



CITY COUNCIL MEETING MINUTES

**November 20, 2018 7:00 PM
Council Chambers
400 N. Douty St.**

5:30 PM CALL TO ORDER STUDY AND CLOSED SESSION:

ROLL CALL:

Present: David Ayers, Martin Devine, Justin Mendes, and Diane Sharp.

Mayor David Ayers called the Study Session and Closed Session to order at 5:30 p.m. Sue Sorensen arrived at 5:32 p.m.

PUBLIC COMMENT:

This is the time for citizens to comment on subject matters not on the agenda within the jurisdiction of the Hanford City Council. This is also the public's opportunity to request an item from the Consent Calendar be pulled for discussion purposes or to comment on any item on the agenda. Comments related to Public Hearing items will be heard at the time the item is discussed.

*A maximum of **three minutes** is allowed for each speaker. Please begin your comments by stating your name and providing your city of residence.*

Comments from the public are limited to items listed on the agenda (GC 54954.3a). A maximum of three minutes is allowed for each speaker. Please begin your comments by stating your name and providing your city of residence.

STUDY SESSION:

A. Fire Department Reorganization

Fire Chief Chris Ekk reviewed the Fire Department's current organizational structure. The current structure of the Prevention Division does not have a manager to oversee the division; the plan will be to re-assign one of the current Battalion Chiefs (BC) from the Suppression Division to Prevention and eliminate the Fire Prevention Coordinator (FPC) position. That BC will assume the responsibilities of the FPC and Fire Marshal.

Chief Ekk then described the proposed structure for the Suppression Division which has adequate personnel to staff three stations, but not the adequate rank structure of one Captain, one Engineer, and firefighters. The proposed structure would add three new Captain and three new Engineer positions. All the new positions would be promoted from within. Mayor David Ayers asked the amount of the current salary budget, Chief Ekk answered it is \$2,172,740.00. Mayor Ayers expressed concern about the salaries for those promoted to Captain per the proposed organization structure. City Manager Darrel Pyle explained that per the current Memorandum of Understanding, (expiring June 30, 2019), the salary schedule will stay status quo for each position. The costs for the reorganization would be covered by savings from vacant BC and FPC positions.

Council Member Sharp expressed appreciation for the Fire Department and Firefighters and their coordination efforts in assisting with recent statewide fires. Mayor Ayers stated he would prefer to have the salary numbers from the Bryce study available at the time of the presentation. His main concern is that all employees are treated fairly.

The Council reached consensus on authorizing the City Manager to implement the aforementioned budgetary changes, appropriate the additional three Captain and Engineer positions, eliminate the FPC position, and authorize Human Resources to begin promotional recruitments for the Captain and Engineer positions.

B. City Clerk: KCAG Draft Regional Active Transportation Plan

Terry King, Associate Director for the Kings County Association of Governments, (KCAG), and Nico Letunic, KCAG consultant, presented the draft of the Kings County Regional Active Transportation Plan (ATP). The project objectives of the plan are to advance local pedestrian/bike planning efforts, support the KCAG Regional Transportation Plan/Sustainable Communities Strategy update, and to equip local agencies to better compete for grant funding. Proposed improvements include bike lanes and bike routes, especially in areas considered disadvantaged [east of 12th Avenue, south of Grangeville Blvd.]; and, making sidewalks and safer crossings along key pedestrian routes, especially near schools.

Mayor Ayers adjourned to Closed Session at 6:17 p.m.

CLOSED SESSION FOR DISCUSSION OF THE FOLLOWING:

1. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION - Government Code Section 54956.9(d)(1)

Adams v. City of Hanford
Kings County Case No. 18C0068

Cervantes v. City of Hanford
Eastern District Case No. 1:18-cv-00629

Sara Perez v. City of Hanford
Kings County Case No. 17C0335

SJVEDC v. City of Hanford
Kings County Case No. 17C0142

2. CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION - Government Code Section 94956.9(d)(4)

Initiation of Litigation: One potential case

7:00 PM CALL TO ORDER REGULAR SESSION:

Mayor Ayers called to order the Regular Session meeting at 7:01 p.m.

