

**CITY COUNCIL
CITY OF SONORA
JUNE 25, 2018**

A Special Meeting of the City Council of the City of Sonora was held this date in the Council Chambers at City Hall, 94 North Washington Street, at 5:00 p.m. The following members were present: Mayor Connie Williams, Mayor Pro-Tem Jim Garaventa, Councilmembers Matt Hawkins, Mark Plummer, George Segarini; City Administrator Tim Miller, City Clerk Marijane Cassinetta, City Attorney Embert Madison, Fire Chief Aimee New, Police Chief Turu VanderWiel, Community Development Director Rachelle Kellogg. Absent: Interim Engineer Gerard Fuccillo.

CITY CLERK'S REPORT ON POSTING OF AGENDA

City Clerk Cassinetta advised Council that at Noon on the 22nd day of June, 2018, the Agenda for the City of Sonora Council Meeting scheduled for this date was posted outside City Hall for public view.

APPROVAL OF THE AGENDA

No changes.

PRESENTATIONS

None

PUBLIC COMMENT

Leeta Nutting commented that she is very concerned about the children because there is not enough money in the City Budget nor does it appear there are grant monies available at this time to fund the School Resource Officer position. She volunteered to raise the monies to fund the position saying that she knows many people who will gladly donate to this cause.

CONSENT CALENDAR

No Items, no action necessary.

UNFINISHED BUSINESS

None

PUBLIC HEARINGS

None

NEW BUSINESS

Resolution No. 06-25-2018-A Establishing FY 2018/19 Gann Appropriation Limit. The Council considered adoption of Resolution No. 06-25-2018-A which establishes the Gann Appropriation Limit for Fiscal Year 2018/19. Recommending approval, Administrator Miller reviewed background information. Miller noted that the City may

either select the percentage change in California per capita personal income or the percentage change in the local assessment role due to the addition of local non-resident new construction; the Resolution provides for the City's election to use the change in California per capita income of 3.5%.

There was no public comment. **MOTION by Councilmember Segarini, second by Councilmember Plummer, and unanimously carried that said Resolution be approved and adopted as presented.**

Fiscal Year 2018/2019 Budget. Recommending approval, Administrator Miller gave the final Operating Budget presentation for FY 2019 covering the period July 1, 2018 through June 30, 2019. Miller reported total Revenues of \$8,765,336, total Expenses of \$8,645,460, and General Fund Reserves in excess of \$2,000,000. He reviewed and presented spread sheets for Departmental Revenues and Expenditures, and for all Programs and Projects including Special Revenue and Capital Project Funds. The spread sheets for the Total Revenues and Total Expenses are attached hereto as Exhibit "A", and a complete copy of the Budget is on file in the Office of the City Administrator to which further reference is made.

Mayor Williams reported that she had received phone calls from Jim Hildreth and Dr. Jim Mosson with concerns about the amount of funds the City allocates to the Economic Development Authority. She noted an email that she received from Diana Cooper on behalf of herself and her husband expressing concerns about the Economic Development Authority, the salary and non-transparency for its Executive Director Larry Cope, and its expenditures. Williams also noted an email that she received from Austin Lunde requesting the City to look into permanent fulltime funding for the third Fire Engineer position, and development of a plan to replace the aging fire engines instead of relying on Federal grants. Both letters were read into the record by City Clerk Cassinetto, are attached hereto as Exhibits "B" and "C", respectively, and made a part hereof for reference. Mayor Pro-Tem Garaventa clarified that the City's contribution proposed to fund the EDA in this FY 2018/19 Budget is \$102,841.00 which is the same amount funded in FY 2017/18.

Mayor Williams opened public comment. A member of the public commented that neither Diana Cooper nor her husband Tom Cooper live in the City of Sonora; they should have attended the Tuolumne County Supervisor Budget Meetings and the last TCEDA Meeting and were not in attendance at either of those Meetings.

