

**PORTOLA CITY COUNCIL  
MEETING MINUTES  
August 9th, 2017  
6:00 p.m.**

**1. CALL TO ORDER**

Mayor Morton called the meeting to order at 6:00 pm.

**2. PEDGE OF ALLEGIANCE**

Mayor Morton led the Council in a moment of silence and then led the Council in the reciting of the pledge of allegiance.

**3. ROLL CALL**

Councilmember Oels, Powers, Mayor Pro tem Cooley and Mayor Pro Tem Morton were present. City Manager Robert Meacher, Finance Officer Susan Scarlett, City Attorney Steve Gross and City Clerk Melissa Klundby were also in attendance.

**4. PUBLIC COMMENT**

Larry Douglas made general public comment regarding the need to complete an annual report of the General Plan, the 2010 goals set by the City Council and the development agreement with “Woodbridge”.

**5. CITY COMMUNICATIONS**

**A. City Council/Committee Reports**

Councilmember Powers reported he had attended the Plumas County public forum regarding Marijuana Ordinances in the County.

Councilmember Oels reported he had attended the Plumas County public forum regarding Marijuana Ordinances in the County, worked on Fire Safe fuels reduction and the swing set raffle prize.

Mayor Pro tem Cooley reported that he had also attended the Plumas County public forum regarding Marijuana Ordinances in the County; as well as several Finance and Administration committee meetings regarding personnel policy updates.

Mayor Morton reported that also attended the Plumas County public forum regarding Marijuana Ordinances in the County; as well as several Fiance and Administration committee meetings regarding personnel policy updates and several Railroad Days Committee meetings.

**B. City Manager Report**

City Manager Meacher reported that he had met with representatives regarding State Parks OHV grants, attended several committee meetings regarding the placement of a mural on Commercial Street and had a very successful meeting with the Technical Assistance program coordinator to initiate grants and technical assistance funding for City wide sewer and water infrastructure grants. Mr. Meacher also reported that the City had received a successful annual inspection, by the state, of the closed landfill.

**C. Staff Communications**

None

**6. CONSENT CALENDAR**

A. **Minutes** – Adopt the minutes of the City Council regular meeting held on July 26, 2017.

- B. **Claims** – Adopt Resolution No. 2327 authorizing payment of claims for the period of July 22, 2017 through August 4, 2017.

Finding no public or Council comment, Councilmember Powers made a motion to adopt the minutes of the City Council meeting held on July 26, 2017 and Resolution No. 2327 authorizing payment of claims for the period of July 22, 2017 through August 4, 2017. Councilmember Oels seconded the motion and it was unanimously approved through a roll call vote.

## 7. PRESENTATIONS

None

## 8. ORDER OF BUSINESS

- A. **Finance and Administrative Committee Report** – Report from the Finance and Administrative Committee regarding interview and selection process for appointment to the vacant City Council seat.

Mayor Morton presented the Council with the recommendation from the Finance and Administration Committee regarding the interview and selection process for appointment to the vacant City Council seat.

Mayor Morton asked for public comment and Larry Douglas asked if members of the public would be given a chance to ask the candidates questions. Mayor Morton responded that was not part of the suggested interview process, however there would be a public comment period.

Finding no further comment Mayor Pro Tem Cooley made a motion to approve the below selection/interview process:

- All of the interested parties who have submitted letters of interest will be asked to leave the meeting room while other candidates are being asked the questions by the Council. If candidates choose they may remain in the Council chambers after addressing the Council.
- After the candidates have been asked to leave the chambers the Council will review and agree upon the questions to be asked. This process will result in each candidate having an equal amount of time to review the questions.
- Each Candidate will be randomly selected to address the Council.
- Each Candidate will be given questions to review while the Council reads their submitted letter of interest.
- After the Mayor has read aloud the submitted letter of interest each Candidate will receive a total of 5 minutes to address the Council and answer all the questions presented. Mayor Pro tem Cooley will time the candidates and notify them when 5 minutes have expired.

