



Regular City Council Meeting Agenda

Monday, February 03, 2025 at 6:00 PM

33 Church Street, Sutter Creek, CA 95685

The Agenda can be found on the City's Website: www.cityofsuttercreek.org

The City of Sutter Creek City Council Meeting will be available via Zoom and in person.

Join Zoom meeting:

<https://us02web.zoom.us/j/81391466458?pwd=4jXmBm1AP5bEbiID3iDwuxk4GpreRY.1>

Please note: Zoom participation is only available for VIEWING the Council meeting.

Public Comment will not be taken from Zoom

Or Dial by phone: 301 715 8592 Webinar ID: 816 8589 0182 Passcode: 186036

Unless stated otherwise on the agenda, every item on the agenda is exempt from review under the California Environmental Quality Act ("CEQA") per CEQA Guidelines Sections 15060(c), 15061(b)(3), 15273, 15378, 15301, 15323 and/or Public Resources Code Section 21065.

- 1. Call to Order and Establish a Quorum for Regular Meeting**
- 2. Pledge of Allegiance to the Flag**
- 3. Public Forum**

At this time, the public is permitted to address the City Council on items not appearing on the agenda. Comments may not exceed 5 minutes. In accordance with State Law, however, no action or discussion may take place on any item not appearing on the posted agenda. The City Council may respond to statements made or questions asked or may request Staff to report back at a future meeting on the matter. The exceptions under which the City Council may discuss and/or take action on items not appearing on the agenda are contained in Government Code §54954.2. Public comment on any item listed below shall be limited to five minutes, unless additional time is permitted by the Mayor/Council.

4. Approval of Minutes

A. [City Council Minutes of Jan 21, 2025](#)

[Recommendation: By motion approve minutes as presented.](#)

5. Consent Agenda

Items listed on the consent agenda are considered routine and shall be enacted in one motion. Any item may be removed for discussion at the request of Council or the Public.

A. [Amendment to City Manager Employment Agreement](#)

[For Council Approval](#)

6. Ordinances and Public Hearing

A. [PUBLIC HEARING TO CONSIDER INCREASE IN RATES FOR SOLID-WASTE SERVICE PROVIDED BY ACES WASTE SERVICES, INC.](#)

[Conduct public hearing and adopt resolution 24-25-21](#)

7. Adjournment

The next regularly scheduled meeting is Feb 18, 2025 (NOTE: This is the Tuesday after Presidents' Day Weekend).



City Council Meeting Minutes

Tuesday, January 21, 2025 at 6:00 PM

33 Church Street, Sutter Creek, CA 95685

The Agenda can be found on the City's Website: www.cityofsuttercreek.org

The City of Sutter Creek City Council Meeting was available via Zoom and in person.

1. Call to Order and Establish a Quorum for Regular Meeting

Mayor Gunselman called the meeting to order

Present: Councilmembers Riordan, Sierk, Gunselman, Swift and Feist

Treasurer Renquist

Staff: DuBois, LaFontaine, Peters and Cole

2. Pledge of Allegiance to the Flag

The Mayor led the pledge

3. Public Forum

None

4. City Manager's Report

City Manager DuBois presented an update. See presentation

5. Presentations

None

6. Approval of Minutes

A. City Council Minutes of January 6, 2025

Recommendation: By motion approve minutes as presented.

Motion by Councilmember Riordan, Seconded by Councilmember Sierk.

Passed 4-0, with Gunselman abstaining

7. Consent Agenda - No Items

8. Ordinances and Public Hearing - No Items

9. Administrative Agenda

A. Local Use and Transaction Tax Planning

Council engaged in a discussion covering the three main items in the staff report. The public commented on each section as well. Council desired some flexibility but also wanted specifics as discussed with constituents during the election. Ultimately, the decision was to be fairly precise about allocations to eligible categories in the first year and to evaluate how that works.