ROLL CALL:

Attendee Name	Title	Status	Arrived
Martin Devine	Council Member	Present	5:20 PM
Sue Sorensen	Vice Mayor	Present	5:32 PM
Diane Sharp	Council Member	Present	5:20 PM
David Ayers	Mayor	Present	5:20 PM
Justin Mendes	Council Member	Present	5:20 PM

INVOCATION:

Utilities & Engineering Director, John Doyel led the Invocation.

FLAG SALUTE:

CLOSED SESSION ACTION REPORT:

No actions taken.

RECOGNITIONS/PROCLAMATIONS:

STAFF COMMUNICATIONS:

Public Works Director, Lou Camara - Holiday decorations are up and are ready in time for the Christmas parade.

Parks & Recreation Director, Craig Miller - 22 teams participated in the Toys for Kids softball tournament. The department received plenty of toys for the children of Hanford.

Fire Chief Chris Ekk - Both crews from Hanford returned from helping out with the statewide fires. The Camp Fire in Butte County is now mostly contained.

Utilities & Engineering Director, John Doyel - Construction on Well 50 Site will begin soon.

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*A maximum of **three minutes** is allowed for each speaker. Please begin your comments by stating your name and providing your city of residence.*

Dorothy Harris, Hanford - Stated she thinks the Longfield Center area needs a crosswalk with flashing lights. She said that kids are dodging cars and it's not safe.

Yvette Gomez, Hanford - Owns a family business downtown. She said that the proposed homeless center town hall meeting was cancelled and she wants to confirm. She asked Mr. Pyle to not begin escrow on the property on 6th Street. She asked if studies were done to show the impact of the homeless on the downtown businesses.

Mayor Ayers interjected to explain the decision to postpone the Town Hall meeting to discuss a possible homeless service center. He stated that at the time it was decided to be held, it was under the presumption that there would be at least four returning Council Members in the new year. Given the election results, that will not be the case as there will now only be two returning Council Members and out of respect for the election and the new Council Members he recommends to the present Council to postpone the Town Hall and let it be a decision to be made by the new Council after they are seated. He reiterated that the meeting is not cancelled, it is just postponed. He asked the Council for consensus. Council Member Mendes agreed with the caveat of not pursuing real estate negotiations until the Town Hall has occurred. Council Member Sharp disagreed and would like to have the meeting as scheduled. Council Member Devine and Vice Mayor Sorensen agreed with Mayor Ayers and Council Member Mendes. The Council reached consensus to postpone the meeting and leave it to be decided by the new Council. Vice Mayor Sorensen asked City Manager Pyle about the real estate negotiations and he answered that escrow has not, nor will not be opened until the Council gives direction.

Grady Hart, Hanford - He thanked the the Council for answering their questions.

Lori Porter, Hanford - She thanked the Council for addressing their concerns. She asked if the Town Hall will have a question and answer portion; she would like it to be an open forum. She appreciated Diane Sharp for all of her hard work.

Destiny Rodriguez, Sanger - She stated she works for the Center for Climate Protection and is a member of Kings County Partnership for Prevention. She stated she supports Community Choice Energy in Hanford. Her organization is working in the Central Valley and across the state to establish Community Choice Energy Agencies. Community Choice provides local economic benefits and provides long term solutions for green house gas reductions and improvement for air quality. She invites people to contact her to discuss Community Choice Energy at [her email address] destiny@climateprotection.org.

Michelle Brown, Main Street Hanford - Provided updates on Main Street Hanford: crow abatement has been incredibly successful. They would possibly consider expanding the project boundaries. She thanked the City staff for it's partnership.

Bob Ramos, Hanford - Stated that Mr. Jack Schwartz recently passed away and he would like a proclamation for him. He asked if there is a conditional use permit on the property of the proposed homeless service center location. He thanked the out-going Council Members for their service.