Councilmember Powers seconded the motion and it was unanimously approved.

- B. **City Council Vacancy** – Review letters of interest and pose questions to individuals who have submitted a letter of interest to be considered for appointment to the vacant City Council seat. Consider an appointment to fill the vacant seat on the City Council for a term that expires in November 2018. Discussion, possible action.

Mayor Morton randomly drew names of the attending interested individuals, who had submitted a letter of interest to be considered for appointment to the vacant City Council seat and asked each candidate the following three questions within the parameters agreed upon by the Council:

- 1) Briefly describe your interest in serving on the Portola City Council

- 2) Briefly describe some priorities you think the City Council should address for the City of Portola
- 3) Please make a brief closing statement

The interested candidates were interviewed in the following order:

Debra Reynolds  
Mike Rush  
Bill Adamson  
BJ Pearson

City Clerk, Melissa Klundby noted that Angela Hagman was not able to attend and was therefore unable to be interviewed and considered.

Following the interviews Mayor Moron asked for public comment. Terri Woods asked Debra Reynolds if she had attended any City Council meeting and Mrs. Reynolds replied that she has not attended any since graduating high school.

Michael Schoff stated that he supports the selection of BJ Pearson because he liked his comments regarding the Portola Highlands Development. Mr. Pearson responded that he may not be so favorable after he heard his ideas regarding the development.

Larry Douglas commented that he respected all of the interested candidates but that he endorsed BJ Pearson.

Bob Morton commented that he supports BJ Pearson.

Susan Wilson commented that she has lived in this community for the past 13 years and encouraged everyone to recognize the positive changes currently happening in this community.

Councilmember Powers reported that he appreciates all of the former City Councilmembers interested in the vacant position but noted that he would like to see a fresh perspective on the City Council and noted his support of candidate Debra Reynolds.

Councilmember Oels noted he would like to see the vacant seat filled by someone who will help with economic development and stated his support of candidate BJ Pearson.

Mayor Pro Tem Cooley commented that this will be a very difficult decision by the City Council and noted his appreciation for the wealth of experience candidates Adamson, Pearson and Rush have. Mayor Pro Tem Cooley then commented that he would also like a younger perspective on the City Council and noted his support for candidate Reynolds. Mayor Pro Tem Colley also encouraged any candidate who was not selected to use this opportunity to maintain involvement with the City Council and the community.

Finding no further comment Councilmember Powers nominated Debra Reynold to fill the vacant Council seat for a term to expire in November of 2018. Mayor Pro Tem Cooley seconded the motion and it was approved during a roll call vote, with Councilmember Oels voting; no.

City Clerk Melissa Klundby administered the Oath of Office to newly selected Councilmember Debra Reynold, who took her seat at the dais.

- C. **Public Hearing- Portola 192 Development Agreement Annual Review**– Receive public comment and consider approval of the annual report on the status of the Portola 192 Development Agreement. Receive public comment, discussion, possible action and/or direction to staff.

Mayor Morton opened the public hearing and City Attorney Steve Gross gave the staff report and explained that the purpose of public hearing was to meet procedural requirement of the Development Agreement for Portola 192, which requires an annual report on the status of the Portola 192 Development Agreement and progress by the developer. Mr. Gross briefly reviewed general information relating to the purpose of development agreements and noted that following a status update from representatives for the Portola 192 project the Council should make one of the following finding:

**Approve** of the annual review as complete; affirming that it demonstrates good faith compliance with the terms and conditions of the Agreement in accordance with the requirements of California Government Code Section 65865.1.

**Continue** any action to approve the annual review, and seek additional information from either the developer or City staff to further address whether or not there has been a good faith effort to comply with the terms and conditions of the Agreement in accordance with applicable rules and statutes.

**Reject** the annual review for the development citing specific deficiencies that exist between the progress made by the developer and the provisions of the Agreement. Ask the City Attorney to identify the legal remedies that may exist to resolve the deficiencies per the Agreement.

