

**MINUTES  
PARADISE TOWN COUNCIL  
SPECIAL MEETING – 6:00 P.M. – April 21, 2010**

The Special Meeting of the Town Council of the Town of Paradise was called to order by Mayor Lotter at 6:02 p.m. in the Council Chambers, Town Hall, 5555 Skyway, Paradise, California.

**COUNCIL MEMBERS PRESENT:** Steve “Woody” Culleton, Joe DiDuca, Frankie Rutledge, and Scott Lotter, Mayor.

**COUNCIL MEMBERS ABSENT:** Alan White (arrived at 8:10 p.m.)

**STAFF PRESENT:** Town Clerk Gutierrez, Town Manager Rough, Town Attorney Moore, Assistant Manager Ivey, Assistant to the Town Manager/Business & Housing Services Manager Gill, Community Development Director McGreehan, Public Works Director/Town Engineer Schmidt, Finance Director Will, Acting Fire Chief Jensen and Acting Police chief Buzzard.

**3. PUBLIC HEARING**

Mayor Lotter announced that the purpose of tonight’s special meeting was to conduct a public hearing (pursuant to Government Code Section 50077), relating to a proposed special public safety protection (police/fire) parcel tax measure that would be placed on the November 2, 2010 General Election ballot requiring a two-thirds voter approval to become effective.

Manager Rough stated that the Council has held two public discussions, the first at the November 9, 2009 Council Meeting, and a second at the March 9, 2010, Town Council meeting, and that at the March 9, 2010 meeting the Council directed staff to bring forward options for the proposed special public safety parcel tax ordinance for consideration at tonight’s special meeting.

Manager Rough explained that the flat tax rate option would levy \$110 per year per taxable parcel, and that the tiered tax rate option would establish a tiered annual tax rate that recognizes the different types of parcels in the Town: single family residential; multi-family; mobile home parks; commercial/industrial 2.99 acres or less and commercial/industrial 3.00 acres or more; agricultural/unimproved, 2.99 acres or less; and, agricultural unimproved, 3.00 acres or more. Manager Rough stated that there are three standard exemptions included in each ordinance, and that the inflation adjustment would be based on the U. S. Department of Labor’s Western States Consumer Price Index. The final issue for the Council to decide

would be whether or not the proposed special tax would be permanent or would sunset after a certain number of years.

Manager Rough displayed a power point presentation and discussed the Town's historical and current financial situations, stating that the Town has never had adequate financial resources to fully fund the police and fire services. Historical constraints include the Town's dependence on property taxes for revenue, as it has a small commercial, retail base and the 1994 ERAF property tax shift resulted in a \$4.6 million loss to date in property tax revenue. The current economic recession has resulted in a loss of property tax and sales tax revenues, and the state budget deficit has resulted in delayed payments of subventions to the Town. Manager Rough discussed the cost cutting measures that have been taken to maintain the Town's financial stability and fiscal solvency, which include further consolidation and streamlining of operations; additional cutbacks in spending; lay-offs for some non-public safety employees; shared sacrifices of compensation related concessions by all Town employees; reduction in hours for some non-public safety employees; and further reductions in staff due to normal attrition and retirements which reduced the general fund operating deficit from \$1.2 million to \$155,000.

Manager Rough introduced Police Chief Buzzard to discuss the current issues that place the public safety of our citizens at risk and the challenges that are presented to law enforcement.

Chief Buzzard discussed three major public safety protection issues that the police department would like to address in a proactive, rather than a reactive manner. The first is the impact that the growing gang members/associates residing in Paradise have on the community, stating that although gang members are not "hanging out" where they can be visible, they do have a presence in our community, especially dealing in narcotics - manufacturing, possession and sales. He discussed the corresponding increase in criminal offenses associated with gang activity such as theft/possession of firearms; commercial and residential burglaries; auto theft, criminal threats and graffiti. The second issue relates to the increasing illicit drug problem in Paradise which is exemplified by a corresponding increase in commercial burglaries, robberies and aggravated assaults and explained in further detail how crime and drugs are related. The third issue is the need for increased traffic enforcement on our streets.