Craig Johnson, Hanford - He said that as a business owner he is concerned about the possible homeless service center. He realizes that something has to be done about the homeless issue.

Paul Hardiman, Hanford - He is a downtown business owner and is concerned about a possible homeless service center. He thanked Justin Mendes for helping him open his business, Porches. He thanked Diane Sharp for meeting with business owners.

Randy Enriquez, Hanford - He is a business owner downtown. He said at his location on 6th Street he deals a lot with the homeless and some have tried to break into his building. The homeless congregate around his business. He said he opposes the proposed Homeless Shelter.

CONSENT CALENDAR:

Consent Calendar items are considered routine and will be enacted in one motion. There will be no separate discussion of these matters unless a request is made and then the item will be removed from the Consent Calendar to be discussed and voted upon by a separate motion.

Council Member Sharp requested to pull Items B and C from the Consent Calendar.

Motion to approve.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Justin Mendes, Council Member
SECONDER:	Sue Sorensen, Vice Mayor
AYES:	Devine, Sorensen, Sharp, Ayers, Mendes

- A. City Clerk: Deny Claim for Damages and direct the City Clerk to send notification of the denial to the claimant
- B. Utilities and Engineering: Approval of Final Parcel Map No. 2006-12 and Acceptance of Right of Way Dedications and Easements along Flint Ave. and Mission Dr.

C. Utilities and Engineering: Acknowledgement of Emergency Resolution on Well 50

D. Public Works: Reject all bids for the Courthouse HVAC Upgrade Project

ITEMS PULLED FROM CONSENT:

1. Administration: Main Street Hanford Services Agreement

(Item B)

Council Member Sharp asked to pull the Main Street Hanford Service Agreement to tell Michelle Brown that their work is appreciated and acknowledged that MSH has had great achievements this year. She mentioned that she learned that during business hours some downtown business owners keep their doors locked because of individuals in the community that do not behave respectfully. She proposed the idea of hiring private security as they work through the process of addressing the homeless issues.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Diane Sharp, Council Member
SECONDER:	Martin Devine, Council Member
AYES:	Devine, Sorensen, Sharp, Ayers, Mendes

2. Finance: Warrant Register

(Item C)

Council Member Sharp asked to pull the Warrant Register to ask about the legal expense bills that were paid.

City Attorney Ty Mizote answered that the subject of homelessness has become a bigger issue and with new federal rulings the Attorney's office has done more research on the topic. He also explained that an issue arose with the bidding in landscape maintenance work and the Attorney's office addressed the issue.

Motion to approve.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Diane Sharp, Council Member
SECONDER:	Justin Mendes, Council Member
AYES:	Devine, Sorensen, Sharp, Ayers, Mendes

PUBLIC HEARINGS:

A. Public Hearing: Introduction and First Reading of Proposed Ordinance Establishing Hanford Community Choice Aggregation and Approving Implementation plan & Statement of Intent

City Manager Darrel Pyle explained that it is Staff's recommendation that the Council, by motion, approve the introduction and first reading of the proposed ordinance establishing Hanford Community Choice Aggregation and approving the implementation plan and Statement of Intent. City Manager Pyle informed the Council that possible implementation would take place in May 2020. The concept of Community Choice Aggregation (CCA) was signed into law in 2002. In short, it grants the right to California cities to combine the electricity load of its residents and its businesses in a community-wide electric aggregation. Under CCA, the incumbent utility (primarily Southern California Edison), continues to be responsible for the delivery of electricity and transmission including maintaining power lines and distribution systems, reading meters, and mailing bills to customers. On the bill there would be a line included to say who the power was procured by and if Hanford were to establish a CCA that line could show "Hanford Choice Energy."

In a CCA, the City Council would become the local controlling entity and establish rates. By establishing those rates, Council could develop reserves that could be used to further energy efficiency programs throughout the

community, or develop economic incentive rates to attract new businesses, or simply provide the lowest cost option for electric consumers within City limits.