Council agreed to the following steps:

1. The first quarter of local TUT will be reserved (end of FY 24-25)
2. The TUT will be allocated 75% to Streets and 25% to capital reserve in FY 25-26. Staff will attempt to budget separate funds for weed abatement and bring a proposal back as part of the budget process. Weed abatement is important for fire mitigation.
3. The policy will be review annually the first several years
4. Five people will be appointed to a TUT oversight committee. The City will recruit people to apply and Council members will suggest names. City Manager DuBois and Martin Ryan who has agreed to be on the committee will review applicants and recommend five members.
5. The oversight committee will be sent a report on the TUT budget proposal.
6. There will be one public meeting of the TUT during the budget season. They will elect a Chair amongst themselves to run the meeting.
7. They will review and approve the TUT budget only. Their review will be to verify that the budget is following the purpose of the TUT funds - to fund streets, storm drains, public safety needs and provide matching funds for grants. They have no other responsibility.
8. The TUT Oversight Committee or the TUT Oversight Chair will attend the Council meeting when the TUT is discussed in the budget, and report on the oversight committee's findings.
9. This policy will be documented and brought back to Council on consent

B. Council Annual Assignments

CM Swift agreed to be the liaison to the Knight Foundry

CM Gunselman agreed to be the liaison to Community Benefit Foundation

CM Feist agreed to be the liaison to Wine on 49

CM Riordan agreed to be the liaison to Visitor Center and to the to be formed Lodging district

CM Sierk agreed to attend Amador County Board of Supervisor meetings

Council approved the proposed assignments

10. Mayor and Council Member Reports

CM Feist - Support lodging district, will be at the County Board next Tuesday, requesting people attend and support.

CM Sierk - attended Air quality board meeting, discussed ban of large engine diesel, Sutter Creek recognized for moving to electric landscaping tools

CM Riordan - updated Council on long discussion of bike/ped at ACTC board meeting. Disagreement on board, not sure what the end game is. Suggested COSC put together a proposal to ACTC for the bike path to Amador City.

Mayor Gunselman - Attended ARSA meeting, recap for new members. Helping plan the Duck Race - tickets on sale, nonprofit fair fully booked.

11. City Attorney's Report

None

12. Future Agenda Items

None

13. Information and Correspondence

Questions from Council Members

CM Riordan - Building permits - less or more than one year ago? More permits but less money.

CM Sierk - Are the warrants for fuel in December reported for costs incurred in November? Yes.

Cm Riordan - What's the advantage of getting more back rotorstrainers online in wastewater plant? Mainly for storms. Can we borrow a street sweeper from Ione? Needs to be on a trailer. Director LaFontaine will discuss with the new Ione PW Director when they meet.

14. Closed Session

A. CONFERENCE WITH LABOR NEGOTIATORS

Agency designated representatives: Mayor and City Attorney

Unrepresented employee: City Manager

Went into Closed session at 7:43 PM

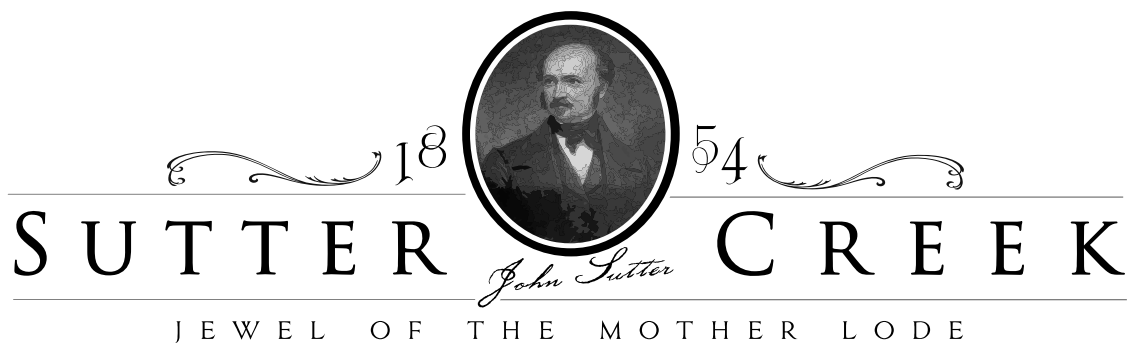
15. Report from Closed Session

Returned at 8:15 with no reportable action

16. Adjournment

Meeting adjourned at 8:15 PM

The next Council meeting is a special Council Meeting on Feb 3, 2025 starting at 3:00 PM for annual priority setting. There will be a regular Council meeting that same day at 6PM for the Solid waste public hearing