Chief Buzzard stated that 22,300 calls for service are received and 3,300 police reports are written annually, and that 150 calls per year for traffic problems come directly from citizens. He explained the

impacts on all law enforcement personnel due to increased caseloads and calls for service resulting from the increased criminal activities, that sex offender cases are well over 100 and are also handled by investigations, and that there is an anticipated increase due to the State's planned early release of prisoners. Chief Buzzard stated that if the parcel tax passes, the funding would provide additional protection and reduce risk to public safety personnel by increasing personnel and providing equipment for the following: (1) A two-person anti-gang/anti-narcotics investigative unit that would proactively address crimes associated with narcotics and allow the other two investigators to focus on other types of criminal investigations within the community; and, (2) A two person traffic enforcement unit to be dedicated to traffic control and the handling of traffic collisions and accidents which would free up on-duty patrol officers to attend to other policing tasks.

Manager Rough introduced Fire Chief Jensen to discuss the issues and challenges faced by the Fire Department with regard to fire suppression and fire prevention efforts in our community. Chief Jensen stated that Paradise is located in a very high fire severity zone in that the Town is surrounded on all sides by wildland interface. Chief Jensen discussed the major issues faced by the Fire Department, which include the lack of ongoing fuel reduction, the need for increased staffing to enable the department to operate with a minimum of 3-person engine crews; and, the need for public education programs. Chief Jensen highlighted the lack of fuel-abated and maintained emergency evacuation routes in the community that created major obstacles for evacuations during the 2008 Humboldt Fire, when one-third of the community had to be evacuated on a single-lane road out of Paradise; and, that the fuel breaks provided by grant funding have or will soon become overgrown due to the lack of continuing grant monies needed to sustain the breaks. Chief Jensen also discussed the lack of adequate staff to provide three, 3-person engine crews which would allow all three fire stations to remain open.

Chief Jensen stated that if the parcel tax passes, the funding would provide for the establishment of the following: (1) A two person, part time, year around fire prevention/fuel reduction specialist unit as part of the Community Safety Services Division; (2) An annual fire safety public information and education program and a homeowner special needs fire hazard abatement assistance program through the Fire Safe Council; and, (3) An annual contracted fuel reduction and maintenance program that would reduce fuels along the major evacuation arterials, maintain existing fuel breaks and establish and maintain additional fuel breaks and fire defense access areas.

Mayor Lotter opened the public hearing at 6:53 p.m.

1. Dan Alvies, stated that he is against the proposed parcel tax, that he has lived here all his life, 77 years, that he has seen high taxes at the end of the depression where people lost their property to PID and that he thinks with the economy the way it is, they'd get by without it.
2. Andy Askin stated that he supports the police and fire departments, that he has no arguments with the proposals but doesn't understand the staffing proposal to have one captain for every three firefighters, that he is not against the proposals but questions the approach as he thinks there is an enormous inequity in the property tax proposal (if a person pays \$600 - \$700 the \$110 tax means an increase of 18-20%, and if you pay \$3,000 it only means a 3% increase), that younger families don't use the EMS services which creates an issue of fairness, and asked that Council rethink the implications of a built in inflation factor that is an open ended tax proposal that leaves no room for reduction in the property tax when the economy improves, but that a sales tax would be paid when people can afford to buy goods and services.
3. Donna Beronda, stated that she is generally a proponent of public safety and is retired from a 30 year career in law enforcement in San Diego and Butte County, thinks she has a good handle on crime, and has worked a lot with fire services; that she thinks the citizens feel disenfranchised by both fire and police departments, that citizens need to feel heard when they have a complaint, that she has complained for years about the overgrowth at the house next to her home, that she has had occasion to call on the police when her home was burglarized in 2005, but that she spent two and half years doing her own police work to solve the case. Ms. Beronda stated that she thinks the growth of the Ridge Rats, the home grown gangs, needs to be addressed, as they are probably responsible for 90% of the residential burglaries which are the most dangerous types of burglaries that occur, as opposed to commercial burglaries that are damaging.
4. Gary Briley, thanked Manager Rough for his presentation, and stated that public education is essential to this matter, that the police and fire do a good job and are necessary, thinks the parcel tax is regressive, that it is unfair to impose a fixed item on people, that small businesses will be hurt, that big

businesses will pass the increased cost onto consumers, and that everyone's costs have increased but people cannot increase their income, and he is going to vote against the parcel tax.

