on Cedars is now playing at the Nevada Theatre. Very professional and a fine expression of the many emotions of that time period. We were extremely satisfied with the performance and recommend it. The Assistant Stage Manager looked familiar.**
- **Staff has made an appointment to meet with the interim Nevada County Treasurer-Tax Collector to discuss the renewal of the Tax Revenue Anticipation Note (TRAN). Current TRAN comes due on June 30th and the renewal date would be July 1, 2010.**
- **CalTrans is holding an open house on Thursday, April 1st updating the public on progress of the Highway 49 and La Barr Meadows Improvement Project. The location and time of the open house is the Foothill Community Church from 3:00 – 7:00 p.m.**
- **This past Monday, one of our employees completed 15 years with the City. Senior Clerk and Deputy City Clerk, Corey Shaver, is that dedicated employee.**

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**CITY OF NEVADA CITY
DRAFT SUMMARY MINUTES
CITY COUNCIL MEETING OF MARCH 10, 2010**

NOTE: This meeting is available to view on the City's website www.cityofnevadacity.gov – Go to Quick Links and Click on Agendas & Minutes and find the Archived Videos in the middle of the screen. Select the meeting date and Click on Video to watch the meeting. The agenda listed directly below the video screen has bullet points which you can select to get to a specific agenda item. Click on the desired agenda item which will enable you view the meeting from that point forward. Please contact Deputy City Clerk, Corey Shaver for websites assistance (530) 265-2496, ext 133.

- City Council Meetings are available on DVD. To order, Contact City Hall - cost is \$15.00 per DVD.
- Closed Session Meetings are not recorded.

Regular meeting called to order at 6:30 p.m.

ROLL CALL

Present: Councilmembers Harris, Coffman, McKay, Mayor Senum
Absent: Vice Mayor Bergman

PLEDGE OF ALLEGIANCE

PRESENTATION:

None

BUSINESS FROM THE FLOOR – PUBLIC COMMENT (Per Government Code Section 54954.3)
None

1. COUNCILMEMBERS REQUESTED ITEMS AND COMMITTEE REPORTS:

Councilmember Coffman

SedCorp Meeting – Main topic discussed was Geotourism. Nominations are being accepted for a historical sites to be featured on the Sierra Business Council website promoting areas to visit; August is the cut-off to submit applications. The City should contact other cities and Chamber of Commerce's, put a committee together and review criteria to meet the qualifications. It was suggested that the Historical Society be the lead agency in putting together historical sites along a variety of organizations (e.g. SYRCL, A.P.P.L.E., Arts Council, Historical Society, etc.) to come together and submit application. The City would need to adopt a resolution to be on their website for Geotourism. She indicated that El Dorado County is already listed.

- Councilmember Harris suggested that since the City Manager is a board member on the Chamber of Commerce that he could take the lead and spearhead to create a packet.
- Mayor Senum asked if the Sierra Business Council could come to a council meeting for a presentation.

Direction: City Manager, Albaugh to contact El Dorado County to see what approached they took to qualify.

Councilmember Harris

- The Google 95959 committee will have its rally Sunday March 14th. Everyone will meet at Robinson Plaza and march up Broad Street for the production of a video that's required to submit along with the application. The march will end at the Miner's Foundry for a pot-luck party.

Councilmember McKay

- Park & Recreation Committee – Committee items are on tonight's agenda and will be discuss at that time.

Mayor Senum

- The four-hour workshop on March 8th for sustainability facilitated by Darin Dinsmore & Associates to help create a measurable vision for the community was lively and electric with approximately 60 participants. A second workshop is scheduled on March 23rd but the time has changed to begin at 6:00 p.m. in the Beryl P. Robinson, Jr. Room at City Hall.

