

**PORTOLA CITY COUNCIL  
REGULAR MEETING  
FEBRUARY 8, 2012  
7:00 P.M.**

**CALL TO ORDER**

Mayor Mark called the meeting to order at 7:00 p.m. and led the pledge of allegiance.

**ROLL CALL**

Councilmembers Wilson, McBride, Weaver, Mayor Pro Tem Larrieu and Mayor Mark responded to the roll call. City Manager/City Clerk Leslie Tigan, City Attorney Steve Gross, and Finance Officer Susan Scarlett were also in attendance.

**PUBLIC COMMENT**

**Lake Davis Water Treatment Plant**

Portola resident BJ Pearson explained that he is still confused about the cost of the Lake Davis Treatment Plant even after being provided with a list of funding from City staff. He noted that at a Plumas County Board of Supervisors meeting in November 2007 it was stated that 2.5 million was spent before the contract was in place; he also asked if City staff time was included in the figures.

Portola resident Mike Rush asked if the treatment plant is 3 million gallons per day.

**Community Meeting**

Portola resident Jeanne Rowden-Dansby invited everyone to attend a community meeting on Thursday night at the Hospital Education room, she distributed a flyer.

**Street Inspection**

Portola resident Joe Moctezuma questioned who from Plumas County was inspecting City streets.

**Funding for loan to Plumas County**

Portola resident Larry Douglas questioned where the county loan money had come from.

**PRESENTATION**

A. **Plumas Crisis Intervention and Resource Center (PCIRC)**

Dennis Thibeault gave a presentation on the services provided by PCIRC and outlined an opportunity for the City and PCIRC to work together on a grant application to provide funding

**CITY COMMUNICATIONS**

**LAFCo** – Mr. Larrieu reported that they were still discussing Quincy, East Quincy and American Valley Community Service Districts possible consolidation.

**Transportation Commission** – Mr. Wilson reported that the STIP allocation grew by 15%.

**SCORE** – Ms. Tigan reported that SCORE had received the Accreditation with Excellence designation from the California Association of Joint Powers Authorities, the audit had been completed with the only comment being a typo in a policy, and they unveiled a new web site and were exploring the possibility of providing the Lexipol Fire Policy Manual to members.

Mayor Mark – Ms. Mark thanked Sierratown Productions and City staff for installing speakers in the Chamber, thanked City staff for their hard work and thanked everyone for attending the meeting.

## **CITY MANAGER'S REPORT**

Ms. Tigan reported on the following; the resignation of Pool Manager Jo Russell; a meeting with the Beckwourth Fire Department and funding for the Lake Davis treatment plant.

## **CONSENT CALENDAR**

It was moved by Councilmember Weaver seconded by Councilmember McBride to approve the consent calendar as presented. All members present voted in favor.

- A. Minutes – Adopted the minutes of the regular meeting held on January 25, 2012.
- B. Claims – Adopted Resolution No. 2114 authorizing payment of claims for the period January 21, 2012 to February 3, 2012.

Accounts Payable:	\$ 54,794.24
Payroll:	\$ 27,571.30
Total:	\$ 82,365.54

## **ORDER OF BUSINESS**

- A. Sustainable Communities Planning Grant

Planner Karen Downs reviewed her report regarding an application for grant funds for a project consisting of a climate action plan, zoning ordinance update and a community plan for joint planning with Plumas County in the Delleker area. The grant application was being filed jointly with Plumas County and the Board of Supervisors had approved a resolution approving the application.

After a brief discussion it was moved by Councilmember Weaver, seconded by Councilmember McBride to adopt Resolution No. 2115. All members present voted in favor.

### *Resolution No. 2115*

*A Resolution of the City Council of the City of Portola  
Approving an Application for Grant Funds for the Rural Planning Leadership  
Initiative Project under the Safe Drinking Water, Water Quality and Supply,  
Flood Control, River and Coastal Protection Bond Act of 2006 (Proposition 84)*

- B. Temporary Water Rate Adjustment

Mayor Mark stated the resolution being proposed was not brought forward because it is what any one Councilmember wants; it is for the citizens and is what they want. She requested for the other Councilmembers to do the right thing.