STAFF REPORT

TO: THE HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL
MEETING DATE: FEBRUARY 3, 2025
FROM: DEREK COLE, CITY ATTORNEY
SUBJECT: AMENDMENT TO CITY MANAGER EMPLOYMENT AGREEMENT

Background and Analysis

The City Manager began employment on November 7, 2023. His Employment Agreement entitled him to receive a loan of \$2,500 per month for the first 12 months of his employment. This loan was styled as a housing allowance. The Employment Agreement provides the loan need not be repaid until the end of the Manager's third year of employment (though he would have to pay it back in full if he leaves employment sooner). The agreement indicates; however, the Council may choose to relieve the Manager from the full repayment obligation after his third full year of service.

The proposed amendment to the City Manager agreement would at this time relieve the City Manager of one-half his repayment obligation (\$15,000) while still subjecting the remaining half (\$15,000) to the above terms. The amendment would also allow him to receive—as an allowance, not as a loan—\$1,250 for each month worked for housing for the second year of his service.

Fiscal Impact

The immediate effect of approval of the Amendment to the City Manager Agreement would be to confirm the City will incur the \$15,000 share of his employment allowance last year. As originally drafted, the Employment Agreement called for the City Manager to repay that amount (unless excused after three full years of employment). In addition, the City would be obligated to pay \$1,250 for all of the 12 months the City Manager has worked or will work following the completion of his first full year of service.

ATTACHMENTS:

1. Proposed Resolution
2. Proposed Amendment to City Manager Agreement

RESOLUTION NO. 24-25-20

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SUTTER CREEK
AUTHORIZING THE EXECUTION OF AN AMENDMENT TO THE EMPLOYMENT
AGREEMENT FOR CITY MANAGER SERVICES WITH TOM DUBOIS

WHEREAS, City Manager Tom Dubois (“Employee”) began employment with the City on November 7, 2023; and

WHEREAS, the City desires to amend the Employment Agreement to amend the terms related to Employee’s housing alliance.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Sutter Creek authorizes the Mayor to execute the Amendment to the Employment Agreement for City Manager Services Between the City of Sutter Creek and Tom Dubois in the form as attached as Attachment A to this Resolution.

The foregoing resolution was duly passed and adopted at a regular meeting of the City Council of the City of Sutter Creek on the 3rd day of February, 2025 by the following vote.

- AYES:
- NOES:
- ABSTAIN:
- ABSENT:

ATTEST:

Claire Gunselman Mayor

....., City Clerk

ATTACHMENT A

AMENDMENT TO EMPLOYMENT AGREEMENT
BETWEEN THE CITY OF SUTTER CREEK AND TOM DUBOIS

This Amendment (“Amendment”) to the Employment Agreement between the City of Sutter Creek and Tom Dubois (“Employee”), dated November 7, 2023 (“Employment Agreement”), is entered into and effective on February 4, 2025 (“Effective Date of this Amendment”). The Employment Agreement shall be amended as set forth below. All other terms of the Employment Agreement not amended shall remain the same as stated.