Councilmember Segarini gave a brief history of Larry Cope's involvement with the Central Sierra Economic Development District (CSEDD) when Cope first came to the County; the CSEDD was close to bankruptcy and asked Cope to look into what was going on; the Board took over with Cope as Executive Director which he brought back from bankruptcy as a success; Mother Lode Job took over, Cope was put in

the management category with step raises which were approved by the EDA, and that is how the current salary came into effect.

Mayor Williams asked if based on the City's future expectations, is the City getting what it needs for the EDA expenditure? She said that the City needs to find a way to fund the School Resource Officer (SRO) position, noted that the Council took a cut in its stipend in 2009 and cut out health benefits for next generation Councilmembers, commented on some ways to save costs mentioning that the new flooring for the Fire Museum could be delayed, regarding the Stewart Street Restroom Project that options could be looked at like the self-cleaning Portland toilets, and suggested that monies for the SRO could possibly come from Proposition 56 Tobacco funds. Councilmember Segarini said he shared the Mayor's concerns regarding funding for the SRO and the need to come up with the \$30,000 to fund it. Suggesting application, Administrator Miller said that the School Violence Prevention Program is providing \$25,000,000 in grant monies, and grant applications are due by the end of July. He also cautioned the Council to be careful in using one-time monies, but instead use monies available year after year.

MOTION by Councilmember Segarini, second by Mayor Pro-Tem Garaventa that the City fund the SRO position up to \$30,000 out of General Reserves with the contingency that conversations take place with the County. Mayor Williams asked that the Motion include that the City move forward and apply for both the Proposition 56 Tobacco funding and the School Violence Prevention Grant monies.

The above MOTION was amended by Councilmember Segarini, seconded by Mayor Pro-Tem Garaventa, to include that the City move forward to apply for both the Proposition 56 Tobacco funding and the School Violence Prevention Grant monies. Mayor Pro-Tem Garaventa asked for clarification of whether funding for the SRO is included in the proposed FY 2018-19 Budget because it appears that it is. Administrator Miller said that it appears it is and will correct that error. Councilmember Hawkins said that he is in favor of funding the SRO position. Administrator Miller commented on the history of the funding for the three Fire Engineer positions, and that Staff is hoping to get SAFER Grant funding; that there is currently not sufficient Measure I monies to pay for the permanent, full-time third Engineer.

A member of the public noted a point of order saying there was a Motion on the table. Clerk Cassinetto confirmed the MOTION with amendment as stated above, and it was unanimously approved.

MOTION by Councilmember Segarini, second by Councilmember Garaventa that the Operating Budget for FY 2018/2019 be approved as presented including the above MOTION and Amendment authorizing General Reserve funding for the SRO position. Councilmember Hawkins reiterated that in 2009 the Council cut its stipend to \$125 per month (with the

Mayor receiving \$150) with no health benefits and has not received any raise since that time. **The MOTION was unanimously approved.**

Noting that the FY 2018/2019 Budget will be up and running on July 1, 2018, **Administrator Miller** complimented former Administrative Services Director Jennifer Callaway for the very comprehensive budget model she developed which was used for compilation of the FY 2018/19 Budget, and thanked Tracy Skelly, Toni Arola, and all Department Heads and Staff for their efforts put forth in the preparation of this Budget.

Resolution No. 06-25-2018-B Supporting Rural Development Grant Application. The Council considered adopting Resolution No. 06-25-2018-B which approves support of an application for the USDA Rural Development Community Facilities Grant Program and authorizing the Police Chief to execute the Grant Agreement and any associated documentation. Recommending approval, Administrator Miller presented the Resolution and the Police Chief's Staff Report noting that the grant funds will be used for two Police Department patrol vehicles which will replace vehicles that are older and becoming too costly to maintain, and which could impact the safety of the community and the officers. The Grant provides for Federal Share funding of \$105,100, and City share funding of \$35,066 supplied by both General Fund and Measure I funds.

There was no public comment, **it was unanimously carried that said Resolution be approved and adopted as presented.**

MONTHLY REPORTS

None.

VISION SONORA COMMITTEE REPORT

None.

