

MINUTES
PARADISE TOWN COUNCIL
SPECIAL MEETING – 9:00 AM – March 08, 2013

OPENING: The Special Town Council meeting was called to order at 9:00 a.m. in the Town Council Chamber located at 5555 Skyway, Paradise, California. Council Member Greg Bolin led the Pledge of Allegiance to the Flag of the United States of America.

COUNCIL MEMBERS PRESENT: Greg Bolin, Steve “Woody” Culleton, Scott Lotter, John J. Rawlings, and Tim Titus, Mayor.

COUNCIL MEMBERS ABSENT: None.

STAFF PRESENT: Town Clerk Joanna Gutierrez, Interim Town Manager Lauren Gill, Finance Director Gina Will, Town Attorney Dwight Moore, Community Development Director Baker, Associate Civil Engineer Marc Mattox, Public Works Manager Paul Derr, Onsite Sanitary Official Doug Danz, Human Resource/Risk Management Analyst Crystal Peters, Fire Marshal/Building Official Tony Lindsey, Police Chief Gabriela Tazzari-Dineen, Rob Cone, Division Chief, CAL FIRE/Butte County Fire, Paradise Fire and Curtis Lawrie, Battalion Chief, CAL FIRE, Paradise Fire.

2. CLOSED SESSION Council concurred to announce the scheduled closed session in order to take public input as there were several citizens in the Council Chamber who have turned in speaker cards to address the subject matter of the closed session.

The purpose of the closed session was for the Town Council to hold a conference with its real property negotiator, Lauren M. Gill, to discuss price and term of payment for purchase of real property owned or previously owned by Mr. Frank Nichols and identified as remainder acreage (the Westerly Portion of Phase 3, approximately 203 acres with a 5-lot approved subdivision map) of the Blue Oak Terrace subdivision located on the south side of Skyway, just west of Skyway Crossroad in Butte County, California further identified by Assessor Parcel Numbers #055-540-001; 055-540-016; and, 055-540-037. Mayor Titus opened the matter to public comment.

1. Jim Harding stated that he lives closest to site proposed for the wastewater treatment facility and is concerned about the location of the pods and the real potential for the smell to affect the nearby residents, that he does not see the need for the Town to have a sewer as many businesses already have specialized systems on constrained lots, that he sees other options for this type of system, perhaps looking at using the empty lots on Skyway, and asked why the Town is looking at lots located near new, custom built homes.
2. Loren Harvey suggested the Town consider buying distressed properties along Skyway to develop for public parking and build the parking spaces over the drain field and asked if the Council is aware that the 203 acres in the Blue Oaks subdivision has a running stream.

3. Claude Means stated that he does not wish to view a sewer plant from his front yard, that the Blue Oaks Subdivision is finally starting to pick up and become self-supporting, and that a sewer system would stop that progress. He stated that there are many empty buildings downtown and asked how any system would be paid for without businesses in the downtown area.
4. Al Ledford stated that he is the president of Blue Oaks Home Owners Association representing 40 lots in the subdivision, is completely opposed to the proposal for a wastewater treatment plant in that area, that all the homes in the subdivision are custom built homes and he doesn't think there should be a wastewater plant right next to it. He further stated if they had known that construction of a wastewater plant in this area was a possibility, they would not have built homes there in the first place. He stated he is concerned that the Town already has easements through the property, asked who would take care of the road, and that even an underground system could hold many pods.
5. Dan Roberts stated that he grew up in this area and as young person had always wanted to live in the Blue Oaks corridor, that the area is designated as a scenic corridor, asked Council to consider the people who worked long and hard to build custom dream homes in an area that they thought would be protected as no one ever thought the Town would buy Phase 3 and park a wastewater treatment system right there, and that if that occurred, the Town might find itself in a lawsuit, and asked the Council to think about finding another solution that would serve the community that the Blue Oaks homeowners could support.
6. John Loero stated that he came from the Bay Area to get away from the rat race and smelly sewer plants and if he knew a wastewater treatment plant was proposed for the Blue Oaks area he would never have purchased there, and that he has no intention of letting the Town put a sewer plant across his ridge.
7. Warner Bullock stated that he has good information from the homeowners living on the Neal Road side of the canyon that there will be properties other than the Blue Oaks subdivision properties that will be affected by a project like this and asked the Town to look at the long term affects of this proposal, as other options might be available that would serve more of the community than this project would.

