



MINUTES
REGULAR MEETING OF THE ETNA CITY COUNCIL
Monday September 26, 2022

Members of the Etna City Council met on this 26th day of September, via TELECONFERENCE and IN PERSON. Mayor Cliff Munson called the meeting to order and led in the Salute to the Flag of the United States of America.

Roll Call

Councilmembers Lori Fleck, Charnna Gilmore, Mayor Cliff Munson, Jason Deppen, and Brandon Fawaz were present.

Oral Comments from the Public on Non-Agenda Item

Audience member Frank Ely shared concerns with the speed limit at Hwy 3 and Lovers Lane and would like the Council to consider the possibility of constructing a crosswalk at this location. Ely also requested the Council to review the dog license fee for an unaltered dog. The cost to license an unaltered dog in the city limits is \$100.00 and Ely would like Council to consider lowering this cost.

Consent Calendar

- Minutes of the Regular Meeting August 22, 2022
- Minutes of the Special Meeting September 12, 2022
- Financial Reports

Councilmember Fawaz moved to approve the Consent Calendar, Fleck seconded, and the motion passed.

Ayes: Gilmore, Deppen, Fawaz, Fleck, Munson

Council/Department Reports:

City Manager Adam Cox gave a brief report. The city will have a draft newsletter soon for Council review. Cox has been in contact with Siskiyou Telephone regarding no cost Wi-Fi hotspots downtown.

Councilmember Fleck requested Council commissioner assignments be reviewed and updated at the next regular meeting. Fleck would like LAFCO, Transportation Commission, SCORE, and CIIC be part of Council responsibilities.

Public Works Director Dan Burbank provided a written report via email. Councilmember Gilmore gave Burbank an update on the museum electrical project and CDBG monies involved.

Fire Chief Alan Kramer gave a brief report. Chief Kramer informed the Council that Engine 1414 is having mechanical issues with the transfer case. Kramer recommends repairing this engine but is still evaluating the problems with the engine

Ambulance Director Teri Arrwood provided a written report and referenced the Scott Valley Consolidation meeting and is planning on attending that meeting.

City Clerk Pam Eastlick reported that she has been very busy working on the financials which are completed through March 2022.

Mayor Munson reported that he has met with the Economic Development Council and discussed the TBID (Tourism Business Improvement District) program. The City agreed to participate in this program but has not fulfilled its obligation to contribute the additional 2% tax to the program. The City paid \$5,000 per year for a couple of years to be a part of the program and then stopped paying.

City Manager Cox added that the City should have been collecting a total of 8%. 2% goes to the County and the City keeps the remaining 6% for TOT (Transient Occupancy Tax.)

Councilmember Fleck has been going through the last five years of minutes, and check registers.

Councilmember Fawaz recommends looking into the crosswalk possibility on Hwy 3 and coordinating with Cal Trans.

CURRENT BUSINESS:

Swear in City Clerk Pamela Eastlick. Mayor Munson swore in Pamela Eastlick.

Discuss/Approve Selection of Consultant to Complete the 2023-2031 Housing Element Update (Roll Call Vote.)

City Planner Rico Tinsman welcomed Pam back. Tinsman gave an update on the proposals that were received and recommended approval to select Planwest Partners to prepare the 6th cycle Housing Update. The City is required to update the Housing Element by state law to be eligible for grants. The costs associated with this project are consistent with the City's SB 2 Planning Grant.

Councilmember Gilmore made a motion to authorize the City Manager to negotiate and enter into a professional services agreement with Planwest Partners to update the City's Housing Element for up to \$90,000 consistent with the City's SB 2 Planning Grant. Munson seconded and the motion passed.

Ayes: Fleck, Gilmore, Fawaz, Deppen, Munson

Second Reading and Adoption of Ordinance 224 – SB 1383 Edible Food Recovery Ordinance.

Councilmember Fleck made a motion to waive the second reading of Ordinance 224 by title only and adopt Ordinance 224. Councilmember Deppen seconded and the motion passed.

Ayes: Fleck, Gilmore, Deppen, Fawaz, Munson

Discuss/Approve Event Application for the Veterans Parade.

Councilmember Fawaz moved to approve the event application for the Veterans Parade, Gilmore seconded, and the motion passed.

Ayes: Fleck, Gilmore, Deppen, Fawaz, Munson

Resolution 2022-019 – A Resolution of the City Council of the City of Etna Providing for Appointment to the Offices of this City that were to be Elected on Tuesday November 8, 2022, and Authorizing the Cancellation of Said Election.

