

## MINUTES

### PARADISE TOWN COUNCIL

#### REGULAR MEETING - 6:00 P.M. – August 25, 2009

The Regular Meeting of the Town Council of the Town of Paradise was called to order by Mayor Rutledge at 6:03 p.m. in the Council Chambers, Town Hall, 5555 Skyway, Paradise, California. Following the pledge of allegiance, the invocation was offered by Mayor Rutledge.

**COUNCIL MEMBERS PRESENT:** Steve "Woody" Culleton, Joe DiDuca, Scott Lotter (via teleconference from Koloa, Kauai, Hawaii), Alan White and Frankie Rutledge, Mayor.

**COUNCIL MEMBERS ABSENT:** None.

**STAFF PRESENT:** Town Clerk Gutierrez, Town Manager Rough, Town Attorney Moore, Assistant to the Town Manager/Business & Housing Services Director Gill, Finance Director Will, Community Development Director McGreehan, Human Resources Manager Farrell, Public Works Director/Town Engineer Schmidt, Assistant Public Works Director Derr, Associate Engineer Ott, Onsite Official Danz, Assistant Town Clerk Volenski, Police Lieutenant Buzzard, Fire Marshall Jensen, Fire Chief Haunschild and Police Chief Carrigan.

**Agenda item 1(e):** Proclamations were presented by Mayor Rutledge to the 2009 Paradise South Little League Junior All Star Softball Team, their coaches, District 47 Administrator, and Paradise South Little League Vice President and President.

#### 2. ITEMS DEFERRED FROM PREVIOUS MEETING

None.

#### 3. CONSENT CALENDAR

**Agenda item 3(a):** Motion by DiDuca, seconded by White, approved Minutes of the August 11, 2009 Regular Council Meeting and the August 13, 2009 Special Council Meeting. Roll call vote was unanimous.

**TC (MIN) [APPR]**  
Minutes of the August 11, 2009 Regular Mtg and August 13, 2009 Special Mtg.

**Agenda item 3(b):** Motion by DiDuca, seconded by White, (1) Waived the second reading of entire Town Ordinance No. 495 and approve reading by title only; and, (2) Adopted Town Ordinance No. 495, "An Ordinance Amending Text Regulations Within Paradise Municipal Code Chapters 17.04, 17.20, 17.26 Related to: Land Use Regulations." Roll call vote was unanimous.

**TC (ORD) [APPR]** Ord. 495 Text Amendments to Paradise Municipal Code. (540-16-64)

**Agenda item 3(c):** Motion by DiDuca, seconded by White, (1) Concurred with staff recommendation and awarded contract for

**TC (AGT) [APPR]**  
Material Testing contract with Holdrege & Kull

Date: August 25, 2009

Material Testing, Inspection and Geotechnical Consultant Services to Holdrege & Kull; and, (2) Approved the Professional services Contract Agreement and authorized the Town Manager and Mayor to execute the agreement. (Consulting services will be on an "as-needed basis and will be funded by construction engineering components of various capital improvement contracts.) Roll call vote was unanimous.

and Manager to execute agreement (C09-16)

**Agenda item 3(d): Motion by DiDuca, seconded by White,** Rejected all bids for 2009/2010 HVAC Maintenance Proposal (no formal proposals received); and, approved a new two (2) year HVAC Maintenance Contract with Alternative Heating & Air in the amount of \$5,000.00 beginning September 16, 2009 through September 15, 2011 and repair services at \$60.00 per hour. Roll call vote was unanimous.

**TC (AGT) [APPR]**

Reject bids, Approve contract with Alternative Heating & Air through Sept. 15, 2011. (C09-17)

**Agenda item 3(e): Motion by DiDuca, seconded by White,** Acknowledged receipt of the 4<sup>th</sup> Quarter Investment Report for the Fiscal Year ended June 30, 2009. Roll call vote was unanimous.

**TC (FIN) [ACK]**

Receipt of Investment Report for 4th QTR of FY ending 6/30/09. (385-20-55)

#### **4. PUBLIC HEARING PROCEDURE**

Mayor Rutledge informed the public of the public hearing procedure.

#### **5. PUBLIC HEARINGS**

Onsite Sanitary Official Danz reported to Council regarding the proposed increase to the onsite sewage disposal system annual operating permit fee from \$27.22 to \$31.22 stating the increase will provide \$44,272 that will cover the remaining shortage for the Onsite Division for FY 2009/2010. He stated that as the Onsite Division operates as an enterprise fund, separate and distinct from other funds in the Town budget, it must be financially self-sufficient and self funding.

Mayor Rutledge opened the public hearing at 6:27 p.m.

1. Tom Kelly, Paradise resident, stated that he supports the proposed increase and commended the Onsite Division for an outstanding job.