1. Section 4.B. to the Employment Agreement is amended to read as follows (amendments shown in bold text):

“Temporary Housing Allowance – Beginning on the first payday following the effective date of this agreement and continuing on the first payday of each successive month for up to twelve months, the Employee will receive \$2,500.00 in the form of a loan from the city to pay for a temporary housing allowance, up to a total amount of no more than \$30,000.00. The loan will accrue interest at the rate of 2% per annum. No payments on principal or interest will be due for 36 months after the commencement date, unless the contract is otherwise terminated pursuant to the provisions of this agreement, at which time the principal and interest accrued will be due in full 10 days prior to the final day of employment. **Half (\$15,000) of this loan amount and corresponding interest shall on the Effective Date of this Amendment be considered forgiven.** Following the three-year anniversary date of employment, the City Council shall determine whether to forgive **the other half of the** loan **(i.e., the remaining sum of \$15,000)** in part or in full, or to institute a payment plan. ~~The full terms of the loan will be set forth in a separate agreement to be signed by both parties.~~

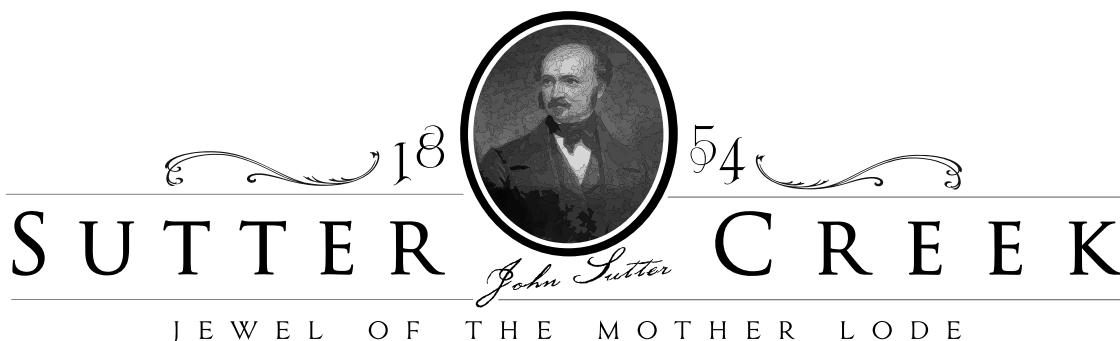
Employee shall also receive the sum of \$1,250 for each of the twelve months he worked or works following the completion of his first year of employment under the Agreement. This portion of his housing allowance is not considered a loan and Employee shall not be subject to any obligation to any such allowance he is paid. This allowance will be applied directly to the remaining housing loan. If the principal is paid off at the end of the twelve months worked following completion of his first year of employment, the remaining interest will be forgiven,”

Tom Dubois
City Manager

Claire Gunselman
Mayor

Approved as to Form:

Derek P. Cole
City Attorney



STAFF REPORT

TO: THE HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL
MEETING DATE: FEBRUARY 3, 2025
FROM: DEREK COLE, CITY ATTORNEY
SUBJECT: PUBLIC HEARING TO CONSIDER INCREASE IN RATES FOR SOLID-WASTE SERVICE PROVIDED BY ACES WASTE SERVICES, INC.

RECOMMENDATION:

1. Conduct a public hearing to hear comments regarding the proposed rate increase for solid waste services.
2. Adopt Resolution 24-25-21 Approving (a) solid-waste rate adjustments pursuant to proposition 218, and (b) a contract amendment ACES confirming the sequence of potential rate increases.

BACKGROUND:

Effective July 1, 2009, the City entered into an exclusive Franchise Agreement with ACES for collection of solid waste within City limits. The agreement requires ACES to collect all residential solid waste generated from within the City and to facilitate the City's compliance with AB 939 waste-diversion and reporting requirements. The original agreement granted an exclusive franchise for 5 years with an additional 5-year extension exercisable at ACES' sole discretion.

In 2015, the City Council and ACES entered into an amended Franchise Agreement. The amended agreement extended the term of the exclusive ACES franchise through December 31, 2024 and provided for an additional 10-year extension upon mutual agreement of the parties. Among other things, the amendment also identified the City's responsibilities under Proposition 218 and ACES' obligation to reimburse the City for those responsibilities and other administrative functions.

In 2023, the City Council entered into an amended and restated franchise agreement with ACES for a 10-year term beginning on July 1, 2023. The amended agreement made additional changes to agreement terms and conditions.

