

**MINUTES OF THE WILLOWS CITY COUNCIL**  
**REGULAR MEETING HELD October 11, 2016**

1. Mayor Hansen called the meeting to order at 7:00 p.m.
2. **PLEDGE OF ALLEGIANCE:** Vice Mayor Yoder led the Pledge of Allegiance.
3. **ROLL CALL:**

Present: Council Members Mello, Domenighini, Williams, Yoder & Mayor Hansen.

Absent: None

4. **Ceremonial Matters:**

- a) Mayor Hansen presented (3) Certificates of Appreciation to Glenn-Colusa Irrigation District, Lance Lambert and Frank Couto for their outstanding contributions and assistance rendered by them during a recent fire incident at 204 South Tehama Street on August 31, 2016. Kevin Nelson and Steve Osa accepted the Certificate of Appreciation on behalf of Glenn-Colusa Irrigation District. Mr. Lambert and Mr. Couto were unable to attend the meeting and will be given their Certificates in the near future.

5. **Public Comment/Written Communications:** None

6. **Consent Agenda:**

**M/S –Domenighini/Yoder** to approve the Consent Agenda as presented. The motion unanimously passed 5/0, and the following items were approved/adopted:

- a) Approval of General Checking (34004-34080 & 30679-30680), Payroll (36376-36407) and Direct Deposit Check Registers (Z07719-Z07757).

7. **Public Hearings:**

- a) 2016 California Fire Code adoption:

Prior to introducing this item, Mayor Hansen pointed out that there was a typographical error on the agenda for this item in the title of the Ordinance. The Ordinance title should reflect “2016 California Fire Code”, rather than “2016 California Building Standards Codes”.

Before the Council is the new California Fire Code which is based off of the 2015 International Fire Code. Every three years a new code must be adopted by the Council. Council should note that in the conclusions of the “Local Findings of Fact” in the Ordinance, some codes have been deleted, some have been added and some have been amended. Staff is requesting that the Mayor conduct the public hearing and that Council consider reading by title only and passage of first reading of the Ordinance before them.

Council Member Williams stated that he had spoken to Fire Chief Peabody before the meeting to ask if this is an item that is required by the State to be adopted by the Council and Chief Peabody told him that it was a State requirement.

Mayor Hansen stated that this is a State mandate and the City must follow the requirements of the State as it relates to Fire Codes and the new and/or amended codes must be adopted every three years.

Mayor Hansen opened the public hearing at 7:08 p.m. and hearing no comments from the public, closed the public hearing at 7:08 p.m.

**M/S – Yoder/Williams** to read by title only the ordinance next in line. The motion unanimously passed 5/0 with a roll-call vote.

**M/S – Yoder/Williams** to pass first reading of an ordinance entitled “**An Ordinance of the City Council of the City of Willows, Repealing, Replacing and/or Amending certain Sections of Chapter 15.15 of the City of Willows Municipal Code, and Adopt by Reference and Amend Certain Portions of the 2016 California Fire Code and Approve the Local Findings as set forth in the Codes with the remaining sections currently in place to remain unchanged.**” The motion unanimously passed 5/0 with a roll-call vote.

b) 2016 California Building Standards Codes adoption:

As part of its periodic review of the building codes, the California Building Standards Commission this year published the 2016 California Building Standards Codes, which become effective January 1, 2017. These new Building Standards Codes are based in part on the 2015 International Building Code, published by the International Code Council, and include the 2016 California Building Code and the 2016 California Fire Code, among other codes.

Staff is requesting that the Mayor conduct the public hearing and that Council consider reading by title only and passage of first reading of the Ordinance before them.

Mayor Hansen opened the public hearing at 7:12 p.m. and hearing no comments from the public, closed the public hearing at 7:12 p.m.

**M/S – Mello/Yoder** that the Ordinance next in line be read by title only. The motion unanimously passed 5/0 with a roll-call vote.

**M/S – Mello/Yoder** to pass first reading of an ordinance entitled “**An Ordinance of the City Council of the City of Willows, Repealing, Amending, and/or Creating specific Sections of Chapter 15; subsections 15.10, 15.11, 15.20, 15.30, 15.35, 15.50, 15.55, 15.60, 15.70, 15.75, 15.80, 15.85, 15.90, 15.91 and 15.95 of the City of Willows Municipal Code, and to Adopt by Reference and Amend Certain Portions of the 2016 California Building Standards Code.**” The motion unanimously passed 5/0 with a roll call vote.