Mayor Rutledge closed the public hearing at 6:30 p.m.

**Agenda item 5(a)1: Motion by Lotter, seconded by Culleton,** (1) Adopted Resolution No. 09-38, A Resolution Increasing the Annual Onsite Operating Permit Fee (from \$27.22 to \$31.22); and, (2) Authorized the Butte County Auditor Controller to increase the Onsite

**TC (RES) [ADOPT] Res**

No 09-38, Fee Increase for Annual Onsite Operating Permit to \$31.22. (960-30-30)

Operating Permit/Annual Fees on the Butte County secured property tax roll to \$31.22 for all onsite sewage disposal systems in the Town of Paradise plus any applicable collection fee imposed by the County. Roll call vote was unanimous.

**Agenda item 5(a)2: Motion by Culleton, seconded by White,** Continued the public hearing regarding the remainder of the proposed services fees to the September 8, 2009, Regular Town Council Meeting. Roll call vote was unanimous.

**TC (FIN) [CONT]**  
Continued Public  
Hearing for proposed  
service fee schedule to  
September 8, 2009.  
(395-20-16)

## **6. PUBLIC COMMUNICATION**

1. Tom Kelly, Paradise resident, informed Council there were no fire escape route roads planned for the Butte County General Plan and that more needs to be done to initiate the completion of escape routes.

## **7. COUNCIL CONSIDERATION**

Police Lieutenant Buzzard informed Council that due to the success of the program last year, the Police Department is again requesting the Council temporarily suspend the \$18.00 late penalty assessed for delinquent dog licenses for a 45-day period as part of an ongoing campaign to publicize, encourage and enforce the dog licensing requirements in the Town. This suspension would coincide with community events planned by the department to showcase pets and provide an opportunity for citizens who may be delinquent to license, or relicense, their dogs for the normal fee, as well as reinforce that the reason for licensing and vaccination pets is to control the spread of rabies.

**Agenda item 7(a): Motion by White, seconded by DiDuca,** adopted Resolution No. 09-39, "A Resolution Of The Town Council For The Town Of Paradise Authorizing The Suspension Of Dog License Late Penalty Fees; Between September 1, 2009 And October 11, 2009, As Assessed Within The Previously Adopted Schedule Of Fees Resolution No. 09-06. Roll call vote was unanimous.

**TC (RES) [ADOPT]** Res  
09-39, Suspension of  
Penalty for late dog  
licenses. (410-40-20)

Finance Director Will reported to Council that the short term funding proposals were received from US Bank and Wells Fargo and that US Bank proposed a lower interest rate and lower costs to provide a Tax Revenue and Anticipation Note (TRAN) making them the most affordable option for the TRAN financing.

1. Dan Campbell, US Bank Representative, stated that he appreciated the opportunity to provide proposals for TRAN financing.
2. Lisa Trombley from US Bank discussed the TRAN financing proposal which was based on a whole banking relationship, but stated that it can be re-evaluated as a stand-alone item.
3. Kathleen Dwyer and Vicki Perez from Wells Fargo Bank addressed Council and reiterated the strengths of Wells Fargo bank with better business hours, more community service, and availability during times of emergencies.

**Agenda item 7(b): Motion by DiDuca, seconded by White, (1)** Awarded and approved a three-year Banking Service Contract with Wells Fargo Bank; **(2) Adopted Resolution No. 09-40, "A Resolution of The Town Council of The Town of Paradise, California, Authorizing The Mayor and the Town Manager to Enter into a Banking Service Contract with Wells Fargo Bank for Three Years",** commencing August 25, 2009; and, **(3) Authorized staff to pursue funding through a Tax and Revenue Anticipation Note (TRAN) as proposed by US Bank.** Ayes of Culleton, DiDuca, Lotter, and White and no of Mayor Rutledge.

**TC (RES) [ADOPT]**

Res. No. 09-40 3-year  
banking contract with  
Wells Fargo. (C09-18)

Mayor Rutledge stated for the record that she voted "no" because although Wells Fargo will provide great service, the TRAN loan will cost more from US Bank since the proposal was based on the bank receiving the whole business service, therefore, the TRAN loan will cost more through US Bank since they are not receiving the whole contract.

**Agenda item 7(c): Motion by White, seconded by Culleton, set a** special meeting for Monday, August 31, 2009, at 5:15 p.m. to consider awarding a contract for the 2009 Overlay Project No. 1 approved by Council on July 28, 2009. Roll call vote was unanimous.

**TC (PW ) [SET]** Set

special meeting to award  
contract for Overlay  
Project 08/31/09 at 5:15  
p.m.

