



MINUTES
REGULAR CITY COUNCIL MEETING
FLYNN CENTER
981 H STREET
CRESCENT CITY, CA 95531

Monday **April 5, 2010** **5:00 p.m.**

Call to Order Mayor Schellong called the meeting to order in open session at 6:06 p.m.

Roll Call Council Members present: Burns, Westfall, Slert, Murray and Mayor Schellong
Others present: City Manager Rod Butler, Deputy City Clerk Robin Patch, City Attorney Bob Black, Public Works Director Jim Barnts, Police Chief Doug Plack, Housing Authority Director Susie Mendez, Finance Director Ken McDonald and Associate City Planner Eric Taylor

Pledge of Allegiance Council Member Burns

PUBLIC COMMENT ON CLOSED SESSION ITEMS

1. CLOSED SESSION

- Public Employment (Gov't Code § 54957 (b)) Police Chief, Fire Chief, Finance Director, City Planner/Economic Development Specialist, Housing Authority Executive Director, Public Works Director/City Engineer, and Central Services Director
- Conference with Labor Negotiator: Rod Butler, Crescent City Management Employees Association (Gov't Code § 54956.8)
- Public Employment (Gov't Code § 54957 (b)) City Manager/City Clerk
- Real Property Negotiations; Negotiator Rod Butler; APN 118-170-02, APN 118-260-12 (Gov't Code § 54956.8)
- Existing Litigation (Gov't Code § 54956.9 subdivision (a)) (Six cases: Sanches vs. City of Crescent City, USDC CV08-1395; Barber vs. City of Crescent City, USDC Northern District of California, Case #08-CV-04883-WDB; Misti Cardenas vs. City of Crescent City, et. al., USDC CV08-4053; Brian Strom vs. City of Crescent City, USDC Case #CV08-4708; Sanches vs. City of Crescent City, USDC CV08-5663); Westfall vs. City of Crescent City, Del Norte County Superior Court; Wahlund Construction Company, O & M Industries Inc, Sequoia Construction Specialties, Ward Stover, PE dba Stover Engineering and Colburn Electric vs. City of Crescent City, Rod Butler, Donna Westfall and Douglas Westfall, Del Norte County Superior Court Case # CVPT 10-1075)
- Potential Litigation (Gov't Code § 54956.9 subdivision (b)) (Two cases)
- Liability Claim – Claimant: Donna Westfall, agency claimed against City of Crescent City et al.

Mayor Schellong opened the meeting to closed session at 5:01 p.m. with all four Council Members present; Council Member Westfall arrived at 5:06 p.m. There were no public comments on closed session items. The Closed Session was adjourned at 6:01 p.m. City

Attorney Bob Black reported that no final actions were taken on closed session items. He requested that after the meeting concludes tonight to return to Closed Session.

ACKNOWLEDGEMENTS

2. Oath of office for Reserve Officer Yeng Lo.

Chief Plack described Officer Lo's contribution to the Police Department and the benefit having an officer that has a second language. Officer Lo is the first Hmong officer to join the Crescent City Police Department in history. Mayor Pro Tem Burns stated that the Hmong community is a very integral part of the Crescent City and having an officer from that culture is an incredible asset. He pointed out the support shown for this event as evidenced by the large amount of family members and friends that had attended this meeting. Officer Lo addressed the audience in both his native tongue as well as in English. Council Member Slert stated that this is a momentous occasion for both the City of Crescent City and the Hmong community.

3. Approve and read A PROCLAMATION SUPPORTING THE DESIGNATION OF APRIL 2010 AS CHILD ABUSE PREVENTION MONTH.

The above proclamation was read by Mayor Pro Tem Burns and was received by Melissa Darnell and Christine Slette from CASA. Mayor Schellong stated that the City is very appreciative of the work being done by this organization. The Youth and Family Fair is scheduled for April 17th at the Del Norte County Fairgrounds and provides very valuable information for families.

4. Approve and read A PROCLAMATION SUPPORTING THE DESIGNATION AS APRIL 2010 AS SEXUAL ASSAULT AWARENESS MONTH. (Paula Arrowsmith-Jones)

The above proclamation was read by Mayor Schellong and received by Kady Pomerleau-Corpstein and Jennie Coulson. Ms. Coulson and Ms. Pomerleau-Corpstein reported on the work done by the North Coast Rape Crisis Team for Crescent City. They also reported on the wide range of services they make available for those affected by violence. They explained the "Jeans for Justice" on April 21st and that by wearing jeans on that day, it shows support of those affected by sexualized violence.

CONSENT CALENDAR

5. Approval of the regular minutes of the March 15, 2010 Crescent City Council meeting.

6. Approval of warrant claims list for the period March 16, through April 5, 2010.

7. Approval of biweekly payroll reports for the period ending March 13, paid March 19, 2010 and for the period ending March 27, paid April 2, 2010.

8. Receive and file the new format for the monthly report. (Ken McDonald)

Page 8 – Council Member Murray stated that "Mr. Burlake" not "Mr. Burlick". Council Member Slert stated that on page 8 – the sentence that Council Member Burns didn't make sense and should be clarified.

On a motion by Council Member Slert, seconded by Council Member Burns and unanimously carried 5-0, the City Council of the City of Crescent City approved and adopted the consent calendar as amended, consisting of items 5 – 7.