Mayor Pro Tem Larrieu questioned what the financial impact would be if the resolution was adopted.

City Manager Leslie Tigan explained that in the same time period last year the water usage amounted to \$64,528.80, if more water was used during the four month period the cost would be higher.

Portola resident Fran Roudebush noted that in conflict resolution this is known as a BATNA, the best alternative to a negotiated agreement.

Councilmember Wilson suggested the resolution should be considered following the recall election.

Portola resident Lori White explained that she felt if the resolution was approved they would just be “kicking the can down the road”, the rates need to be increased. She also suggested that the

Mayor had her mind made up and would not listen to the other side. Ms. White noted that customers should pay their fair share.

Portola resident Jeanne Dansby stated that she is paying her fair share.

Portola resident Randy Mark noted that this will be a period when usage is low and will give the community time to find other options.

Portola resident BJ Pearson suggested they should look at Loyaltown who had raised sewer rates and were unable to collect, “you can’t get blood out of a turnip.”

Mr. Larrieu questioned why the resolution would help if they were going to study the issue anyway.

Mr. Mark asked the Councilmembers if they knew they were going to be voting on the rate increases when it was on the agenda.

City Attorney Steve Gross responded to a question posed at the last Council meeting regarding the legality of charging rates with costs from Lake Davis water when it isn’t being used. He stated that he had reviewed the issue and confirmed the City was acting within the law.

City Manager Leslie Tigan reminded the City Council that if the general fund provides repayment to the water fund the water use of customers outside the City would be subsidized by the general fund.

Finance Officer Susan Scarlett noted that she had discussed the proposed resolution with the City Auditor who stated that the Council could authorize payment of the water use from the general fund but would not expect to see repeated subsidies of the water fund by the general fund.

After further discussion it was moved by Councilmember Weaver, seconded by Mayor Mark to adopt Resolution No. 2116.

Mayor Pro Tem Larrieu stated that he did not want to spend general fund money on this since he feels the end result will be a finding that the new rates should remain in place but if this will help to calm the issue he can live with it for four months.

Councilmember Weaver, Mayor Pro Tem Larrieu and Mayor Mark voted in favor of the adoption of Resolution No. 2116. Councilmembers McBride and Wilson voted against.

***Resolution No. 2116***

***A Resolution of the City Council of the City of Portola  
Authorizing a Discontinuation of the Water Utility  
Consumption Rate for a Four Month Period Commencing with the  
Billing for Monthly Usage in February 2012 and  
Ending with the Billing for Monthly Usage in May 2012***

C. Coffee Klatch Visitations

The Council scheduled the following Coffee Klatch Visitations:

February 25, 2012	Coffee Tree Express	Weaver/Mark	9am
March 31, 2012	Nichole’s Coffee Stop	Mark/Wilson	9am
April 28, 2012	Red & White	Larrieu/Weaver	9am

D. 2010/2011 Fiscal Year Audit

Finance Officer Susan Scarlett presented the 2010/2011 Audit to the City Council. She explained that there were no management comments provided by the auditor. Ms. Scarlett outlined highlights of the City’s financial situation and responded to questions from the City Council and public.

**CLOSED SESSION**

Mayor Mark recessed the meeting to closed session at 8:49 p.m.

- A. Existing Litigation – Pursuant to Government Code Section 54956.9  
Claim of Philadelphia Insurance Companies

The meeting was reconvened to open session at 8:55 p.m.

**REPORT FROM CLOSED SESSION**

City Attorney Steve Gross reported that by unanimous vote of the City Council the claim of Philadelphia Insurance Companies had been rejected.

**ADJOURNMENT**

There being no further business it was moved by Councilmember Weaver, seconded by Mayor Pro Tem Larrieu to adjourn the meeting at 8:56 p.m. All members present voted in favor.

Leslie Tigan, CMC  
City Clerk