COMMUNICATIONS

None. No public comment.

COUNCILMEMBER/DEPARTMENT HEAD REPORTS

Fire Chief New reported that Engine 752 has been sent to Tehama County to help with the fire, and Engine 721 remains in Sonora. She commented on the loss of Fire Captain Mersas from Long Beach who was killed by gunfire while on duty at an explosion. **Mayor Pro-Tem Garaventa** reported that he attended the Downtown Chamber Mixer at Barretta Gardens. **Administrator Miller** said that he has not received the certified election results from County Elections Officer Debbie Bautista and hopes that the City's reorganizational Meeting to install re-elected Councilmember Garaventa and newly elected Councilmember Colette Such into office can take place at the July 2, 2018, Council Meeting.

ADJOURN

There being no further business at this time, the Meeting was adjourned at 6:38 p.m. to the next Regular Council Meeting on July 2, 2018, at 5:00 p.m. in the Council Chambers at City Hall.

**Minutes
Subject To
Council Approval**

Marijane Cassinetto, City Clerk Date

**Minutes Approved By
Sonora City Council
On _____**

TOTAL CITY REVENUES

BY FUND

(Includes Transfers In)

Fund	Fund Name	2013/14 Actuals	2014/15 Actuals	2015/16 Actuals	2016/17 Adopted	2016/17 Estimated	2017/18 Proposed	2018/19 Proposed	Change from PY
<i>General Fund</i>		\$ 4,797,954	\$ 4,666,871	\$ 5,238,224	\$ 5,156,325	\$ 5,388,971	\$ 5,237,117	\$ 5,509,152	2.2%
<i>Special Revenue Funds</i>									
	Abandon Vehicle	3,217	3,279	2,823	-	3,389	-	-	0.0%
	AB11	91,490	113,116	116,596	100,000	114,778	100,000	120,050	20.1%
	BSCC Police Grant	31,009	45,104	22,552	24,720	16,062	-	-	0.0%
	CHP Grant	124,680	86,992	123,697	-	-	70,485	-	-100.0%
	2013 Community Dev Block Grant	-	7,171	1,483,234	851,000	750,000	8,460	-	-100.0%
	2016 Community Dev Block Grant	-	-	-	-	416,887	-	-	-100.0%
	Farmers Market	30,900	30,600	32,970	34,000	30,000	34,000	34,000	0.0%
	Sunrise Hills Lighting Districts	390	428	7,975	-	887	-	-	0.0%
	Benefit Zone A	25,340	18,016	17,077	15,800	16,415	15,600	17,000	9.0%
	Benefit Zone B	19,758	19,672	20,038	18,800	18,800	18,600	20,000	7.5%
	Home Buyers Assistance Program	55,206	58,500	(17,462)	53,723	53,723	52,222	46,999	40.0%
	Measure I	1,578,912	1,612,258	1,632,470	1,654,382	1,726,504	1,710,094	1,749,000	2.3%
	Program Income	86,371	10,964	234,136	13,942	8,302	5,617	5,197	-7.5%
	Micro Enterprise	11,925	101,913	283	-	248	-	153	0.0%
	Economic Development	94,400	-	6,000	-	15,643	(15,000)	800	-100.0%
	Business Expo	950	1,700	-	800	750	800	-	0.0%
	Volunteer Fire Assist	400	44,588	26,665	109,000	22,859	-	-	0.0%
	FEMA Reimbursement	93,417	44,232	75,283	-	13,544	-	-	0.0%
	SAFER Grant	128,296	158,145	135,313	115,000	87,364	23,966	-	-100.0%
<i>Internal Service Funds</i>									
	Self Insurance	471,804	466,107	568,540	550,570	650,570	-	25,237	0.0%
<i>Capital Projects Funds</i>									
	Gas Tax	100,423	102,763	93,643	70,401	91,601	123,599	184,762	49.5%
	HUT	68,261	51,278	22,877	8,673	14,371	21,655	18,764	-13.4%
	Local Transportation Fund	42,978	46,275	35,711	35,000	34,920	40,974	40,000	-2.4%
	RSTP	490	375,144	312,903	-	210	-	-	0.0%
	Traffic Mitigation	299,623	(2,833)	12,130	853,179	656,894	208,181	453,182	117.7%
	Mono Way Widening	693,957	3,574,189	-	148,100	-	129,100	75,000	-41.9%
	TCTC Mono Way	-	114,158	-	45,800	45,800	-	45,800	0.0%
	Greenley Mono Intersection	-	-	-	3,400,000	971,186	1,138,333	-	-100.0%
	CalTrans	-	-	4,485	561,276	14,764	525,000	381,500	-27.3%
	Dragon Gulch	-	36,584	(20,084)	23,000	38,120	16,500	6,000	-63.6%
<i>Successor Agency to the City of Sonora RDA Funds</i>									
	SA - Low / Moderate Housing	45,394	45,067	44,765	39,374	38,680	37,534	32,740	-12.8%
	SA - Trust	370,509	146,603	132,547	-	137,409	-	-	0.0%
TOTAL Fund Rev & Transfers In		\$ 9,268,054	\$ 11,978,884	\$ 10,365,391	\$ 13,882,865	\$ 10,962,764	\$ 9,919,724	\$ 8,765,336	-11.6%