Council Member Sharp asked how many full time positions would be created through CCA. City Manager Pyle answered that two additional positions would be developed. She then asked if there have been any conversations with the current occupants of the industrial park. City Manager Pyle answered that they meet quarterly with the industrial plant manager and let them know that this was a program being reviewed. After reviewing the fiscal analysis it was determined that PG&E has such a small customer base that it would be most cost effective for the fund if those participants opt out of Community Choice. Council Member Sharp said it was her understanding that by law Edison could not counter any proposed benefits of CCA, in essence they have a gag order placed on them. The CCA consultant answered that was correct. He explained that after the first program, Marin Clean Energy, PG&E marketed that community choice energy is a bad thing and spread misconceptions about it so now it is illegal to market against CCA. Council Member Sharp asked about the Joint Powers Authority (JPA) with the City of Lancaster. City Manager Pyle answered that there are two models currently in operation: 1. Entering a JPA and the City would give rate setting authority to the JPA which the City would have a seat on; or, (what the City is proposing), 2. The City maintains the autonomy of setting rates, setting its own goals and objectives on what to do with savings from the program and use the JPA to help procure electricity and stay compliant with reporting. Council Member Sharp asked a question on behalf of a resident who has an existing deal with Southern California Edison (SCE) and solar panels; he wants to know how that would be affected. City Manager Pyle answered that those with solar agreements generally receive a credit or reimbursement from SCE if the panels overproduce energy; and, conversely, will have to pay SCE if the panels under-produce energy. With a CCA the City Council will have the ability to set the rates on what solar panel users will be paid and what they will be charged; that control will be local rather than by SCE who may change peak demand periods to no longer line up with when solar panels produce the most energy. Council Member Sharp asked if there was an opportunity for people to opt out of CCA. The CCA consultant answered that there is an opt out noticing period two months prior to implementation. Council Member Sharp told the Council that she contacted a cousin of hers who lives in Lancaster, California where the program is already in effect. She said she asked her cousin how the program worked and her cousin's response was, "[her] bill has gone down, but [she] cannot understand how it works; the formula has undefined terms, no one seems to be able to explain how it works." The CCA consultant agreed that the program is difficult to understand, but most people realize the savings and know that it's a good thing. Council Member Sharp stated she was concerned that this City has enough issues to address already that she doesn't know if it is worth the risk to enter into a new power rate setting business. She expressed that she does not feel comfortable with the risks where the rates can be set and adjusted based on political whims of the board. She feels that it is beyond the City Council's expertise and questions the statement in the report that the City Council will have optional rates to encourage policy goals such as economic development or low income subsidies. Council Member Sharp asked about the start-up cost, City Manager Pyle answered that it could be between \$500,000.00-\$750,000.00. Mayor Ayers stated that he feels it comes down to providing the people the opportunity to pay less for their energy and the potential to attract new businesses. City Manager Pyle explained that the City would not run the CCA with a profit margin in mind, that's why a CCA would be able to offer lower rates. Vice Mayor Sorensen said that she appreciated Council Member Sharp's questions. She stated she thinks CCAs began growing in response to the changing landscape of the how energy is provided and delivered. Mayor Ayers said he wants to make sure the new Council Members get the CCA information.

At this time Mayor Ayers opened the Public Hearing for Public Comment.

Jerry Irons, Hanford - He asked if there was a requirement for publication of notice of a public hearing. City Attorney Mizote answered that the requirement is to publish the notice twice prior to the hearing, at least one week apart in the established publication (the Hanford Sentinel). Mr. Irons asked about if the start-up costs are paid and we wait some time before implementation, do we pay more start-up costs? City Manager Pyle answered no. Mr. Irons asked if there is a management fee that the JPA would charge? City Manager Pyle answered yes, there would be an administrative overhead charge. Mr. Irons said that the new Council Members should have an opportunity to get up to speed on this decision. He stated that unless there is a cap on the amount of funds that are saved, then the Council would be able to use all the money without passing the savings on to the citizens. He said that there should be a cap for citizens to benefit from this program.