**8. Ordinances:**

- a) Ordinance Amending Title II, Section 2.70.020 of Chapter 2.70 of the Willows Municipal Code:

At their August 11, 2016, meeting, the Library Board of Trustees took action on an item to make a recommendation to the City Council to adopt an Ordinance to amend Code 2.70.020 of the Willows Municipal Code. Their recommendation was that the Council allow for the Board of Library Trustees meeting times, places and frequency be established by resolution. Currently the Ordinance states that the Board must meet at least once per month and the Board has expressed that they would like to conduct their meetings once every other month.

This Ordinance was introduced and passed first reading by title only at the City Council's September 27, 2016 meeting and staff is now recommending that the Council pass second reading and adopt the proposed ordinance.

**M/S – Williams/Domenighini** to pass second reading by title only the Ordinance next in line. The motion unanimously passed 5/0 with a roll-call vote.

**M/S – Williams/Yoder** to adopt an Ordinance entitled “**An Ordinance of the City Council of the City of Willows Amending Title II Section 2.70.020 of Chapter 2.70 of the Willows Municipal Code.**” The motion unanimously passed 5/0 with a roll-call vote.

## **9. Regular Business:**

- a) Consideration of supporting Willows Unified School District's Bond “Measure B”:

Interim City Manager Peabody stated that Jim Lambert, spokesperson for the Willows Unified School District's Measure B bond proposal, requested that this item be on tonight's agenda for the City Council to consider offering their support and encouraging the citizens of Willows to vote “yes” on Measure B. The Council has been given a fact sheet about Measure B for them to review and there is also a proposed Resolution of Support for Council's consideration. With that, ICM Peabody turned it over to Mr. Lambert to address the Council.

Jim Lambert addressed the Council. Mr. Lambert stated that he is asking for Council's support of Measure B, which is an \$8MM bond on the November 8 ballot. Schools are a critical need in any community going forward. The future of communities is based upon good schools. While Willows has good schools, they don't have good school facilities, and they need help; they cannot do it on a school budget. There are other things that are very important to a community going forward, and the City Council is charged with moving this community forward and making sure that they are preparing young people and that schools and the community are thriving. When people are looking to move into this community, they look at a couple of factors. The number one factor that people look for is healthcare and the Glenn Medical Center Board of Directors has just recently broke ground for a new

hospital facility that will be constructed in a year and a half. People also look for Public Safety and the City of Willows has wonderful, trained and equipped Fire and Police Departments that have benefitted this community tremendously. People look for Recreation and the City has a wonderful racetrack west of town, National Forests, Rivers, and great recreation activities in the City. The final factor that people look at is that of the schools. When people come to this community they want to look at all of those different factors and they also want to look at schools. If you look at the schools in Willows, the schools are in difficult conditions and they need to be fixed, but financially they need help to do so.

Mr. Lambert pointed out some of the highlights of the school bond. Measure B is an \$8MM bond and he wants to make sure the Council understands the potential of that \$8MM. If this bond passes and Prop 51 also passes at the State level, there is a chance that the State would be in line for matching funds, which essentially means that the \$8MM bond will actually be doubled, and they would have \$16MM that they would be eligible for to help to fix the schools. The Facility list right now is about \$23MM, so \$16MM (\$8MM from State and \$8MM from the local bond) would help the School District tremendously.

The last time the School District tried to pass a bond measure, there was a lot of concern regarding oversight concerning projects like athletic fields and other things that people don't want to have their money spent on. If the Council looks at the fact sheet that they have been provided, it lists specifically the projects that these monies would be used for and they would *only* be used for those projects.

Mr. Lambert wrapped up his comments by stating that he would like to emphasize that the Willows schools are doing great things and he is very proud of the things that are happening in the schools, and he asked for the Council's support for Measure B. With that, he said he would be happy to answer any questions that the Council may have.

Council Member Williams asked Mr. Lambert if there was a town hall meeting scheduled for tomorrow evening to discuss this bond measure. Mr. Lambert stated yes, there will be a meeting held tomorrow night at 6:30 p.m. at Murdock School to talk about the facts of Measure B, the schools, and the projects that are being done. The Facilities Master Plan is available on the Willows Unified School District's website. If Measure B is passed, a lot of the work will consist of replacing old worn portable classrooms that were put up in the mid 1980's and were supposed to only be temporary but they are still being used today, although they are falling apart.