5. Douglas Carpenter, stated that he appreciates our public safety personnel, but thinks the tax is a bailout of the mistakes in Sacramento, suggested the cities show up on the steps of the capital and object to taxes being raised, that there is very high unemployment and under employment in our Town, that he thinks the problem is caused by the legacy (retirement) costs for the employees in the public safety sectors, that he is a retired vice president of a fire insurance company, that there is only one city in the U.S. that has a better rating than 3, and that is the city of Chicago, and that adding another fire truck and six firemen is not going to make the Town's rating a "2".
6. Ronnie Chavez, stated that police and firemen risk their lives all their career for us and he thinks they deserve the legacy costs, that this meeting is about the future of Paradise, that he is in the addiction studies at Butte College and there are a lot of addicts here that are unemployed, unsupervised and unscrupulous, and that he sees the desperate people coming to him looking for work, that we need more police officers in our community, and that he is in favor of the ordinance but if it is sunset the Council needs to come up with a better idea for revenue, and thinks the tax should be permanent and to let the people decide and to let this go on the ballot.
7. John Cress, stated that he manages the Paradise senior apartments, gave Council a handout that lists the income of his tenants, stated that the people cannot afford this type of tax, that they do use the fire department but he has worked with the people so they don't call them near as much as they used to, that he has personally cleared the five acre property between the Comfort Inn and his property, that he does his own security watches, and that he supports community education regarding police and fire issues.
8. Kenny Davis, handed out a copy and then read his letter to the Council, stating that he is against the proposed parcel tax, that he thinks there are already too many taxes, that he lives on a fixed income, is too old to go back to work and that there must be a way for the Town to work with what they already have.

9. Ward Habriel, stated that he belongs to several volunteer organizations in this town, and suggested more volunteers within the Town, and more training provided for Neighborhood Watch programs which have proven to be successful in assisting police departments, that he used to be a project manager and sometimes had to tell his workers that they would have to work for less money and some of them left, and sometimes it has to be said that we cannot afford the salaries any more, that he is on a fixed income and did not receive any increase this year, and that if this matter comes up in November he will be a no vote.
10. Rick Hamner, stated that he is a 20-year resident of the Town, that he is proud of his Town and his Council and what they are trying to accomplish, and that the negative aspect is that he is seeing the value of his fixed dollar going down rapidly and he doesn't think we've seen the worst of it at either the State or federal levels, and that he doesn't think we should do this unless we are sure that people can handle it.
11. Jim Harding, stated that he does not support the tax, that the community is 30 years old and has gotten by with less, that as a property manager of multi-family units he realizes there is an increase in the use of EMS services but that the costs will pass through to the users, that the structures are densely located, are smaller, and are located closer to the police and fire facilities which requires a shorter response time, and asked if EMS could respond to medicals without a fire truck.
12. Steve Jones, read statements that he says were made by the governor of California 8.5 years ago that indicate an opposition to more taxes, referred to a study from the University of California in Sacramento that ranks California 49<sup>th</sup> out of 50 states as being the least business friendly state, and that the total regulatory costs per household equals \$38,446 which translates to a little over \$13,000 per individual, and that he is against the proposed tax.
13. David Kensinger, stated that eventually the legacy costs do need to be looked into and controlled, that he is more concerned about the approaching fire season, that he has serious doubts that the police department will be able to do anything about the drug problems as billions of dollars has done nothing to win the war on drugs, that he is concerned about the lack of fuel reduction and maintenance of fuel breaks within the Town, supports increased funding for the fire

department proposals that have been made, including additional staffing and the 3-man engines, and that he has an issue with the leasing of the police vehicles, that he can't see paying that much for a vehicle and then turning it back to the lease company.