TOTAL CITY EXPENDITURES

BY FUND

(Includes Transfers Out)

Fund	Fund Name	2013/14 Actuals	2014/15 Actuals	2015/16 Actuals	2016/17 Adopted	2016/17 Estimated	2017/18 Proposed	2018/19 Proposed	Change from PY
General Fund		\$ 4,785,356	#REF!	#REF!	\$ 5,154,987	\$ 5,355,705	\$ 5,236,670	\$ 5,493,931	1.6%
Special Revenue Funds									
	Abandon Vehicle	3,431	116	10,000	-	-	134,866	147,046	9.0%
	AB11	86,299	85,554	89,329	103,215	103,215	29,832	27,221	-8.8%
	BSCC Police Grant	23,440	31,065	10,024	26,036	25,116	92,128	17,588	-80.9%
	CHP Grant	92,562	82,290	92,644	34,421	46,230	300	-	-100.0%
	2013 Community Dev Block Grant	10,137	82,116	1,420,196	835,362	663,317	361,887	46,440	-87.2%
	2016 Community Dev Block Grant						39,735	39,177	-1.4%
	Farmers Market	32,934	29,930	31,496	36,174	35,535	8,322	8,852	6.1%
	Sunrise Hills Lighting Districts	2,432	2,473	3,095	7,771	7,059	8,200	8,600	4.9%
	Benefit Zone A	7,490	6,880	7,845	8,400	6,450	41,022	41,338	0.8%
	Benefit Zone B	31,541	31,949	35,681	36,887	36,573	-	-	0.0%
	Home Buyers Assistance Program	77,859	-	-	-	-	-	-	-
	Measure I	1,521,831	1,321,510	1,775,740	1,863,840	1,790,235	1,924,487	1,854,655	-3.6%
	Program Income	20,561	5,434	18,574	10,926	391,770	11,959	11,195	-6.4%
	Micro Enterprise	53,375	48,802	-	-	-	-	-	0.0%
	Economic Development			47,329	39,700	34,470	7,000	500	-92.9%
	Business Expo	503	1,055	593	700	550	800	800	0.0%
	Volunteer Fire Assist	23,019	45,431	15,281	62,031	31,230	-	-	0.0%
	FEMA Reimbursement	58,434	53,350	79,914	-	10,385	-	31,493	0.0%
	SAPER Grant	142,876	154,146	135,246	80,033	76,850	23,966	-	-100.0%
Internal Service Funds									
	Self Insurance	415,594	572,972	513,195	550,570	650,570	-	25,237	0.0%
Capital Projects Funds									
	Gas Tax	98,146	103,056	96,057	-	-	-	-	0.0%
	HUT	-	-	119,000	-	-	-	18,764	0.0%
	Local Transportation Fund	-	400	167,400	20,000	20,000	40,974	40,000	-2.4%
	RSTP	-	608,539	249,848	-	-	-	-	0.0%
	Traffic Mitigation	58,719	422,078	17,326	1,000	1,000	600	-	-100.0%
	Mono Way Widening	649,410	3,629,618	14,436	148,100	35	129,100	50,000	-61.3%
	TCTC Mono Way	-	108,960	-	-	-	-	-	0.0%
	Greenley Mono Intersection	-	-	-	3,400,000	1,800,616	1,590,000	-	-100.0%
	CalTrans	-	37,322	7,661	558,982	16,402	535,204	381,500	-28.7%
	Dragon Gulch	-	720	9,426	20,600	11,545	44,050	300	-99.3%
Successor Agency to the City of Sonora RDA Funds									
	SA - Low / Moderate Housing	34,630	48,991	4,446	11,526	12,450	18,937	36,043	90.3%
	SA - Trust	500,625	178,996	-	-	7,750	-	-	0.0%
TOTAL Fund Exp		\$ 8,731,204	#REF!	#REF!	\$ 13,011,261	\$ 11,135,058	\$ 10,280,039	\$ 8,280,660	-21.0%
Plus Estimated Capital Projects Funds Transfers									
TOTAL Fund Exp & Transfers					\$ 14,782,061	\$ 12,071,558	\$ 11,179,439	\$ 8,645,460	