Council concurred to move agenda item 9(a) regarding Emergency Medical Services to be heard at this time, prior to Council Communications. Mayor Rutledge announced that in order to provide the public with more information, as well as time to consider the Fire Department's proposed medical calls user fee-based cost recovery and subscription programs before any decision is ultimately made by the Town Council, the presentation of the staff report is being conducted under the Staff Reports Section of the August 25, 2009 Town Council Agenda (rather than the Council Consideration section of the agenda).

7:25 p.m. Mayor Rutledge called a 5-minute recess and reconvened the meeting at 7:28 p.m.

Town Manager Rough explained that the presentation would be given in three parts beginning with his overview of the Town's financial situation since incorporation, followed by a history of the Emergency Medical Services program by Fire Marshal Jensen, and then by a presentation of the EMS proposal by Fire Chief Haunschild.

Manager Rough presented a brief history of the Town of Paradise, which incorporated in 1979 just after the passage of Proposition 13, and explained that property tax revenues, motor vehicle in lieu fund and retail sales are the main revenue sources to the Town, that property taxes cover only 58% of the public safety budgets, and that the declining economy and ongoing state raids have forced the Town to make major cutbacks. Town Manager Rough discussed the budget process that began in December of 2008 with layoffs and reductions in enterprise funds which consist of the Building and Onsite departments. Several actions have been taken by Council to address the financial challenges facing the Town, and along with proposed cost reductions is the medical cost recovery program to increase revenues to reduce further cuts to the fire department.

Fire Marshall Jensen presented a history of our Fire Department, discussed trends and the increased call volumes and responses by number and types of calls and station responses over the last five years. He also provided a history of the evolution of fire department involvement in Emergency Medical Services as a whole. During 1960's Fire Departments began providing EMS services in reaction to World War II and natural disasters with a medical community focus on heart attacks. The 1966 Highway Safety Act set standards for employees involved in EMS, and the 1973 Emergency Medical Services System Act (Public Law 93-154) advocated a systems approach that resulted in funds and training for providers. In the 1980's, the federal funding created by the 1973 EMS Act was reduced or eliminated which placed the demand for funding EMS on local governments. He then explained the makeup of the EMS system, and the relationships between Fire Departments and ambulance service providers, and the importance of the quick response services provided by emergency services personnel.

Fire Chief Haunschild stated that he is bringing the proposed Emergency Medical Services Fee proposal forward in order to provide additional revenue to maintain the current level of services to the Town and that it is not a proposal to reduce costs or services.

He discussed the challenges facing the Fire Department which include a dwindling staff, increased calls for service, and the lack of a stable funding source. The proposal is a fee for service that would be billed only to the person receiving service and that many insurance companies pay for the service. The proposal includes a \$235 cost per call, and also gives an option of an \$82 annual subscription fee which would be available to all Town of Paradise residents, to employees of businesses in Town, and residents in a care home or assisted living facility. Chief Haunschild stated that other communities charge for a first responder fee and for transport and/or advanced life support medical services. He stated that the fire department needs revenue in order to prevent further operational or personnel cuts that would lead to rolling station closures which would compromise response times to 1/3 of the Town.

Chief Haunschild answered questions from Council, that services would be provided whether or a not a person is a subscriber, that a subscription is per household, not per person, and discussed fee waivers and exemptions that would be part of the EMS program.

Mayor Rutledge opened the meeting for public comment at 8:35 p.m.

1. Charles Cress stated that he lives in Paradise Gardens Senior Living and spoke against the fees because most residents live on fixed incomes and have no insurance.
2. John Cress stated that he manages Paradise Gardens III and spoke against the service fee because the elderly residents have no money and will not call for emergency assistance because they know they will be billed and cannot pay for the service. Mr. Cress provided a rent roll showing the amount subsidized for the residents due to their low income and submitted a petition of names gathered at Kmart.
3. Howard Johnson asked if the proposal was actuarially sound. He recently called 911 and the Fire Department showed up which was a good thing, but thinks individuals should have the option of requesting the Fire Department, that he thinks this is a tax, values the Fire Department and doesn't think the services offered by the Fire Department should be taken away.
4. Stan McEtchin stated that he thinks this is a tax, that Proposition 218 does apply and that if it is implemented the Town will be sued. He offered to supply research and assist in any way he could and suggested lowering the proposed tax to \$50 to make it more affordable for the lower income individuals.