Councilmember Fawaz moved to approve Resolution 2022-019, Fleck seconded, and the motion passed.

Ayes: Fleck, Gilmore, Deppen, Fawaz, Munson

Resolution 2022-020 – A Resolution of the City Council of the City of Etna Authorizing Application for, and Receipt of, Permanent Local Housing Allocation Program Funds and Approve an Agreement Between the County of Siskiyou and the City of Etna for Joint Participation in the Permanent Local Housing Allocation Funding Program for Fiscal Years 2020-2025, and to Designate the County of Siskiyou as the Administering Local Government for the Program.

City Manager Cox explained that Etna has not claimed its last three years of funds. Cox understands that Etna previously past on this due to several reasons and the County is looking into County wide programs one being homeless youth. It is a total of approximately \$400,000. Mayor Munson reminded the Council that this was visited in December. This money must be used for housing related issues.

Maddelyn Bryan is the Housing Coordinator for Siskiyou Health and Human Services and was available for questions from the Council. Bryan has been working with other cities in Siskiyou County regarding this program. Housing Community Development has extended the deadline for the Board of Supervisors to October 31st.

Councilmember Fawaz asked what a city could potentially use these funds for. Bryan answered that there are several housing related issues that can be addressed. Low-income housing, homeless youth, multi family housing, among other things. If the City is interested in delegating their portion of the funds it would be for a five-year plan. Deppen asked if the City has a say how the money is used. The receiving jurisdiction will have control of how the funds will be used, which would be the County. Bryan explained this is the last opportunity to claim the funds before it is returned to the state.

Councilmember Gilmore made a motion to approve Resolution 2022-020, Fleck seconded, and the motion passed.

Ayes: Fawaz, Deppen, Munson, Gilmore, Fleck

City Council discussed this topic further.

Resolution 2022-021 - A Resolution Approving the Department of Forestry and Fire Protection Agreement #7GF22311.

Councilmember Fawaz moved to approve Resolution 2022-021, Deppen seconded, and the motion passed.

Ayes: Fleck, Gilmore, Munson, Deppen, Fawaz

Councilmember Fleck stated that the \$18,000 needs to be in the budget.

Discuss/Approve Providing Direction for Resolution for Employee ARP Premium Pay 2021.

City Manager Cox explained that the calculated applicable taxes that should have been withheld and paid is approximately \$42,000 which represents the tax liabilities. This amount does not cover tax prep services, penalties, or fees so approximately an additional \$10,000 should be added to that amount. Councilmember Fawaz commented that what is withheld is not necessarily what an employee would pay.

Councilmember Fleck asked how much would be left after this is resolved. There will be approximately \$30,000 leftover.

Councilmember Deppen asked how/why were the employees assured that they did not have to claim taxes on these premium payments. Gilmore stated that it comes down to either doing nothing, issuing amended W2s, or 1099s and the City did not do either. Fleck stated that they were told by the sitting City Clerk that this was tax free bonus money. Fawaz recommended leaving individuals out. Gilmore added that 1099s were not a possibility and it has been confirmed because they are not contract employees. The option is to issue amended W2s. Fawaz would like to be sure that the calculations are not over inflated.

The City Council directed Cox to move forward with resolving this situation. Gilmore moved that the City of Etna contributes the tax liabilities both on the City's behalf and the employee's behalf with the delivery that we are intending to make the employee whole, this will include any associated fees/penalties. Fleck clarified employees to being anyone that received this premium pay. Gilmore repeated the motion that the City of Etna pays the employee's that received the initial COVID payment in 2021 their tax liabilities for their portion and any penalties and fees for amended filing. Fleck seconded.

Ayes: Fawaz, Deppen, Munson, Gilmore, Fleck

CORRESPONDENCE:

None.

CITY COUNCIL STATEMENTS AND REQUESTS:

Mayor Munson revisited the TBID topic. Mayor Munson recommended this be on the next agenda. The contract binding the city is until 2024, and the business district is not asking for back pay. This item will be on the next agenda for October 24, 2022.

Councilmember Fawaz requested the dog license fee to be on the next agenda and how Etna compares with other cities.

CLOSED SESSION:

- **Real Estate Negotiations: APN 056-261-060-000**

City Council by a unanimous decision rejected the proposed modified payments.

- **Exposure to Litigation: Klenk v. City of Etna**

City Council provided City Manager Adam Cox direction.

Adjournment

There being no further business Mayor Munson ended the closed session and adjourned the meeting at 8:36 pm.

Respectfully submitted,

Jenny Bennett

Asst. City Clerk