FOR TONIGHT
6/25/18

From: Diana Cooper <diana.c.cooper@icloud.com>
Date: June 23, 2018 at 2:13:20 PM PDT
To: eroyce@co.tuolumne.ca.us, Sherri Brennan <SBrennan@co.tuolumne.ca.us>, Randy Hanvelt <ghanvelt@co.tuolumne.ca.us>, Connie Williams <conniewilliams4citycouncil@gmail.com>
Subject: TCEDA - A question of transparency and budget in Tuolumne County

Dear Supervisors Royce, Hanvelt and Brennan, and Mayor Williams,

Evan is my District Supervisor but I know Connie and Randy, and have had several interactions with Sherri, so I am addressing all of you with our concerns from Soulsbyville. I have great respect for your service, understanding of budgets, and your knowledge of the needs of our community. I see Sherri Brennan, Connie Williams, and Randy Hanvelt supporting the community at almost every event I attend, whether it's business, county commissions, grant-related, an arts event, Volunteer Fair or funeral. I am having a hard time understanding why the county and city of Sonora are in support of increasing the TCEDA budget when the county is cutting expenses. We see the value of the TCEDA but question the agency using a disproportionate amount of the county budget.

My husband, Tom Dahlin, and I are residents of Soulsbyville and been aware of the activity of the TCEDA and Larry Cope's involvement with the SBDA since we moved here in 2015. My husband and I have been Directors with large public companies, mostly high tech, and I have served as a business professor at major universities as well as Columbia College. We also own our own businesses. For several years, I have coached entrepreneurs on writing their business plans and growing small businesses. Most recently, I worked as a consultant with the Sierra Valley Business Development Center. With that entity, my interactions have been with Kurt Clarke and his team. Only twice have I seen Larry Cope show up at events and meetings I attended in connection with the SBDC. Now Mr. Cope says that his Agency needs more funding because TCEDA will lose funding from SVBDC which took too much of his time? I would like to see that documentation because Larry's name doesn't come up in our work with our small businesses, which fuel the economy in ways large entities cannot. In fact, when I first moved to the county, I was told of Mr. Cope's lack of support from interactions with small business owners.

