

MINUTES
SPECIAL MEETING OF THE
CANYON LAKE CITY COUNCIL
Tuesday, June 20, 2017
Open Session - 12:00 p.m.

City Council Chambers
31516 Railroad Canyon Road
Canyon Lake, CA 92587

Open Session – 12:00 p.m.

1. Call Open Session to Order

Mayor Bonner called the meeting to order at 12:00 p.m.

2. Flag Salute

Flag Salute was led by Alex Braicovich

3. Roll Call

Present: Council Members Ehrenkranz, Greene, Mayor Pro Tem Warren, and Mayor Bonner.

Absent: Council Member Haggerty was excused as absent.

4. Approval of the City Council Agenda

Moved by Greene, seconded by Warren, to approve the agenda as presented.

Motion carried 4-0-1 with Council Members Ehrenkranz, Greene, Mayor Pro Tem Warren, and Mayor Bonner voting aye, and Council Member Haggerty absent.

5. Public Comment

There were no public comments.

6. Consent Calendar

6.1 Waiver of Reading in Full of all Ordinances by Title Only

6.2 Cooperative Agreement with Riverside County Economic Development Agency (EDA) for Urban County Qualification

Moved by Warren, seconded by Greene to approve the Consent Calendar as presented.

Motion carried 4-0-1 with Council Members Ehrenkranz, Greene, Mayor Pro Tem Warren, and Mayor Bonner voting aye, and Council Member Haggerty absent.

7. Business Items

7.1 Presentation regarding CR&R Anaerobic Digestive System; possible direction to staff to include the additional \$1.95/month in the overall solid waste cost and notice the continued public hearing for residential tax roll collection to use that amount

Aaron Palmer, City Manager, introduced Alex Braicovich with CR&R who would be making the presentation.

Mr. Braicovich and his staff made a presentation on the newly constructed Anaerobic Digester and the new legislation on recycling organic waste.

There was discussion regarding how innovative and proprietary the facility is.

There was discussion regarding the impact on the City if the City decided not to participate in increasing the rates and using the facility.

Jack Wamsley, resident, spoke about how supportive of the community CR&R had been. He was in support of participating in the program.

Moved by Ehrenkranz, seconded by Greene to direct staff to review the amendment to the CR&R Franchise Agreement to participate in the Anaerobic Digester program, and to incorporate the new increased rate.

Motion carried 4-0-1 with Council Members Ehrenkranz, Greene, Mayor Pro Tem Warren and Mayor Bonner voting aye, and Council Member Haggerty absent.

7.2 Approval of 2017/2018 Proposed City Budget

7.2.1 Resolution No. 2017-09, adopting the City's Fiscal Year 2017/2018 Budget and Appropriations Limit

City Manager Palmer stated that the budget as presented showed a deficit, and he proposed removing the proposed exhausted system for the fire station out of the budget to bring the budget back into a surplus. The exhaust system could be addressed later and put back into the budget if/when grant funding was received.

Mayor Pro Tem Warren stated that she had questions and concerns that she wanted to have addressed prior to starting to move items around.

Accountant Shea stated that he had adjusted the Sheriff's budget because there was previously a miscalculation between what the Sheriff and the City had projected, and the City Attorney budget had been lowered. He added that there was also an adjustment to cover the cost of the City's server crashing. Those adjustments brought the projected deficit down significantly.

There was discussion regarding the significant amount of changes that were done after the Finance Committee initially reviewed the proposed budget.

There was a discussion regarding what was causing the deficit. It was discussed that removing the exhaust system could remove the deficit, and that the item could be added back in later with a budget amendment once grant funding was obtained for it.

Mayor Pro Tem Warren expressed concerns and staff provided explanations regarding the Christmas Lighting budget being higher than in the past.

Mayor Pro Tem Warren stated that the City had a healthy fund currently and she didn't want staff and Council to look at that healthy fund as something that could be raided. She stated that funding would not be the same in a few years and the budget needed to reflect what funding would be in the future.

There was discussion to reduce the funding for the Christmas Lighting to \$1,000.

There was discussion regarding the amount of funding projected for the Veteran's Day event.

Mayor Pro Tem Warren expressed concern that there were increases in budget items that were for celebrations, and there was discussion about removing an exhaust system for the fire station to make up for the budget difference.

There was discussion regarding increasing the budget for the contribution to the Lake Elsinore San Jacinto Watershed Authority to \$20,000 in order to have the City making the same contribution as the other members of the Authority.

City Manager Palmer stated that he would contact Mark Norton with LESJWA to see if Mr. Norton was available to make a presentation to the City Council at the July 12, 2017 meeting.

There was discussion regarding the cost of the new vehicle listed in the budget for Code Enforcement, and the vehicle listed in the budget that

AQMD would be covering with a grant. There was additional discussion regarding the rotation of vehicles.

There was discussion regarding the staff positions listed in Code Enforcement and Special Enforcement.

There was discussion regarding cost recovery efforts in the City.

There was additional discussion regarding staffing for Code Enforcement and for staffing the front office.

There was discussion regarding removing the City Clerk position from the budget.

Mayor Pro Tem Warren asked that an Ad Hoc Committee be formed to review the budget issues and to delay approving the budget.

There was discussion regarding the request for the Ad Hoc Committee. It was decided to not delay approval and form an Ad Hoc Committee.

There was additional discussion regarding the changes in the City Clerk staffing, removing the City Clerk position from the budget, giving the title of City Clerk to the City Manager, and promoting Stephanie Hunter to Deputy City Clerk. There was discussion regarding the timing of the switch in the City Clerk position, and what staffing had been reviewed by the Finance Committee.

