

**MINUTES OF THE REGULAR MEETING OF THE CITY COUNCIL OF THE CITY OF
YREKA HELD IN SAID CITY ON FEBRUARY 16, 2021**

On the 16th day of February 2021, the City Council of the City of Yreka met in regular session, and upon roll call, the following were present: Deborah Baird, Joan Smith Freeman, Duane Kegg, Paul McCoy, and Corey Middleton. Absent - None.

1. Discussion/Possible Action - Consent Calendar:

Mayor Kegg announced that all matters listed under the consent calendar are considered routine and will be enacted by one motion unless any member of the Council wishes to remove an item for discussion or a member of the audience wishes to comment on an item:

The City Manager recommended approval of the following consent calendar items:

- a. Approval/ratification of payments issued from January 25, 2021 through February 7, 2021.
- b. Approval of Minutes of the meeting held February 2, 2021.
- c. Waive Full Text Reading of All Ordinances on the Agenda. Ordinances shall be introduced and adopted by title only.

Councilmember Freeman moved to approve the Consent Calendar as presented.

Councilmember Baird seconded the motion, and upon roll call, the following voted YEA: Baird, Freeman, Kegg, McCoy and Middleton.

2. City Treasurer's Report: Discussion/Possible Action – Approval of:

- a) **Cash Balances Report – December 31, 2020**
- b) **Quarterly Treasurer's Investment Report – 2nd Quarter Fiscal Year 2020/2021**
- c) **Budget of Revenue and Expenditures with Year to Date Actuals through December 31, 2020**
- d) **Fiscal Performance Report – December 31, 2020**

City Treasurer Rhetta Hogan presented information to the Council.

Following Council discussion, Councilmember McCoy moved to approve.

Councilmember Freeman seconded the motion, and upon roll call, the following voted YEA: Baird, Freeman, Kegg, McCoy and Middleton.

3. Discussion/Possible Action: Acceptance of the conditional offer from US Bank for lease financing of the Pierce Water Tender Fire Apparatus purchase and Authorize the execution of all necessary documents for such financing.

City Treasurer Rhetta Hogan presented information to the Council.

On January 21, 2021 the City Council approved the purchase of a Pierce Water Tender apparatus to be delivered June of 2021. At that time, staff had not met with the Finance committee to discuss options for financing.

February 4, 2021 staff met with the Finance Committee to discuss lease purchase options and review the competitive rates received pursuant to an informal request for quotes (RFQ). Quotes were received from USBank Leasing Division and Community Leasing Partners.

The City did not reach out to other local banks as the City had requested quotes from Mechanics Bank and TriCounties bank less than six months ago. Mechanics Bank does not currently offer municipal leases and the TriCounties bank's quote did not offer 100% financing nor were the rates competitive.

Of the two quotes received both were competitive. The informal request was to quote a 5-year lease term, 100% financing, and monthly installments.

- (a) Community Leasing Partners offered 100% financing 5-year lease monthly installments @ 2.62%
- (b) USBank offered 100%, 5-year lease monthly installments at 1.42% (and also offered a 4- year term @ 1.31%)

The Finance Committee unanimously recommended accepting the USBank offer 5-year lease terms.

During the budget cycle last summer, again at a workshop last fall, we discussed maintaining the City's liquidity by accreting Measure H - Fire Tax cash reserves for the Fire Station building project, should a suitable building site be found. In addition, there may be a cash match needed on planning activities of preliminary architectural design, environmental, and site location studies.

The City expects to apply for a \$250,000 planning grant, for these activities in April of 2021, however, it is unknown, yet the total costs relating to completion of the planning activities.

Following Council discussion, Councilmember Baird moved to approve Option B.

Councilmember Middleton seconded the motion, and upon roll call, the following voted AYE: Baird, Freeman, Kegg, McCoy and Middleton.

Mayor Kegg thereupon declared the motion carried.

4. Discussion/Possible Action: Adopt a Resolution Approving the Application for Statewide Park Development and Community Revitalization Program Grant Funds for the Yreka City Pool Project

Project Manager Arthur Boyd presented information to the Council.

In 2019, the City of Yreka applied for an \$8.5 million-dollar Statewide Park Development and Community Revitalization Program grant through the California Department of Parks and Recreation. The City did not receive the grant due to the highly competitive nature of the program.

New parks are more competitive under the program, which means the City of Yreka would need to create a new park in a location where there is no other park space, in a low-income area. An exploratory committee has reviewed the data citywide and determined that the property owned by the County on Foothill Drive would be the best location for this project.

On September 17th, 2020, this item was brought before the City Council for discussion and possible direction. At that time, Staff was directed to move forward with pursuit of the grant.

On October 15th 2020, Council approved a supplemental appropriation in the amount of \$15,000.00 for professional services to design schematics, preliminary site grading and site plans, all of which are necessary to complete the grant application.

This is the fourth and final round of the Statewide Park Program. The grant application deadline is March 12th, 2021. The City will be notified if their grant is funded some time in Summer 2021. Following Council discussion, Councilmember McCoy moved to approve.

Councilmember Freeman seconded the motion, and upon roll call, the following voted AYE: Baird, Freeman, Kegg, McCoy and Middleton.

Mayor Kegg thereupon declared the motion carried.

5. Discussion/ Possible Action to:

- a. Authority to enter into a professional services agreement with NCE to update the City of Yreka's Citywide Master Plan for Drainage.**
- b. Approve a \$60,000 Supplemental Budget Revision in Fiscal Year 2020-21 for the stormwater master plan of drainage update.**

Director of Public Works Matt Bray presented information to the Council.