I have been following the Union Democrat articles about the question of transparency of Larry Cope's TCEDA report on business generated in Tuolumne County. Tom and I would like to see the basis for the report. We are numbers people. I am not an attorney and realize County Council is claiming "trade secrets" are at risk if Mr. Cope and the County release the data behind the report that claims his work is responsible for bringing in \$393 million in investments and over 2000 jobs. But here's the thing, I worked with Connie Williams on a market research project in the County in 2016. I read many reports on the average salaries, types and number of jobs in various industries, and general demographic information for Tuolumne County residents. When I read the numbers presented in the Union Democrat from Larry Cope's report, those numbers are not consistent with the reports I have read on job or salary trends. I would like to see the raw data used as the basis for these claims. I think the council's protecting the "secrecy" of the TCEDA report has and will continue to cost the taxpayers in legal fees. And to what end?

Aside from the TCEDA reporting issue, how can our County Board of Supervisors, with a clear conscience, support a \$60,000 raise(60%+ increase) for an Agency employee over 9 years when the county is cutting costs and salary levels in this county have been flat for that same time frame? How does Mr. Cope's salary compare to our superb county and Sonora city administrators? As a business professor, I have tracked the outrageous increases in executive salaries over the past 35 years, and according to the Bureau of Labor Statistics the increase has been exponential (e.g. some reports indicate that in the 1970's an executive made 25X the salary of an average worker; in 2016 that was 373 times the average worker). I do not support this disgraceful level spending on salary for the director of a joint powers authority between the City of Sonora and Tuolumne County. Mr. Cope's salary is completely out-of-whack with the economics of our county.

Tom and I wanted you to know, our neighbors are talking about this matter. Ken Perkins is not alone in expecting transparency and protesting the allocations of funds to Mr. Cope's activities. In fact, the secrecy of the report and it's claims that Mr. Cope single-handedly, in his role as Director of the TCEDA, brought in 2000 jobs and almost \$400 million in investments, raises questions of his credibility. I have not read in the news that you share these concerns. So maybe you could provide the information that helped you believe Mr. Cope's report and that a joint powers agency deserves more funding as difficult cuts are made in the county budget.

Respectfully,

Diana Cooper, MBA, PhD
Cooper Research LLC
cell (209) 454-7835

EXHIBIT "B"

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Good evening city council and members of the public. My name is Austin Lunde, I've been resident of Tuolumne County all my life and for the past five years I have had the honor of being employed by the Sonora fire department. I currently hold the position of part time fire engineer. On April 26 2018 I was laid off from my full time position due to insufficient funds and reduced to part time status. My change in status has reduced the staffing level from three engineers in the department to two engineers, which means there is not a full time engineer on one shift. This void in full time status, while currently being filled by part-time and overtime personnel, creates an additional strain on the budget and reducing shift cohesion.

The City of Sonora has been filling the third Engineer position with grant funding since 2013 but has not been able to find sufficient funding to sustain the position. Grants are not always successful and I encourage the City Council to look at ways to fund the position permanently instead of relying on federal assistance. Without a sustainable funding source, the position may be eliminated, leaving one shift without an Engineer. This reduction decreases firefighter safety on scene on emergency incidents, and reduces the services provided to the citizens of Sonora and Tuolumne County. As part of the current Automatic Aid agreement, each department must have a minimum of two personnel on the engine to respond outside of the city limits. Each department in the County relies on each other to provide the necessary resources for a large incident.

The Fire Chief has applied for another SAFER grant for this position, but there is no guarantee that the City will be awarded the grant.

With personnel being the top priority, I would also like to bring to your attention a second concern. The department is operating apparatus that are outside of the National Fire Protection Association recommendations. The newest engine we have is 15 years old. NFPA recommends front line apparatus to be in service for 10 years or under, after that they can go into reserve status for another 15 years, then out of service. Again, the Fire Chief has applied for a grant each year to receive a new engine, but has not been successful. As you can see, the common trend is to hope for a grant.

I said I've had the honor to work for this department, because this is where I want to serve out my entire career and promote through the ranks. This is my hometown and means something to me. My family, friends, and the people I serve here matter, and I wanted them to receive the service they deserve and keep my fellow firefighters safe. Thank you for your time and moving forward I would appreciate the City Council looking into funding for the Engineer position on a more permanent basis, and developing a plan to replace the aging engines, instead of completely relying on federal grants. Thank you.

EXHIBIT "C"

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