Mayor Pro Tem Warren stated that she had not had the opportunity to meet with the City Manager to review her concerns about the budget.

There was discussion regarding what was listed on the City Manager's budget for support services.

There was discussion regarding the increase in salary for the Administrative Services Manager and whether or not that person was off of their probationary period.

There was discussion regarding the increase in Public Works service costs.

There was additional discussion regarding the increase in staffing costs for Code/Special Enforcement.

There was discussion regarding furniture in the budget for the employee break room.

There was discussion regarding the increase in costs for landscaping.



There was discussion regarding the changes in the budget and the effect on the deficit.

There was discussion regarding the speed calming signs in the budget.

There was discussion regarding weed abatement issues and how that particular issue was not addressed in the budget. Mayor Bonner expressed concerns about the process that brought about changes in how weed abatement was handled.

Mayor Bonner also expressed concerns about handling Harmful Algae Bloom testing and the potential cost to the City, which was not addressed in the budget.

City Manager Palmer stated that staff was looking at how many lots needed weed abatement and would then be looking at the budget issue.

There was discussion regarding what was happening with weed abatement and what the City's role with weed abatement was. Council Member Greene spoke about his experience with weed abatement issues and the processes and documents that the City needed to have in place before trying to enforce weed abatement.

There was additional discussion on the roles of the POA and the City in weed abatement.

There was discussion regarding the roles of various agencies in testing for harmful/toxic algae in the lake.

Barry Talbot, resident, stated that he sensed a good attitude about trying to keep the budget balanced and asked that the Council consider doing something to build the City's reserves for when the existing Utility Users Tax expires and needs to be renewed. He stated that the way the Council and Staff acted in budgeting would show the citizens whether or not the City could be counted on when asking to renew the Utility Users Tax. He also went on to say that weed abatement and algae testing should have some sort of cost recovery to it so it wouldn't negatively effect the budget. Mr. Talbot spoke about the City's history with the Chamber of Commerce and why the City had stopped contributing to the Chamber. He went on to speak about the projected cost of the car, and the entryway monument on Goetz Road being in Menifee. He asked that those issues be resolved and the City have a balanced budget before approving it.

There was discussion regarding what items could have cost recovery in the future.

Jack Wamsley, resident, spoke about the history of LESJWA and how the cost sharing happened with all of the member agencies. Mr. Wamsley spoke about LESJWA's previous involvement in testing for and treating algae in the lake, and stated that the City should approach LESJWA regarding the issue because the lake was an important drinking water basin. Mr. Wamsley also spoke about the previous process for weed abatement.

Administrative Services Manager Borja clarified that the budget line that he had previously stated was for furniture in the employee break room was actually for the issue with server in addition to the furniture for the employee break room.

Council Member Warren stated that the issue with the server had been budgeted somewhere else and it was still unclear what the budget item was for. Mr. Borja stated that this particular item was for data recovery on the crashed server, in addition to purchasing new equipment to power the servers. Council Member Warren asked that the budget item be moved to the proper place so it was clear what the budget was for.

There was discussion on what changes would be included when the budget was adopted. There was discussion that the exhaust system for the fire station was not a necessity, but would be good to have if a grant could be received. There was additional discussion regarding what other items in the budget were going to be covered with grants.

There was discussion regarding the City Clerk position and whether or not the City Manager could hold both titles.

There was additional discussion regarding the public works budget.

Accountant Shea stated that City staff should be commended for balancing the budget with the biggest costs increasing an average of 14% for the upcoming year.

Moved by Ehrenkranz, seconded by Greene to approve the budget with the proposed changes to lower the Christmas Lighting Event Budget, breaking out the line item in the budget for the server issue to separate it from the break room furniture, to change the description for the "speed study", and to remove the exhaust system for the fire station.

Motion carried 4-0-1 with Council Members Ehrenkranz, Greene, Mayor Pro Tem Warren, and Mayor Bonner voting aye, Council Member Haggerty absent, and Council Member Ehrenkranz abstaining from page 43 of the budget for the Chamber of Commerce

7.2.2 Resolution No. 2017-10, approving the salary and wage schedule for employees of the City for FY 2017-2018



Council Member Ehrenkranz stepped away from the dais at 1:39 p.m.

City Manager Palmer introduced the item and explained that the salaries did not change and the Code Enforcement technician position had been added.

Council Member Ehrenkranz returned to the dais at 1:41 p.m.

Moved by Greene, seconded by Ehrenkranz to approve the resolution at presented.

Motion carried 4-0-1 with Council Members Ehrenkranz, Greene, Mayor Pro Tem Warren, and Mayor Bonner voting aye and Council Member Haggerty absent.

8. Announcements

The next regular City Council meeting was scheduled for August 2, 2017 at 6:30 p.m. For Open Session. There would be an adjourned meeting July 12, 2017 at 6:30 p.m.

9. Closed Session

The City Council recessed to Closed Session at 1:44 p.m.

- A. Closed session pursuant to govt. code section 54957 – Public Employment; Public Employee Evaluation – City Manager
- B. Closed Session with Legal Counsel regarding existing litigation pursuant to Govt. Code Section 54956.9(d)(1): Zaitz v. City of Canyon Lake
- C. Return/Report from closed session


Mayor Pro Tem Warren left the meeting at 2:30 p.m.

The City Council returned from Closed Session at 2:32 p.m. with no reportable action.

10. Adjournment

Mayor Bonner adjourned the meeting at 2:32 p.m.

Respectfully submitted,


Ariel Hall
City Clerk