Mr. Lambert stated that each time they put a bond measure on the ballot, it is a two-year cycle. Three previous bond measures put before the voters did not pass – the last measure being in 2014. He stated that luckily, bond rates have not gone up tremendously since that

time, so he is very hopeful that will help the project. Inevitably the School District is going to have to do these projects and the longer they have to wait, it is just going to get more expensive and the bond rates will go up.

Council Member Yoder stated that the School District is on the right track with seeking these bond monies and he just hopes the rest of the City will support the Measure. Mr. Lambert stated that the big thing for him is that if the Measure passes, the District will have the chance to double their money if the \$9 Billion State Bond passes, and that is a rare opportunity that doesn't come along very often.

Mayor Hansen stated that the Council gave their support of and wholeheartedly endorsed a similar School District bond 'Measure R' two years ago and unfortunately the Measure did not pass.

Council Member Mello stated that everybody present at the meeting, including himself, truly wants to see a renovation and modernization of the old school buildings and classrooms so that they can continue to serve the community. Measure B is just one Measure on the November ballot and he only has three more weeks to do more studying on all of the ballot measures, including this very important Measure B. Saying that, he stated that he still needs more time and that he will attend the meeting tomorrow evening at Murdock Elementary; however, as of tonight he stated that he is going to reserve his vote until he studies the issue a lot more.

Council Member Domenighini stated that this is a sort of repeat of what the Council talked about two years ago when discussing their support of Measure R. It is an important part of the community to have good schools and really that is the magnet for the target demographic of young families. He would strongly advocate a strong working relationship and partnership between the City Government and the School District. He stated that he is all in favor of supporting Measure B. He stated that he would also like to see it as a "standing policy" that the City Government supports the Willows Unified School District and vice-versa and that both entities work collaboratively in partnership with one-another.

Council Member Williams stated that, following up on Council Member Mello's comments, he wholeheartedly believes that the City's schools are dilapidated and there is no question about that. Having worked for State Government for thirty years now, he has seen a lot of waste when it comes to construction and that concerns him greatly. He said that he had a conversation with Mr. Lambert recently and one of the things that he talked about was seeking money from different foundations and wealthy individuals that have monies set aside. He didn't mean that it would be free money, but perhaps they could pay a lower rate of interest on the loan(s). He stated that he would prefer that this item be tabled until the

next City Council Meeting so that he is able to attend tomorrow evening's town hall meeting and get the Pros and Cons. He stated that he does know that the City of Orland had some issues with their past school bonds and there was some back and forth and some bad blood as a result. He asked Finance Director Tim Sailsbery if there is any information that he could share to enlighten the Council about what the issues were. Finance Director Sailsbery stated that, for purposes of full disclosure before he answers Council Member Williams' question, he shared that his spouse is an Administrator at Orland Unified and his mother was a teacher at Orland Unified. He stated that he is too subjective to answer that question, but the only thing he is going to say is that as an Orland resident who is currently paying a property tax assessment for those bonds, he is very proud of the fact that there is tangible improvement, there are wonderful new Science and Technology buildings on two of the four campuses, an Assembly room and Cafeteria, and a new safe at one of the Schools. He knows that the new Athletic Facilities was one of controversy, but the football field in Orland is a sight to behold and something the community is very proud of and something that the community uses a great deal – from a walking track and fitness standpoint. Again he stated that he is not completely objective here, but that said, despite problems that may have happened in the interim, the end-product has been well worth it and he has no problem with the assessment on his property tax because he sees a return on that investment with the tangible items that are now there. Given that Measure B is looking to replace portable classrooms with permanent classrooms, this Bond too will result in tangible improvements.

Mr. Sailsbery continued, stating that Council Member Williams' comments were well taken on trying to negotiate the best possible rate through alternate funding sources, but one of the issues that comes into play is that this school bond will carry a tax-free interest rate to it, so it would be lower than a market-rate loan. Additionally, in terms of leveraging \$8MM into \$16MM, from a pure investment standpoint, that is critical.

Council Member Williams stated that nobody can doubt that the schools are in need of repairs. Another thing that he had mentioned during his previously speaking to Mr. Lambert is that working around students and doing construction is a lot more expensive. He stated that when the California Highway Patrol did a rehabilitation of their facility, they actually moved the employees off-site into portable structures because the cost was huge trying to work around people because of dust-control, hazardous materials and the like. He doesn't know what can be done to eliminate that. He knows that most of the construction would probably be done in the summer months, but he asked Mr. Lambert if there was a time-frame of how long the project would take.

