

**ADJOURNED CITY COUNCIL MINUTES
HAMAMATSU CONFERENCE ROOM
CITY HALL, 291 N. MAIN STREET
PORTERVILLE, CALIFORNIA
JUNE 11, 2013, 6:00 P.M.**

Called to Order at 6:00 p.m.

Roll Call: Council Member Ward, Council Member Shelton, Council Member Hamilton, Vice Mayor McCracken, Mayor Gurrola

ORAL COMMUNICATIONS

None

CLOSED SESSION:

- A. Closed Session Pursuant to:
1 - Government Code Section 54956.8 – Conference with Real Property Negotiators/Property: 280 North Fourth Street. Agency Negotiators: John Lollis and Donnie Moore. Negotiating Parties: City of Porterville, Porterville Senior Council, Tulare/Kings Counties Area Agency on Aging, and CSET. Under Negotiation: Terms and Price.

6:36 P.M. RECONVENE OPEN SESSION

REPORT ON ANY REPORTABLE COUNCIL ACTION TAKEN IN CLOSED SESSION

No reportable action took place.

Pledge of Allegiance Led by Mayor Virginia Gurrola
Invocation – the Mayor participated.

ORAL COMMUNICATIONS

None

SCHEDULED MATTERS

1. Budget and Capital Project Study Session – FY 2013-2014

Recommendation: That the City Council accept staff's presentation, and give direction accordingly.

City Manager Lollis introduced the item, stating that the following economic improvements would positively affect the City's finances in the next fiscal year: increased sales taxes, increased property taxes, stable utility users' taxes, refinancing of Certifications of Participation, Rabo Bank refinancing of public safety PERS side fund, and no direct financial challenges from the State.

The City Manager explained recent changes to the State Enterprise Zone Program, and the cessation of State funding for the Off Highway Vehicle (OHV) Park, noting an option to privately lease out the park's future operations or seek grant funding. Of further note were recent developments in the disputed Vehicle License Fee (VLF) funds between the City and the State.

A discussion ensued regarding cost increases for PERS and employee health insurance, including the estimated \$60,000 fee required to maintain the City's health insurance plan under the Patient

Protection and Affordable Care Act. The Council discussed, at great length, possible reforms to the current health insurance program, including: joining a group insurance program instead of being self-insured; scaling back coverage for dependents; promoting mail-order and phone-order prescriptions; and updating the PPO policy.

Mayor Gurrola inquired about the status of the worker's compensation program, and Administrative Services Director Hildreth provided an update, noting that there have been some issues with fraudulent claims and malingering, but overall the City has fared well with the program in the past year.

The Mayor inquired about the new compressed natural gas buses, and a brief discussion ensued regarding the ability of the City to sell the old buses.

The Council discussed the costs, funding sources, and timelines for the following Capital Projects:

- Public Facilities- Chase Avenue Park, Sports Complex concession stands, Public Safety Station, Library and Literacy Development, and Zalud House
- Street Projects- monumentation of streets leading to Granite Hills High School
- Water Projects- Replacement of water pipes

With regard to the Public Safety Station project, Council Member Ward expressed concerns about exhausting Measure H funds, suggesting the use of reserve funds to advance the project timeline.

Council Member Shelton inquired about the operation costs for solid waste management, the Airport, and the Golf Course.

A brief discussion ensued regarding Risk Management expenses for the Liability Program and Health & Life appropriations, with Administrative Services Director Hildreth noting significant impacts from several fatalities and litigation cases in the past year.

The Council lauded the efforts of Parks & Leisure Services Director Moore for improvements made to the Landscape Maintenance District.

The Council took a ten minute recess at 7:50 p.m.

Council Member Shelton inquired about changes in the Water Replacement Fund, Solid Waste Capital Reserve Fund, Transportation Development Fund, Park Development Fund, Building Construction Fund, and Putnam property improvements.

The Council discussed the maintenance of the Off-Highway Vehicle Park, directing Parks & Leisure Services Director Moore to bring back options for staffing solutions.

Council Member Shelton inquired about funding for the Porterville Chamber of Commerce, noting his intent to bring the item up for discussion during the next City Council meeting.

Mayor Gurrola inquired about the Economic Development Action Plan Program, and Community

Development Director Dunlap provided clarification.

With regard to the proposed Animal Shelter project, the Council expressed support and directed staff to bring back updated information on the project's progress.

Disposition: No action.

ORAL COMMUNICATIONS

- Barry Caplan, spoke about the City as a corporation and the residents as stockholders, and requested that the Council explain the level of service being provided to constituents.

OTHER MATTERS

- Mayor Gurrola announced Flag Day coming up on June 14th.

COUNCIL ACTION: MOVED by Council Member Ward, SECONDED by Council Member Hamilton that the City Council approve the scheduling of an item on the next Agenda to consider rescinding the LGBT proclamation, and propose a resolution to unite the community.

AYES: Shelton, Hamilton, Ward
NOES: McCracken, Gurrola
ABSTAIN: None
ABSENT: None

Council Member Ward indicated that he had language for the proposed resolution.

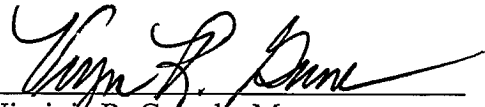
Documentation: M.O. 01-061113
Disposition: Approved.

ADJOURNMENT

The Council adjourned at 8:20 p.m. to the meeting of June 18, 2013.


Luisa M. Zavala, Deputy City Clerk

SEAL


Virginia R. Gurrola, Mayor