In 2024, ACES received a further rate increase through an inflator its agreement with the City provides. The inflator is known in the solid-waste industry as the “refuse rate index,” or “RRI.” The RRI is similar to a consumer price index, or “CPI,” but is geared specifically to the refuse industry. ACES obtained an increase of 7.83% in its rates across-the-board as an RRI adjustment for its rates.

Late last year, ACES also assigned its interests to Delta Container Corporation, a nationwide solid waste provider more commonly known as Republic. The Council approved this assignment in the fall.

Republic now proposes rate increases following a “detailed rate review” it performed late last year. This is a comprehensive review of rates that the franchisee conducts every four years.

Separately, the Office of the City Attorney proposes an adjustment to ACES’ franchise agreement to confirm the sequence of its rate increases. When the City last comprehensively reauthorized the ACES franchise agreement, its drafting did not account for the timing of the various rate reviews such that our city’s reviews would be on the same sequence as the County’s. That had long been the practice. This office has prepared a simple amendment to the Franchise Agreement to conform the review schedules for Republic with both agencies.

DISCUSSION:

Applicability to Proposition 218

Proposition 218, the “Right to Vote on Taxes Act,” was approved by California voters in November 1996. The initiative generally requires that all special assessments and “property related fees” be approved by local voters. However, whether the initiative applies to solid-waste fees collected by private franchisees, rather than public agencies, is the subject of debate.

After approving a solid-waste rate increase for ACES in 2011, the City became a party to litigation when it was sued by a private party who claimed this increase violated Proposition 218. To avoid unnecessary litigation expenses, the City chose not to contest this case, believing the Proposition 218 issue would be better left to other cities to litigate. The City has instead agreed to follow the Proposition 218 approval process for any solid-waste rate increases.

Under Proposition 218, solid waste charges are considered “property related fees” and are thus subject to the procedure set forth in California Constitution Article XIID, Section 6(a). This section provides that proposals concerning solid waste collection must be considered in a public hearing, known as a “majority protest hearing,” at which ratepayers may register their opposition to the proposed rate increase. Prior to this hearing, Proposition 218 requires that notice be mailed to all property owners and/or ratepayers at least 45 days in advance. If, following the hearing, a majority of the owners or ratepayers submit *written* protests to the proposed fee (i.e., there is a “majority protest”), the fee may not be approved. If there is no majority protest, approval of the fee is authorized.

Notice of Majority Protest Hearing

Regarding the proposed rate adjustment, the City has complied with its obligation to mail notice of the February 20, 2024 protest hearing to all ACES ratepayers. Following a provision in the Proposition 218 implementation legislation, the City has mailed notice of the hearing to all ACES ratepayers. (Gov. Code, § 53755(a).

STAFF RECOMMENDATION:

At the February 3, 2025 meeting, the Council should hold a public hearing to:

1. Consider whether a majority protest exists as to the above rate increases per Proposition 218. The City has sent hearing notices to the ratepayers for 1475 parcels within City limits. A majority protest would thus exist if 738 ratepayers submit *written* protests to the proposed rate increase. Only *one* written protest may be filed per parcel. (Gov. Code, § 53755(b).) If a majority protest is successful, the Council may not approve the proposed rate adjustments. Conversely, if no majority protest exists, the adjustments may be approved.
2. If no majority protest exists, consider whether to approve the requested rate increases. A proposed resolution is provided to the Council should it wish to authorize the rate adjustments.

Hearing Process

Concerning the hearing on the ACES rate adjustments, the City attorney recommends the Council proceed as follows:

1. Call this item when it arises on the agenda. Note that the mailed and published notice indicate this will be a timed item that starts **no earlier than** 6:00 p.m.
2. Staff will make its presentation and the Council may ask Staff questions.
3. Open the public hearing and allow comment by all interested parties. A motion should be made to formally close the public hearing. Under Proposition 218, no protests may be counted once the public hearing has closed.
4. Following the conclusion of the public hearing, count all **written** protests received prior to the meeting or prior to close of the hearing. If the number of written objections to any fee increase does not exceed 738, find that a majority protest does not exist as to that increase. (In the event the 738 threshold is not reached, the City Attorney recommends that the Council deem all protests to be validly submitted rather than take the time necessary to verify that each protest meets Proposition 218 requirements.)