Mr. Lambert stated that if the Measure is passed, it is going to take some time to be able to put the bond package together and sell the bonds. The School District has the list and

estimates of projects and costs, but there is not a construction timeline at this point. He stated that Council Member Williams' point is well taken with regards to safety of children. The School District has been in communications with Construction firms that do a lot of school projects, so he knows that they are very sensitive to making sure that there is a safe environment.

With regards to Council Member Williams' other comments and concerns that he mentioned, Mr. Lambert stated that one of the issues that happened in Orland and has happened in other Cities in the State was Capital Appreciation Bonds. Willows Unified School District never intended to use Capital Appreciation Bonds, but that was one of the things that opponents really took offense at, that that could have been a possibility. A Capital Appreciation Bond is where you can do an Interest-Only for years, with the expectation that your property values are going to skyrocket and you will have a whole pot of money at the end to be able to pay off those bonds. A lot of School Districts that tried that ended up in big trouble because those economic factors didn't happen and they did not have that pool of money at the end and they ended up in bankruptcy. WUSD heard that from two years ago with Measure R and they talked to quite a few people who were not in favor of the Bond that time and the one thing they heard loud and clear was the concerns over Capital Appreciation Bonds. Mr. Lambert continued, explaining that written in the Willows Unified School District's Resolution is a legal document that there will not be any Capital Appreciation Bonds under any circumstances, so that issue is off the table and should no longer be a concern because that is never going to happen with this bond measure.

The other comment Mr. Lambert stated that he wanted to address was about Council Member Williams' concern with how projects can financially "blow-up". This District is in dire need of fixing the schools and they are not going to stand by and watch somebody waste this money. That is counter-intuitive to what the District is trying to achieve. The School District and the Citizens' Oversight Committee will be monitoring very carefully what is being spent for these projects. They aren't going to over-spend because then they wouldn't have any money left at the end.

Vice Mayor Yoder stated that for years the School District has been trying to put Measures together to get bonds to enhance the schools, the classrooms, buildings and technology and the District is just falling more and more behind our Sister Cities. Orland, Shasta County, Anderson, and Cottonwood all have technological sites now, whereas the Willow School District does not. Instead we have dilapidated buildings that look like they were turned over from the Military and if you were to paint the buildings a Military color, you could run them as barracks. Good schools and school facilities are something that are important to people and businesses when considering moving into a community. If the City can't facilitate good schools and school facilities, people who are considering moving into the area will likely go

someplace else where they do offer nicer facilities. He stated that he believes this Bond Measure is something that the City Council needs to get behind and support and he hopes that the voters pass the measure this time because if it fails it is only going to continue to cost more down the line.

Mayor Hansen stated that he does not take property tax measures lightly, and initially when the first school bond measure came out he was opposed to it. He is fiscally conservative much of the time, but he changed his mind when Measure R was being proposed two years ago. The fact sheet that Mr. Lambert presented to the Council lists all of the major areas of concern. He then stated that he wanted to comment on Council Members Mello and Williams' comments. In his opinion the City Council can't afford to table this matter and wait on this decision. Absentee ballots will be going in the mail very soon and if this item is tabled, he can guarantee a lot of votes are going to be cast before this matter would come back before the Council. He is absolutely opposed to tabling this matter tonight. He believes that the Willows Unified School District has been very proactive in accurately disseminating information publicly. He has read the information and he had absolutely no questions after he read it. He stated that although he attended school in Princeton, his wife, children, mother and several other members of his family attended school in the Willows Unified School District and it is an absolutely fine School District. The problem is that the buildings are absolutely crumbling and the duct tape and bailing wire aspect simply is not working anymore. This is a safety issue for the young people right now who are attending the schools in Willows. He stated that in reference to the safety aspect that Council Member Williams mentioned, in 1976 the Princeton High School was completely rebuilt and it was completely seamless. Students attended class in Portuguese Hall and other facilities and the complete rebuild project was completely harmless. He is not in the least bit concerned about the safety aspect to the students if this bond passes and facilities are reconstructed. Conversely, he is more concerned about the safety of the students if they don't do this. This issue simply can't be pushed down the road anymore and it's now or never and this needs to be done. He strongly urges that the Council recommend this resolution not by just a majority vote, but by a unanimous vote to do the right thing by the community. The City needs this school reconstruction and amenities and the City cannot afford not to support this matter. The City provides excellent services with Police, Fire, Recreation and Public Works and Glenn Medical Center just broke ground to build a new hospital facility. The City has fine services and much to offer, but all the while the schools are crumbling. All of the Measure B funds will be spent on Willows schools and will be used to provide students and teachers throughout the district with comparable classrooms and facilities. Measure B will not use Capital Appreciation Bonds. The resolution calling for the election specifically prohibits the use of CABs. In addition, the District has strictly limited the interest rate and has set a maximum term of 25 years for the bonds. Measure B provides for strict accountability of how bond funds are spent. All of the construction projects are listed in the