2. CONSENT ITEMS:

- A. Police Department Activity Report for February 2010.
- B. Approval of Accounts Payable for February 2010.
- C. Year End Report on 2009 Planning Commission Activity
- D. Resolution No. 2010-12 Authorizing the City Manager to Execute an Agreement with Smith & Newell, Certified Public Accountants, Audits of Fiscal Year Ending June 30, 2010 (\$20,400) and for Fiscal Year Ending June 30, 2011 (\$21,300).
- E. Resolution No. 2010-XX Approving the Amended Memorandum of Understanding Wherein the Sierra Fund has Assumed the Fiscal and Administrative Role that was Formerly with the Friends of Deer Creek on the Tribute Trail Project.

Councilmember Harris requested Item D be pulled for discussion.

City Manager, Gene Albaugh requested Item E be pulled off Consent for a further meeting due to incompleteness.

Action: Motion by Coffman, seconded by Harris to approve Consent Items A, B, C.
(Approved 5 – 0)

- Councilmember Harris asked the City Manager how much longer will the City be using Smith & Newell. The City Manager responded that it was typical for the same audit firm to be used for a five year period.

Action: Motion by Coffman, seconded by Harris to approve Consent Item D.
(Approved 5 – 0)

3. APPROVAL OF MINUTES:

- A. Regular City Council Meeting Minutes for March 10, 2010.

Action: Motion by Coffman, seconded by Harris to approve Regular City Council Minutes for February 24, 2010
(Approved 5 – 0)

4. DEPARTMENT REQUESTED ACTION ITEMS AND UPDATE REPORTS:

Administration & Finance

Subject: Strategic Plan Update

Action: Reviewed & Filed as amended.

Administration & Finance

Subject: Review Three Year Revenue and Expenditure Projections for the General Fund, Water System Fund and Wastewater System Fund – C. Andes

Catrina Andes, Finance Director, began a power-point presentation, however the entire presentation was not completed at this meeting due to its length and councilmember's had an opportunity to preview the hard copy included in their packet. Hard copies of the power-point presentation of the Three Year Projection are available upon request at City Hall.

City Manager, Albaugh stated that the Transient Occupancy Tax has declined due to the Northern Queen reducing rooms and a recent Bed & Breakfast went out of business. It will be a problem regarding future revenues; bed & breakfasts are not allowed in Residential Zoning due to a moratorium passed by the voters but are allowed in General Business Zoning.

- Councilmember Coffman asked if it was necessary to review each slide since council has read it?
- Katrina Andes responded that she realizes it is a lot of information but in summary she kept consistent in all budgets with liability and operations projections at 3% and 5% in services in all departments other than CalPERS projection could be 68% over a four year period.
- Councilmember Harris suggested talking in summary about the projections and give direction. Requested clarification on the City Hall remodel loan; she thought it would be fully amortized in the next 2-3 years.
- Katrina Andes responded will verify and report back to the Council.

- Councilmember Harris stated there are raises in here that are not a part of the employee MOU's and if PERS costs of 68% were to be the revenue scenario, what would you be bringing to the Council as we go through budgets?
- City Manager, Albaugh replied – These are all estimates at this time and the reality is we would have to make significant cuts if things don't improve. However, in years two and three, employees are on salary steps (6 months steps) until they reach their top step with about 50% of the employees currently on steps; not part of MOU's. He indicated that with the upcoming events he's optimistic things will change direction on where we're going. If sales tax begins to level out or increase the City will be in a better position. Revenue opportunities are very limited in Nevada City. To the staff and City Council's credit, we saw this coming and our financial position is better than some of our neighboring cities.
- Councilmember Harris indicated that this is a good three year projection and suggested that we need to build reserves. Suggested to discuss PERS at budget cycle and wait to see if the 68% increase is real.
- Councilmember Coffman suggested having a PERS representative attend a Tri-Cities/County meeting.

Direction: Catrina Andes to follow up on the next scheduled Tri-Cities/County meeting and to see if a PERS representative could attend; Council to go into more details on PERS during the budget cycle.