Mayor Titus closed the public comment on this item and thanked the citizens for coming to the meeting. Mayor Titus stated that the wording on the agenda was the language required in order to hold a closed session for Council discussion and that Council would not making any decision on this matter today.

3. COUNCIL CONSIDERATION

Mayor Titus stated that the purpose of the next agenda item is to conduct a Council Goal-Setting Session and provide general budget direction to staff regarding the 2013/14 fiscal year budget. Interim Town Manager Lauren Gill informed Council that

she and Finance Director Will have a power point presentation to display after which the Council might consider taking a short break prior to discussion and giving direction.

Interim Town Manager Gill stated that without further cuts to operational costs or increases to revenue, the next budget will look similar to the current budget; reviewed the increases to revenue which occurred as combination of NCCSIF refunds, property tax and motor vehicle in lieu adjustments; expense reductions which include but are not limited to the Cal Fire transition, hiring an Interim Town Manager for a six-month period, employee salary and benefit concessions and lay-offs, and early pay-off of lease purchases. Interim Manager Gill also discussed the status of the enterprise funds, in that Animal Control has \$50,000 remaining in donations; no general fund subsidy was necessary for the Business & Safety Services; that the Interim Town Manager provided oversight to Development Services in lieu of hiring a Public Works Director along with restructure and elimination of staff to help the Gas Tax & Streets fund.

Interim Town Manager Gill stated that the projected general fund expenditures total \$10,172,834 and that 5% of expenditures which equate to an amount of \$508,641, will have to be cut to balance the budget, and that staff is seeking direction and prioritization of resources from the Council.

Interim Manager Gill and Finance Director Will reviewed the expenditures by type and by function, discussed the percentages of general fund monies expended by each function and the dollar amounts per function that may have to be cut, as well as the number of full time equivalent personnel that remains in each department. Staff stated that revenue growth is expected to be very conservative, and it was noted that the Town has lost approximately \$2.6 million in tax revenues due to declining property values since 2008. Staff reviewed cost savings options and considerations that include negotiations with employee groups whose contracts expire June 30, 2013; layoffs; outsourcing, position restructuring; amending Cal Fire service contract; other opportunities for workers compensation and general liability coverage; joining State unemployment and disability programs; and renegotiating vendor contracts.

Staff also presented historical data relating to sales and use tax revenue distributions that indicate an estimated \$297 million in sales occur off the ridge and demonstrated how local purchasing would create revenues for Paradise; discussed the strengths, weaknesses, opportunities and training for local government; economic markers that point to recovery; building trends; and projected income from grants – CDGB, HOME, CMAQ, COPS and HSIP.

Mayor Titus called for a 15-minute recess at 10:25 a.m. and reconvened the meeting at 10:40 a.m.

Council discussed the following measures to reduce the structural operating deficit:

a. Cut Operating Costs

- i. Renegotiate the Pension Obligation Bond (POB)
- ii. Balance the budget
 1. Departmental cuts to expenses

b. Revenue Opportunities:

- i. Ensure that the cost of Town services are covered by fees
- ii. Review accounts receivables
- iii. Promote local purchasing; Capture retail leakage to surrounding cities
- iv. Promote tourism
 - 1. Bus Tours to local event
 - 2. Partner with hotels
 - 3. Be pro-active with social media
 - 4. "Piggy back" on other cities' events to bring people to Paradise
- v. CDBG mini-grants for local businesses to promote visits to Paradise
- vi. Partner with Chamber of Commerce
 - 1. Meet with and help grow local businesses
 - 2. Conferences
- vii. Promote the Scenic Corridor

4. ADJOURNMENT

Mayor Titus adjourned the Special Council Meeting at 11:30 a.m.

DATE APPROVED: April 9, 2013

By: _____/s/_____

Timothy Titus, Mayor

By Scott Lotter, Vice Mayor

_____/s/_____

Joanna Gutierrez, CMC, Town Clerk