It was explained that the vehicles are purchased for the Town through a lease-purchase financing mechanism and that the vehicles remain the property of the Town.

14. Stan McEtchin, asked if the tax goes through, would it be a variable tax that could be raised every year by the Town, and what happened to the original proposal of \$50 to \$75 per year and asked if group meetings that involved citizens, volunteers, schools, etc., could be held to solve the problems facing our community to come up with alternative ideas to a tax.

Manager Rough explained that the original fire district proposal was based on a larger number of participants which reduced the estimated cost per parcel.

15. Mahlon Pringle, stated that he thinks a good job is done by the police and fire departments, thinks staffing levels are adequate, that he thinks what is being asked for is a wish list and that not everyone can afford to pay the tax, that without a sunset clause there would be no need for transparency, questioned the proposal for three fire captains, and if the captains were coming from within the department or being added from outside the department.

Mayor Lotter asked Fire Chief Jensen to explain the rationale for the staffing proposal. Fire Chief Jensen explained that the captain on the engine commands and make tactical decisions regarding the tasks required of the firefighters, based on the particular fire scenario, while the engineer mans the pump. Captains have more experience and exposure in the fire environment which has become significant in that although there are fewer fires across the nation, the dollar loss in value continues to climb. Additionally, there are limited training opportunities for firefighters with regard to these fire scenarios. Chief Jensen stated it has become more and more difficult for volunteer firefighters to sustain the required levels of training, which are the same as those of a career firefighter. He also stated that fire captains could be recruited both from within and outside of the organization, that certain levels of experience and training are required for the captain positions, and that the

firefighter positions are opened up to outside applicants and generally come from persons who have spent time to put themselves through the fire academy and/or have volunteer firefighting experience.

16. Barry Sbragia, asked the cost of the ballot measure, if the State could raid this funding if it was voted in, that the Town is in the worst economic times it has experienced and there is a convergence at both the State and federal levels, that costs are only going to go up with inflation, that he thinks the State will levy additional taxes, that the federal health care cost is unknown and that things are only going to get worse.
17. Gary Shallenberger, stated that he has been involved with achieving better fire protection for our community from the beginning, that he is in favor of the flat tax proposal, that he is one of the citizens on a fixed income that has decreased with the downturn in the economy, but that he is willing to pay to live in a place where he can count on police and fire protection, that he still has not unpacked his possessions he packed during the 2008 fires, and will not unpack until there is better fire safe conditions on the ridge and that he thinks the issue needs to come before the voters at the voters booth to give individuals the right to say 'yea' or 'no' at the election booth.
18. Thomas E. Wahl, stated that he grew up in Chico, worked in 1974 for an ambulance service in Chico and was paid \$1.25 an hour, discussed the pay disparities that he thinks occurred when paramedics entered the work force, that he supports hiring people to coordinate volunteers to provide services, such as using low risk inmates for certain services, as overlapping service areas waste resources, and that he thinks we can rethink outside the box rather than raise taxes to solve the problems.
19. Dan Wentland, stated that as a former Council member he understands that there is no fat in the Town budget, that he is against the proposed tax, that no one he has talked to supports the proposed tax, and that the reason he is now against the tax is because there are so many other rising costs that will be passed onto the taxpayers, such as rising pension and health care costs within the state and federal governments, projected increases in fuel costs, higher interest rates, as well as other new taxes, and that he supports the use of volunteers such as the VADS to address some of the

fuel reduction issues in the Town, possible tie into the penal system, and to get creative with solutions.