At the recent workshop, staff presented the need to continue working on the stormwater master plan development. Public Work Director, Matt Bray and NCE Jason Drew presented the need to update the master plan for stormwater drainage. The tasks are expected to be completed in calendar year 2021 and will cross fiscal years. This is one of several steps needed for a comprehensive evaluating the capacity, capital needs, operating and maintenance costs, revenue initiatives for the stormwater system.

The supplemental appropriation for \$60,000 allows for public works to enter into a professional services agreement with NCE to update the Citywide Master Plan for Drainage. This includes obtaining tasks of reviewing existing geodatabase, hydraulic models, plans and project as-builts and updating those master plan from 2007.

Following Council discussion, Councilmember Freeman moved to approve as presented.

Councilmember McCoy seconded the motion, and upon roll call, the following voted AYE: Baird, Freeman, Kegg, McCoy and Middleton.

Mayor Kegg thereupon declared the motion carried.

- 6. Discussion/Possible Action: That the Yreka City Council authorize the City Manager to exercise the proposed contract addendum with Smith and Newell pursuant to the original agreement dated March 9, 2018, and approved April 17, 2018 for audit services.**

City Treasurer Rhetta Hogan presented information to the Council.

The Finance committee met on February 4, 2021, to discuss continuation of the audit services agreement with Smith and Newell pursuant to the terms for the optional 2-year contract extension as allowed for in the request for proposal for auditing services dated March 9, 2018. The contract addendum would cover audit services for the fiscal years of 2020-21 and 2021-22.

The committee members (Steve Baker, Joan Smith Freeman, Paul McCoy) met and recommended continuing the audit services agreement for two additional years. However, it was noted that the City will go out and solicit audit firm proposals after the two-year extension. Councilmember Freeman discussed the Sarbanes-Oxley Act's that mandates that the lead partner in an audit firm rotate off an audit project every five years. And though non-profits, governments and municipalities are not subject to the Act, staff member Hogan said at minimum, the audit firm should rotate the audit managers every five years (an AICPA recommendation).

All agreed a request for proposals would be issued in Spring/Summer of 2022, for the audit year beginning July 1, 2022.

Following Council discussion, Councilmember Baird moved to approve.

Councilmember Middleton seconded the motion, and upon roll call, the following voted AYE: Baird, Freeman, Kegg, McCoy and Middleton.

Mayor Kegg thereupon declared the motion carried.

7. Discussion and Possible Action: Continue Coronavirus Procedures regarding Accepting Reservations and Holding Events within the Yreka Community Theater and Yreka Community Center

City Manager Steven Baker presented information to the Council. At the recent workshop, staff was asked to address the corona virus procedures that included the suspension of new reservations at the Yreka Community Theater and Yreka Community Center. Currently the City is not accepting reservations and has cancelled existing reservations at both facilities. This began in late spring as the restrictions due to the coronavirus were implemented.

Madrone Hospice is continuing to prepare meals for seniors at the Community Center on a to go basis (i.e. no inside dining).

In addition, the City has learned that Madrone Hospice staff is working on a plan to coordinate with Public Health to utilize the facility as a safe vaccination location during their reserved lease hours (weekdays). Madrone is particularly concerned about any use of the building include very strict sanitation procedures to prevent spread of the virus to their vulnerable populations.

Staff has consulted the COVID19.ca.gov site for guidance on the use of the two facilities. Excerpts from their website are attached. The closest analogy for the Community Theater appears to be movie theaters or gatherings for musical, theatrical and artistic performances. Since at the time that this memo is being written, Siskiyou County is in the highest (purple) tier, attendance in movie theaters or gatherings for musical, theatrical and artistic performances are prohibited. Should the county go to one of the lower levels, gatherings could be permitted subject to social distancing guidelines as well

as attendance restrictions. Such events could then be approved by the local health authority who are required to give notice to the state.

The community center is a different venue (i.e. no fixed seating), but essentially is subject to the same guidelines as musical gatherings.

At this time, staff would recommend that the City continue to not book reservations until the County has advanced to one of the lower tiers. Potential users of the facilities could be instructed to contact the city at that time.

Following Council discussion, Mayor Kegg moved to approve.

Councilmember Freeman seconded the motion, and upon roll call, the following voted AYE: Baird, Freeman, Kegg, Middleton. The following voted NAY: McCoy.

Mayor Kegg thereupon declared the motion carried.

8. Discussion/Possible Action: Continuation of Urgency Ordinance #855

Following Council discussion, Councilmember Freeman moved to approve.

Councilmember Baird seconded the motion, and upon roll call, the following voted AYE: Baird, Freeman, Kegg, McCoy and Middleton.

Mayor Kegg thereupon declared the motion carried.

City Manager/Staff Reports

The City Manager and City Staff made brief announcements and reports.

Council Statements and Requests:

Councilmembers reported on various community events and meetings attended.

CLOSED SESSION:

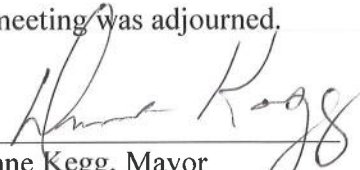
There were no items to discuss and no closed session was held.

ADJOURNMENT:

There being no further business before the Council the meeting was adjourned.

Attest:


Arthur Boyd, City Clerk


Duane Kegg, Mayor
Minutes approved by Council,
Motion February 16, 2021