5. Mahlon Pringle, Paradise resident, stated we are currently paying for fees with taxes, spoke against the fees, believes it is a double billing and asked questions about how the billing fees would be determined.
6. Barry Sbragia asked what would prevent Police Department from trying to implement the same thing, how much money would be generated, would the money be specifically used for the Fire Department or could it potentially be underfunded. He also questioned the overuse or double response of vehicles to accidents.
7. Judy Westbrook, local nurse for 30 years in emergency room, spoke against the proposed fees in support of the elderly individuals in the community who are not able to afford the fees and that the services should continue to be offered without additional fees.
8. Paul Westbrook discussed the number of billings that could be generated from a single incident and the potential financial impact to the injured party if the fees are adopted.
9. Ray Link asked where the money would go, that he served 20 years as an emergency room nurse and was injured lifting someone out of a car because they did not want to call an ambulance, and does not want anyone else to be injured because the fee is implemented.
10. Bob Abercrombie, Paradise resident, is concerned with proposal and asked Council to consider taking action to decline to pursue the proposed fee. He also stated that if every household in Paradise paid \$82 the money needed would still not be generated and the fee could potentially continue to increase like the wastewater fee.
11. Delphia spoke against the proposal, asked questions and expressed concern that Medicare and Medical would consider this a double billing and not cover the cost, that older generations in town would not be able to afford the fee, and considered this a hidden tax.
12. Scottie, home health caregiver, spoke against the proposal, and asked why a 911 dispatcher cannot ask individuals what specific service they would like to request and that he thinks the costs are very unfair.

Town Manager Rough stated that response protocol can be established through our dispatch that would allow better distinction, but at times it is essential to have both ambulance and fire respond.

13. Dan Norton asked why accidents at Lookout Point have Paradise Fire Department responding when this is CalFire jurisdiction.

Mayor Rutledge explained that there are mutual aid agreements in place statewide to provide aid in certain circumstances.

14. Dave Lee stated that he was member of Paradise Fire Protection Board of Directors prior to Incorporation of the Town and that he thinks the town has not risen to the higher level of fire and police protection expected with the Incorporation of the Town.

15. Evan Tuchinsky, Paradise resident, stated that no speaker has supported the proposal and does not think a public hearing would change the opinion or support of the public.

Mayor Rutledge closed the public comment discussion at 9:25 p.m.

Council discussed other revenue sources and possible cost cutting measures that might address the financial deficit, including proposing a ballot measure for a public safety tax, and looking at changes to response protocols; and, discussed the potential impacts to the Town if reductions in fire department services occurred, such as more overtime during brownouts and increased insurance rates.

**Agenda item 9(a): Motion by Rutledge, seconded by Lotter,** moved to not publicly notice a public hearing for September 8<sup>th</sup> and directed staff to bring back information requested by Council to put on the agenda for further discussion. Ayes of Culleton, DiDuca, Lotter and Mayor Rutledge, no of White.

TC (FIN) [DIR] No public hearing, more information from staff to be put on agenda at later date. (395-20-40)

Mayor Rutledge called a 5-minute recess at 10:15 p.m. and reconvened the meeting at 10:20 p.m.

## **8. COUNCIL COMMUNICATION (Council Initiatives)**

Vice Mayor Culleton attended the State award ceremony for the Skyway/Wagstaff intersection award, attended the Youth Council meeting with Jim Broshears, Hoppie Campos and Jackie Hoiland, will attend the Youth Group meeting tomorrow and will report more at the next meeting.

Council Member White reported that Butte County Association of Government meeting is cancelled this week and the groundbreaking ceremony for the upper Skyway project at Inskip is next month.



Date: August 25, 2009

Mayor Rutledge reported on the meeting for 30<sup>th</sup> Anniversary final event scheduled for November 21, Len Fulton and Richard Laughlin are writing a skit and song for entertainment and service clubs are donating hors d'oeuvres and desserts so that no food will need to be purchased and the bar will be co-sponsored by the Exchange Club and Rotary.

**Agenda item 8(b): Motion by White, seconded by Lotter**, based on Council's approval on January 13, 2009 to join the Amicus Brief via letter signed by the Mayor regarding City of Irvine vs. the Southern California Association of Governments at no cost to the Town, approved the requested letter of support for the City of Irvine's Petition for Review with regard to their appeal to the Supreme Court of the State of California to be signed by the Mayor. Roll call vote was unanimous

**TC (ADMIN) [AUTH]**

Participate in City of Irvine's Petition for Review appeal to Supreme Court. (BCAG 150-10-12)

## **9. STAFF/COMMISSION/COMMITTEE COMMUNICATION**

Agenda item 9(a) was moved up on the agenda

**Agenda item 9(b):** Town Manager Oral Report.

None.

## **10. CLOSED SESSION**

None.

## **11. ADJOURNMENT**

**MOTION by Culleton, seconded by White**, adjourned the Council Meeting at 10:28 p.m. Council vote was unanimous.

**APPROVED:** September 8, 2009

  
FRANKIE RUTLEDGE, Mayor

  
JOANNA GUTIERREZ, CMC, Town Clerk