John Hodgson, representative for the Portola 192 project then outlined the status of the progress of the project. Mr. Hodgson reported that since the annual review last year the project has remained current on its loan with the Roseville Bank of Commerce, revised the phasing of the project and re-engineered the first phase of the project to lower initial infrastructure costs, prepared an updated preliminary cost estimate which they are now using to discuss with prospective homebuilder groups in the Reno and Sacramento area and evaluated the availability of construction labor to build the homes.

Mr. Hodgson also reported that he has met and conferred with City officials on the status of the project and met with representatives of the Western Pacific Railroad Museum, who are interested in potentially extending their rail line onto the property.

Councilmember Oels asked if the project was still anticipated to use wells or if they would be hooking to the City of Portola water infrastructure. City Manager Robert Meacher reported that when the development agreement was initially entered into the City did not have the water capacity, but that the City currently does and this issue will be re-examined.

Councilmember Powers wondering if the development was looking at changes to the phasing of the project and Mayor Pro Tem Cooley questioned if the developer was currently looking to change the infrastructure Master Plan. Mr. Hodgson responded that they are exploring the use of septic systems.

Following further discussion, Mayor Morton asked for public comment and Dave and Shari Rudolph, residents neighboring the property, raised concerns over use of wells to supply water to the development, noting that their wells were adversely affected during testing. The Rudolph's also raised concerns over fuel reduction needs on site.

Michael Schoff, developer for the Portola Highlands project objected to the Council and staff allowing changes in the Development Agreement.

Mayor Morton closed public comment and Councilmember Oels made a motion to continue the development agreement until the Developer had the opportunity to determine the water and wastewater infrastructure plans and complete fuels reduction. Councilmember Reynolds seconded the motion, noting she would like the annual review continued so that she may get more information on the project. Mayor Pro tem Cooley noted that it was unrealistic to continue the approval of the annual review based upon these items and Councilmember Oels asked if he could withdraw his motion. Councilmember Reynolds did not withdraw her second to continue the annual review, and the Council voted on the motion to continue. The motion failed with four no votes; Councilmember Reynolds abstained.

City Attorney Steve Gross reminded the Council that the purpose of this public hearing was not to determine the merits of the development agreement or to negotiate change to that agreement, it was simply to determine that the developer has or has not shown good faith in moving forward with the agreement.

John Hodgson thanked staff for their cooperative effort in working with him on the Portola 192 project and noted that staff has been extremely responsive and helpful. Mr. Hodgson also noted that he believes the success of this working relationship is his company's commitment to dotting every "I" and crossing every "T" in terms of the Portola 192 Development agreement. Mr. Hodgson also stated that he will commit to reducing the fuels problem at the site immediately.

Mayor Morton closed the Public Hearing and Mayor pro tem Cooley made a motion to approve the annual report on the status of the Portola 192 Development Agreement and directed staff to prioritize working on the Portola 192 project. Councilmember Oels seconded the motion and it was approved; 4 yes votes, with Councilmember Reynolds abstaining.

- D. **Ad Hoc Committee Report** - Report from Ad Hoc committee designated by the Mayor to work with Big Fish Creations for coordination of scope of work. Discussion of marketing goals and direction for Big Fish Creations. Discussion and/or possible action to Ad Hoc Committee and/or staff.

This agenda item was continued to the next regular meeting.

- E. **Medical/Recreational Marijuana/Cannabis**-Review and discuss issues relating to medical and recreational marijuana/cannabis in the City of Portola City limits. Discussion and/or possible action.

This agenda item was continued to the next regular meeting.

## 9. CLOSED SESSION

- A. **Existing Litigation** - Pursuant to Government Code Section 54956.9(d)(1), City of Portola vs. State of California Department of Fish & Game, Case No. CV09-00065.

There was no reportable action from the closed session

## 10. MEETING ADJOURNED IN MEMORY OF JOHN LARRIEU

The meeting was adjourned at 8:11 pm.

Respectfully Submitted,

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Melissa Klundby, City Clerk