20. Kim Yamaguchi, Fifth District representative on the Butte County Board of Supervisors, thanked the Council for having this meeting and expressed appreciation for the Council's service to the community, and stated that Butte County is facing the same issues as the Town with regard to having to continually make cutbacks, that new baselines need to be established, that governments need to be more efficient in their operations rather than to continue to look to the taxpayer for the solution, that he represents a constituency that is down on its knees economically, that Butte County is at 15.1% unemployment, that Butte County takes care of welfare lines for general assistance and subsidizing the food program, that the numbers in those programs are way up, asked the Council to wait for better times to put this matter on the ballot and that he is voting no on this tax.
21. Lawrence Foss, stated that he is part of the Tea party, in his past life has been a firefighter, is a Vietnam Veteran and loves his country and the Town, that there are legitimate concerns regarding police and fire protection, that he supports thinking outside of the box, a box that is full of regulations, and that he thinks volunteer squads should be utilized to provide necessary services within the community.
22. Loretta Griffin, stated that she thinks the Town does a terrific job, that she knows we need more police and firemen, that the VIPS program is fantastic, but that she thinks we cannot afford to continue to pay a hundred thousand dollars a year for an employee, and that we need to come up with divisions that aren't unionized and don't need PERS, and stated that if anyone wishes to volunteer to work with VADS to call either herself or Dan Wentland.
23. Dan Roberts, stated that he is a business owner in Paradise, and asked that Council make the decision to rescind the tax and not put the tax measure before the voters as he thinks this is the wrong time to be asking more of the citizens, that he thinks there are other ways to make the budget work, and to consider cutting regulations to make it easier for people to come here to do business and provide services and commerce to the Town, and to see our Town begin to grow.

Mayor Lotter called for a ten minute recess at 8:00 p.m. and reconvened the meeting at 8:12 p.m.

Mayor Lotter announced that Council Member White arrived at the meeting at 8:10 p.m.

Council discussed if the funding would offset the overtime issue; clarified the role of the proposed fire prevention officers and how they would work with the citizenry; discussed concerns for the safety of the citizens and the safety of police and firefighters in continuing with the same level of services; that the Council cannot impose a tax, but that allowing citizens to vote would let the Council know if the people are, or are not, satisfied with the current level of public safety services; clarified that there is a cost to use inmate labor for fuel clearances and estimated the contracted cost to maintain fuel clearances at \$1600 - \$2000 per acre, which equates to a 4,356 ' X 100' wide clearance); that a citizen initiative would have provided a clearer direction to the Council that the citizens wanted additional public safety services; that the Council has already been addressing the reduction of legacy costs of public pensions within the organization through negotiations with the employee units, and that the employees have made concessions to reduce operating costs; discussed the reason for including an annual cost of living escalator within the proposal; whether or not there is anything more the Town could do to create a more positive business environment before asking the citizens to consider a tax; and, the pros and cons of the flat tax vs. the tiered tax and the sunset clause.

**The MOTION by White, seconded by DiDuca, to decline to introduce an ordinance adopting a special police/fire tax for the November 2, 2010 ballot did not pass. Ayes of DiDuca and White and noes of Culleton, Rutledge and Mayor Lotter.**

Town Attorney Moore stated that language needs to be inserted in Section 3 of either proposed ordinance to state that the proposed tax is a special tax and needs to include the date of the election.

**Agenda Item 3a: MOTION by Rutledge, seconded by Culleton, (1) Waived the reading of entire Ordinance No. 500 and approved reading by title only; and, (2) Introduced Ordinance No. 500, "An Ordinance of the Town of Paradise Adopting a Special Police/Fire Tax Pursuant to the Government Code Section 53978, Adding Chapter 3.50 to the Paradise Municipal Code (the flat tax rate option of \$110 per parcel) with the**

TC (ORD) [INTRO] Ord No. 500, adopting a special police/fire tax & adding chapter 3.50 to PMC (flat tax rate option @ \$110 per parcel).

amendments stated by the Town Attorney to include a sentence stating that the tax is a special tax, that the election will take place on November 2, 2010, and with the inclusion of language for a six-year sunset clause that states the ordinance shall remain in effect for six years from its effective date and thereafter shall be repealed. Ayes of Culleton, Rutledge and Mayor Lotter and noes of DiDuca and White.

**5. ADJOURNMENT**

The Town Council Meeting was adjourned at 9:18 p.m.

APPROVED: May 11, 2010

  
SCOTT LOTTER, Mayor

  
JOANNA GUTIERREZ, CMO Town Clerk