Dennis Ham, Hanford - His said he didn't understand how a new company could walk in and provide the same service using the same infrastructure from another company. He is concerned that a new power meter will have to be installed on homes. He asked if the Edison is going to sign over their meter to the new power company. City Manager Pyle said the Edison meter will remain the same and Edison will continue maintenance and billing and collection, the billing and collection will pass through the CCA and it will pay the costs of the energy alone. Edison will continue to collect for the infrastructure and maintenance. Mr. Ham asked if Edison will cover any damages to power poles, City Manager Pyle answered yes.

Destiny Rodriguez - She wanted to clarify that with CCA there is potential to stabilize and lower rates and do some good for the community. She said that it is just generation and procurement of energy that CCA administers. She further clarified that CCA is not a new company. She encourages everyone to be involved in learning about community choice energy.

Carrie Johnson, Director of Board of Realtors in Hanford - She asked that the Council postpone the discussion so she and her board could learn more about CCA.

Council Member Mendes asked City Attorney Mizote if the public hearing period could be extended. City Attorney Mizote answered that the Council can continue the hearing to a future date. Vice Mayor Sorensen asked how an extension would impact the May 2020 date. Mayor Ayers clarified that they are putting the groundwork down to move forward, and there are more steps down the road. The CCA consultant said that the decision to move forward with submitting an ordinance is a requirement of AB 117 in order to have the option of a CCA. If it's not submitted to the California Public Utilities Commission (CPUC) by the end of this year the window to launch a CCA gets moved to 2021.

Mayor Ayers closed the Public Comment portion of the Public Hearing.

Vice Mayor Sorensen made a motion to move forward and bring the ordinance back for a second reading, seconded by Council Member Devine.

Motion passed, 4-1.

Vice Mayor Sorensen made a motion to approve the implementation plan and Statement of Intent to be forwarded to the CPUC, seconded by Council Member Devine.

Motion passed, 4-1.

RESULT:	APPROVED [4 TO 1]
MOVER:	Sue Sorensen, Vice Mayor
SECONDER:	Martin Devine, Council Member
AYES:	Devine, Sorensen, Ayers, Mendes
NAYS:	Sharp

GENERAL BUSINESS:

COUNCIL REPORTS/COMMENTS:

Council Member Mendes - Regarding the item that was just voted on, Council Member Mendes offered a warning about the "Hanford Effect" that he's experienced while on Council, that is when an idea is discussed and garners enthusiasm and all of a sudden it's stopped.

Council Member Sharp - She responded to Mr. Ramos's earlier question about a CUP for a homeless service center. She said she supports Mrs. Harris's comment about a flashing light or crosswalk between Coe Park and the Longfield Center. She expressed recognition and appreciation for Francisco Ramirez's team in getting people out to vote and involved in the election.

Council Member Devine - Offered his congratulations to the newly elected Council Members.

Vice Mayor Sorensen - She thanked to Michelle Brown and Main Street Hanford for the crow abatement program. She stated she is excited that Measure C passed and looks forward to the new revenue possibilities from that.

Mayor Ayers - He said he attended the last League of California Cities meeting. He will attend the next Chamber of Commerce meeting and will congratulate them on the passage of Measure C. He then asked the Council Members if they would like to be in the Christmas parade.

COUNCIL FUTURE AGENDA ITEMS:

Vice Mayor Sorensen - Would like to follow up on a Coe Park crosswalk and review of the calendar for 2019.

Mayor Ayers - He said he hopes the new Council Members will reach out to Council Member Sharp and Vice Mayor Sorensen in regard to the homeless issues the City is facing.

ADJOURNMENT:

Mayor Ayers adjourned the meeting at 8:53 p.m.

Respectfully submitted,

Sarah Martinez
City Clerk