- Councilmember Harris indicated that the water has a significantly larger rate increase assumption in these projections and we need to get to parity. Once data is received from usage study, Council to look at an increase in the water portion of the bill and leave sewer charge alone. The water portion of the bill is one-third impact on the overall bill. During these economic times we don't want to be increasing things too much.
- Councilmember Coffman agreed adding to structure the rates to usage. Those that are excessive users pay for that use and for the conscientious user a benefit – Incremental water rates.

Direction: Gene Albaugh, City Manager will present an incremental water rate fee study to Council in June or July.

City Planner

Subject: Status Report of R-3 Multi-Family Zoning, Consistent with Recently Adopted Housing Element – Cindy Siegfried, City Planner
Cindy Siegfried, City Planner read the staff report included in the packet.

Action: This was informational only; received report and filed.

Parks & Recreation

Subject: Hirschman's Pond Vision and Planning Study – D. Zydonis, Park & Rec Supervisor
Dawn Zydonis, Park & Recreation Supervisor provided a power-point presentation to consider adopting Resolution No. 2010-13, the Vision for Hirschman's Pond and accept the Planning Study. The Park & Recreation Committee has a goal of creating a Master Plan for the Hirschman's Pond property and referred to the Final Draft included in the packet.

- Councilmember McKay stated the management plan is a smart thing to have.
- Councilmember Harris commended the committee for a job well-done on the plan, loving the passive recreation vision; has concerns with the bathrooms and bike racks that these facilities might become an attraction which is not what we want and the maintenance required. Proper signage at the trailhead is important.
- Councilmember Coffman agrees with the attraction; and concerned of liability issues associated with the bathrooms, bike racks, parking and the dock at the pond; limit parking to two ADA spaces.
- Councilmember McKay has concerns for the renter's perception of visitors being intrusive.
- Mayor Senum stated concerns for the up-keep and people living in the restrooms.

Action: Motion by McKay, seconded by Coffman to Adopt Resolution 2010-13 Vision for Hirschman's Pond. Accept the planning study as amended – Remove bathrooms and meeting space. Dawn to review the grant regarding the parking spaces.
(Approved 5 – 0)

Parks & Recreation

Subject: Consider Resolution 2010-14 Adopting 2010 Fee Schedules for Swimming Pool and 2011 Facility Rentals – D. Zydonis, Park & Rec Supervisor
Dawn Zydonis, Park & Recreation Supervisor referred to the fee schedules included in the packet.

Action: Motion by McKay, seconded by Harris to adopt Resolution-14 2010 Adopting the Parks & Recreation Fee Schedule for 2010 and 2011.

Public Works/City Engineer

Subject: Consider Action and Work Plan for Measure S Street Overlay and Related Water/Sewer Improvement for 2010. – B. Falconi, City Engineer

Action: This item pulled from Agenda

PUBLIC HEARINGS

None

5. OLD BUSINESS:

None

6. NEW BUSINESS:

Subject: Consider Resolution NO. 2010-15 Approving a Plan to Complete the Funding for a Partially Grant Funded (\$175,000) Fire Engine Costing \$325,000 – S. Goodspeed – Fire Chief
Sam Goodspeed, Fire Chief referred to the proposal included in the packet. The Fire Dept requested grant funding from the Dept of Homeland Security (DHS) for the replacement of our 27 year old Type III Fire Engine. DHS is able to fund \$175,000. We propose to fund the balance using \$125,000 from the fire department's cottage account and the remainder coming from the Firefighters Association. The fire department currently has four engines.

- Councilmember Harris asked how it is decided to use the four engines and what the City's needs are.
- Chief Goodspeed stated that the engines are for different uses. The engine proposed to purchase is a Type III which is used for wild land urban interface areas. Our needs are driven by the Insurance Service Office (ISO) based on fire department and water delivery system, size of area and ability to respond.
- Councilmember Coffman asked what the cottage account is.
- Chief Goodspeed stated that the cottage account is the rental property on Broad St; Good & Company is the current tenant. The monies in that account are rental revenues and reserves for maintenance to the cottage.
- Catrina Andes, Finance Director clarified that all revenue and expenditures for the cottage stay in that account and is not part of the general fund. It gets reported as an asset and it's purely a cash flow separate account that now gets reconciled which before the City's reorganization in 2006 it was not.
- Councilmember Harris asked if we could then reduce the fleet to just two trucks or are we going to have another request 2-3 years from now to replace another truck.
- Chief Goodspeed indicated that this new Type III truck could possibly replace two trucks but he'd have to check with the ISO in order to maintain our ISO rate and indicated that he will report back to the Council.
- Councilmember McKay stated that he doesn't see this being an issue being that it is grant money and fire department money and not affecting the general fund.