5. If more than 738 written protests are received as to the proposed adjustments, have the City Clerk verify each protest to ensure it is submitted by the ratepayer of record, contains the information required by Proposition 218, and that no more than one protest has been submitted per property. If following this verification process, there still are more than 738 written protests, the Council must find that a majority protest exists.
6. If no majority protest exists, the Council should consider the accompanying resolution approving the proposed rate adjustments.

Franchise Agreement Amendment

The fee resolution also includes authority for the City Manager to execute an amendment with Republic to conform the city's rate increase schedule with the County's. Calendar year 2025 will be set as a "Rate Year 1" under this Amendment. For this through Rate Year 3, Republic would be entitled to "refuse rate index," or "RRI adjustments." The next detailed rate review would occur in 2028, starting the sequence over again beginning January 1, 2029.

RESOLUTION 24-25-21

**A RESOLUTION OF THE CITY COUNCIL OF
THE CITY OF SUTTER CREEK APPROVING SOLID-WASTE RATE ADJUSTMENTS
PURSUANT TO PROPOSITION 218 AND APPROVING AN AMENDED TO THE
FRANCHISE AGREEMENT FOR COLLECTION OF SOLID WASTE SERVICES**

WHEREAS, the City of Sutter Creek (“City”) has a Franchise Agreement (“Agreement”) with Delta Container Corporation, known as “Republic,” the assigned to ACES Waste Services, Inc. (“ACES”), for collection of solid waste and recyclable materials;

WHEREAS, the Agreement provides for a schedule of rates to be charged to customers of Republic, the existing rates of which are set forth in the “Current Monthly Rate” column of Exhibit A, which is attached and incorporated into this Resolution by reference;

WHEREAS, the Agreement authorizes the City to approve rate increases in accordance with its terms and conditions;

WHEREAS, the City Council has received and reviewed the most recent request from Republic regarding detailed rate review adjustments to take place beginning on March 1, 2025;

WHEREAS, pursuant to Proposition 218, the City has duly noticed and held a “majority protest hearing” on February 3, 2025 regarding its intent to approve the requested rate increases;

WHEREAS, pursuant to Article XIII, § 6(a), the City has identified 1475 parcels as being subject to the proposed fee increases described and has given mailed notice to such parcels pursuant to Government Code section 53755(a);

WHEREAS, as verified by the counting of protests following the February 3, 2025 hearing in which this matter was considered, a majority protest was not made prior to the close of the public hearing in opposition to the proposed rate increases stated in Exhibit A;

WHEREAS, the City Council also seeks to clarify the timing by which future rate increases will occur in accordance with the Franchise Agreement and a proposed amendment is attached to this Resolution and incorporated by reference as Exhibit B; and

WHEREAS, the California Environmental Quality Act is not applicable to the proposed rate increase and approval of the amendment to the Franchise Agreement because the increase and amendment are not a “project,” as defined by California Code of Regulations, Title 14, section 15378(a), and because of the exceptions set forth in California Code of Regulations, Title 14, section 15378(b)(3) and (4) for proposals submitted to voters and fiscal decision.

NOW, THEREFORE, IT IS HEREBY RESOLVED that effective March 1, 2025 ACES may begin charging customers the rates set forth in the “New Rate” column of Exhibit A as stated therein;

BE IT FURTHER RESOVLED that the City Council authorizes the City Manager to execute the Amendment to the Franchise Agreement as attached as Exhibit B to this Resolution.