resolution and must be independently audited each year. If this Measure passes, every penny will be spent for school improvements and upgrades. Measure B will not be used for school administrator or teacher salaries. This assessment essentially amounts to \$150 per year based on a \$300K home. Again, he stated that the Council needs to get this done tonight. He doesn't mind paying taxes for work that gets professionally and appropriately done and enhances the schools and the community. He is asking for full Council support to "do the right thing" and unanimously support this bond Measure.

Council Member Mello then stated that this is a very important Measure on the ballot and there are many other important Measures on the November ballot and he has a teenager that attends Willows High School and she tells him about the issues with the buildings so he is aware of the problems. This is such an important voting measure for him that he wants to utilize the last three weeks before the election and attend the community meeting and learn more about it before he makes his decision. However, after listening to Vice Mayor Yoder, Mayor Hansen and Mr. Lambert he stated that they have convinced him to sway his vote and he will in fact support the Measure. He still plans to do more research, but for purposes of the item before the Council right now, he will support the Council in their decision.

Council Member Williams asked if the absentee ballots have already been mailed to the voters in Willows. Mayor Hansen told him that they are scheduled to be mailed this week (the week of October 10). Council Member Williams then stated that knowing that the absentee ballots are currently going out, he no longer wishes to table this item to the next meeting and after hearing all of the discussion, he said that he has no problem moving forward with the Resolution of Support. He stated that he still plans to attend tomorrow evening's public meeting to hear more information.

**M/S – Yoder/Domenighini** to adopt a Resolution of the City Council of the City of Willows in support of the Willows Unified School District's Bond Measure B on the November 2016 Ballot. The motion unanimously passed 5/0 with a roll-call vote.

**10. Reports by Council & Staff:**

**a) Staff:**

- Interim City Manager Wayne Peabody reported that this week is Fire Prevention week and also that the Fire Department will be hosting a pancake breakfast fundraiser this Saturday, October 15 from 7:00 a.m. – 11:00 a.m.

**b) Council:**

- Council Member Williams reported that he attended the Cities & County Economic Development Steering Committee meeting and one of the topics of

concern was all of the Federal and State regulations that make it so difficult to start up a business in California. He also attended the Star Awards and Leaders Appreciation 4-H dinner on October 2. Unfortunately he wasn't able to attend the Chamber of Commerce & Veterans Association tri-tip and prawns fundraiser dinner on October 8, as he had another commitment.

- Mayor Hansen reported that he and ICM Peabody recently attended the Glenn Medical Center ground breaking ceremony and he is glad to see that the new hospital project is moving forward. He also stated that he wanted to congratulate Library Director Jody Meza for being a recipient of one of Congressman John Garamendi's "2016 Women of the Year" awards. That is quite an honor and he stated that he is very proud of her achievement.

11. **Public Comment on Closed Session Item:** None

12. **Executive Session – Conference with Real Property Negotiator pursuant to Section 54956.8:**

<b>Property:</b>	<b>139 N. Lassen Street, Willows, CA 95988</b>
<b>City Negotiator(s):</b>	<b>Interim City Manager Wayne Peabody</b>
<b>Negotiating Parties:</b>	<b>City of Willows and Rebecca Harrigan</b>
<b>Under Negotiation:</b>	<b>Possible lease terms and length</b>

Council convened into Executive Session at 8:09 p.m.

13. **Reconvene to Open Session & Report out on Executive Session:**

Council reconvened back into Open Session at 8:23 p.m. and reported that there was no reportable action taken by the Council.

14. **Adjournment:** Mayor Hansen adjourned the meeting at 8:24 p.m.

Dated: October 11, 2016

NATALIE BUTLER

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City Clerk

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