Action: Motion by Harris, seconded by McKay to adopt Resolution 2010-15 approving a plan to complete the funding for a partially grant funded (\$175,000) Fire Engine Costing \$325,000.
(Approved 5 – 0)

Subject: Review City of Nevada City Disaster Plan – Fire Chief Sam Goodspeed

Chief Goodspeed referred to the Disaster Plan included in the packet as a working document. It establishes an Incident Command System with fire and police, is in place and works in conjunction with the National Incident Management System.

- Councilmember Coffman stated that on page 8 of this document the Emergency Management Director is appointed by the City Manager which brings concern. The document is a living document and the City will not always have the same City Manager. This person that gets appointed should be identified within a scope of certain people with parameters in place.
- City Manager, Albaugh indicated there is a Multi-Hazard Mitigation Plan (204 pages) that was adopted in 2006 for the Nevada County that includes Nevada City and is on the County's website and covers every possible hazard this area could encounter at any given time. The Operations of Emergency Services would step in as lead upon a disaster.

- Councilmember McKay stated that he gets on the YubaNet website which provides up to the minute reporting for fires, etc.

Direction: Adopt the City of Nevada City Disaster Plan as a working document and direct City Attorney, Hal DeGraw to make sure there is consistency within our ordinances; Chief Goodspeed to look at a more defined version with positions/people and parameters of the Emergency Management Director; City Manager, Gene Albaugh to provide Council that element from the Multi-Hazard County Plan related to Nevada City.

Subject: Consider Resolution No. 2010-16 Authorizing the City Manager to Submit a Request to the Nevada County Transportation Commission for a Loan of \$180,000 for the Zion Street Safe Route to School Project From the Regional Surface Transportation Program (RSTP).

Subject: Consider Resolution No. 2010-17 Authorizing the City Manager to Submit a Request to the Nevada County Transportation Commission for a Loan of \$36,000 to Initiate Preliminary Engineering for Improved Pedestrian Facilities at Zion Street/Ridge Road Intersection Project from the Regional Surface Transportation Fund (RSTP).

Action: Motion by McKay, seconded by Harris to approve Resolution No. 2010-16 Authorizing the City Manager to Submit a Request to the Nevada County Transportation Commission for a Loan of \$180,000 for the Zion Street Safe Route to School Project From the Regional Surface Transportation Program (RSTP) and approve Resolution No. 2010-17 17 Authorizing the City Manager to Submit a Request to the Nevada County Transportation Commission for a Loan of \$36,000 to Initiate Preliminary Engineering for Improved Pedestrian Facilities at Zion Street/Ridge Road Intersection Project from the Regional Surface Transportation Fund (RSTP).

7. CORRESPONDENCE:

- A. Note from Kathleen Mills of 505 Sacramento Street. Thanking Public Works Director, Verne Taylor for work completed in front of her house.
- B. 27th National Night Out – August 3rd, Letter National Association form Town Watch.

Action: Received and filed.

8. ANNOUNCEMENTS

- Google 95959 rally on Sunday, March 14th at 1:00 p.m.
- Nevada City Resident Dan Alkin was a guest musician on David Letterman

9. CITY MANAGER'S REPORT

Action: Received and filed.

10. CLOSED SESSION:

None

11. ADJOURNMENT:

Action: Motion made by Harris, seconded by McKay to adjourn the meeting at 9:05 p.m.
(Approved 5 – 0)

Reinette Senum, Mayor

ATTEST:

Niel Locke, City Clerk