The foregoing resolution was duly passed and adopted at a regular meeting of the City Council of the City of Sutter Creek on the 3rd day of February 2025, by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

ATTEST:

Claire Gunselman, Mayor

Karen Darrow, City Clerk

EXHIBIT A **APPROVED RATE INCREASES**

	Current Monthly Rate (thru 12/31/2024)	Monthly Rate Adjustment	New Rate 3/1/2025 - 12/31/2025	New Rate Year 1* 1/1/2026 - 12/31/2026	New Rate Year 2* 1/1/2027 - 12/31/2027	New Rate Year 4* 1/1/2028 - 12/31/2028
Residential Services						
32-Gallon Weekly Pick-up	\$ 38.01	\$ 1.82	\$ 40.20	\$ 43.82	\$ 48.20	\$ 53.02
64-Gallon Weekly Pick-up	\$ 49.15	\$ 2.36	\$ 51.98	\$ 56.66	\$ 62.33	\$ 68.56
96-Gallon Weekly Pick-up	\$ 66.80	\$ 3.21	\$ 70.65	\$ 77.01	\$ 84.71	\$ 93.18
Senior Rates						
32-Gallon Weekly Pick-up	\$ 34.21	\$ 1.64	\$ 36.18	\$ 39.44	\$ 43.38	\$ 47.72
64-Gallon Weekly Pick-up	\$ 44.23	\$ 2.12	\$ 46.77	\$ 50.99	\$ 56.09	\$ 61.70
96-Gallon Weekly Pick-up	\$ 60.12	\$ 2.89	\$ 63.58	\$ 69.31	\$ 76.24	\$ 83.86
Commercial Service						
1-Yard Bin Weekly	\$ 173.63	\$ 8.33	\$ 183.63	\$ 200.16	\$ 220.18	\$ 242.19
2-Yard Bin Weekly	\$ 289.09	\$ 13.88	\$ 305.74	\$ 333.26	\$ 366.59	\$ 403.25
3-Yard Bin Weekly	\$ 404.16	\$ 19.40	\$ 427.44	\$ 465.92	\$ 512.51	\$ 563.76
4-Yard Bin Weekly	\$ 519.43	\$ 24.93	\$ 549.35	\$ 598.80	\$ 658.68	\$ 724.55
6-Yard Bin Weekly	\$ 692.26	\$ 33.23	\$ 732.13	\$ 798.04	\$ 877.84	\$ 965.63
7-Yard Bin Weekly	\$ 866.07	\$ 41.57	\$ 915.96	\$ 998.41	\$ 1,098.25	\$ 1,208.07
				* Not to Exceed 10%	* Not to Exceed 10%	* Not to Exceed 10%

Exhibit B

AMENDMENT TO THE FRANCHISE AGREEMENT

BETWEEN THE CITY OF SUTTER CREEK AND DELTA CONTAINER CORPORATION,
THE ASSIGNEE OF ACES WASTE SERVICES, INC.

This Amendment to the Franchise Agreement between the City of Sutter Creek (“City”) and Delta Container Corporation, a California Corporation (“Republic”), the assignee of ACES Waste Services, Inc., a California corporation (“Franchise Agreement”), is entered into and effective as of January 1, 2025 (“Effective Date”). The City and Republic are collectively referred to within as “Parties.” The Franchise Agreement shall be amended as set forth below. All other terms of the Franchise Agreement not amended shall remain the same as set forth in the Franchise Agreement.

1. The Parties agree that for purposes of the four-year cycle for rate increases provided for in Article J of the Franchise Agreement, January 1, 2025 began a “Rate Year 1,” January 1, 2026 begins a “Rate Year 2,” and January 1, 2027 begins a “Rate Year 3.” The next Detailed Rate Review, as provided for in that Article, shall occur in 2027 and apply to the rates that may be charged beginning January 1, 2028. Thereupon, for all future years, this four-year cycle shall repeat as Article J provides.

So agreed.

CITY OF SUTTER CREEK

DELTA CONTAINER CORPORATION

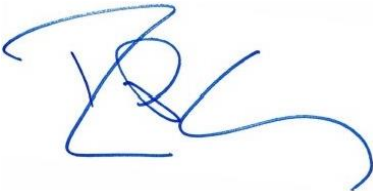
Tom Dubois

City Manager

[Name]

[Title]

Approved as to Form:



Derek P. Cole

City Attorney