ADJOURN TO HOUSING AUTHORITY

9. See attached minutes. (Susie Mendez)

ADJOURN TO CRESCENT CITY REDEVELOPMENT AGENCY

10. See attached minutes. (Rod Butler)

11. PUBLIC HEARING(S) – none

NOTE: If you challenge the decision of the City Council in court, you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice, or in written correspondence delivered to the City Council at, or prior to, the public hearing. (Gov't Code § 65009)

12. REPORTS

Reports relative to the City of Crescent City programs and projects, from staff or outside agencies.

City Manager Butler reminded the public to complete the 2010 Census due to the funds available to Crescent City and the importance of completing it.

COMMUNICATIONS

➤ **PUBLIC COMMENT PERIOD** - There were no public comments.

CONTINUING BUSINESS

13. Consider and approve the amended Finance agreement between the City of Crescent City and the State of California Water Resources Control Board State Revolving Fund (SRF) for the Wastewater Treatment Plant upgrade project. (Jim Barns/Rod Butler)

Mayor Schellong outlined the successful contract that will greatly affect the citizens of Crescent City in detail. City Manager Rod Butler went over the loan details and the fact that the City was able to get, in addition to a loan extension from 20 years to 30 years, a 0% financing for the first four years (from the year 2011 to 2014) of the agreement under state legislation that allows that to be possible. That means an interest savings of around \$2 million to ratepayers in the system. Council Member Slert applauds the City staff for taking a proactive approach to make it a win-win situation for reduced fees. The loan being extended over a longer period of time is beneficial to our residents. He stated that Council Member Westfall is costing the City a substantial amount of money regarding the WWTP wherein City staff is trying to save the citizens and City money. Council Member Murray is grateful for this agreement and wants to have the City assess how to use this to the best of our ability. Mayor Pro Tem Burns addressed a letter distributed to the Council by Bill Lonsdale and asked about the reduction of rates in regards to being done with "Division approval". City Attorney Black explained that if the Council decided on a reduction of rates, that it be adopted in principle and to then forward the information to the State showing that repayment of the SRF (State Revolving Fund) loan

is still possible and essentially request their authority to proceed. Discussion continued in regards to the fact that the State has made it very clear that they intend to be repaid for this loan. Mayor Schellong stated that she appreciated Mr. Lonsdale's input. Council Member Westfall asked how the loan will be repaid if the Sewer Rate Rollback Initiative passes in November, what is "Plan B". Council Members Burns, Murray, Slert and Mayor Schellong all stated that the budget report recently distributed explained the cuts necessary in detail, which included cutting services and the reduction in staff. Both Council Members Slert and Murray stated that it has been requested several times of Council Member Westfall to produce a "Plan B" to repay the loan if the Initiative passes, being that Ms. Westfall is the proponent. Mayor Schellong reiterated that the biggest cuts would be to our Police Department, Fire Department, Parks, streets, etc. Discussion on topic continued in detail. Council Member Westfall asked if the Prop. 218 vote had succeeded, what would the "Plan B" have been at that time, how would the SRF have been repaid. Attorney Black stated that at that time the City was only 4 – 5 months into real construction and we would have terminated the contract which in turn would then cause the City to be sued by Wahlund Construction for breaching the contract. Council Member Westfall then asked if we had continued on with the SRF loan contract, what Plan B would've been then? Attorney Black stated that his recommendation would've been to send a notice on November 6th of that year to Wahlund Construction to stop all construction and remove all of his employees from the site. Then, the City would have to unravel a "very messy, terrible situation" of a \$5million magnitude which would've been a *barely* manageable Plan B.

The following citizen made a comment: Bill Lonsdale expressed his dissatisfaction with the email process he's used to get information to the Council. Council Member Burns asked for Mr. Lonsdale's letter to be a part of the record.

On a motion by Council Member Burns, seconded by Council Member Murray and carried 4-1 on a polled vote with Council Member Westfall voting no, the City Council of the City of Crescent City approved the amended Finance agreement between the City of Crescent City and the State of California Water Resources Control Board State Revolving Fund (SRF) for the Wastewater Treatment Plant upgrade project

14. Consider and approve Payment #34 for Wahlund Construction and Payment Invoice #7842 for Stover Engineering regarding the Wastewater Treatment Plant. (Jim Barnts)

There were no public comments.

On a motion by Council Member Murray, seconded by Council Member Slert and carried 4-1 on a polled vote with Council Member Westfall voting no, the City Council of the City of Crescent City approved Payment #34 for Wahlund Construction and Payment Invoice #7842 for Stover Engineering regarding the Wastewater Treatment Plant.

Council Member Westfall left the dais at 7:19 p.m

NEW BUSINESS

15. Receive the 2009 General Plan Update Report and take action as necessary. (Eric Taylor)

Associate City Planner Eric Taylor went over the report briefly and asked if any clarification was necessary. Mayor Schellong pointed out a few minor typos that needed to be corrected on the contract as well as asking for a Crime Free Multi-Housing project update to be added to the report as well as an update on the Micro-surfacing project. *Council Member Westfall returned to the dais at 7:21 p.m.* Discussion continued on the details of the contract. City Attorney Bob Black stated that he has disqualified himself from advising the City on any matters regarding the Harbor Annexation which is mentioned in the report.

On a motion by Council Member Westfall, seconded by Council Member Slert and unanimously carried 5-0, the City Council of the City of Crescent City approved the 2009 General Plan Update Report with the recommended changes.

16. Receive report on the Crescent City Crab, Wine, and Cheese Festival and authorize the distribution of remaining proceeds to charities. (Bill Renfroe)

Tri-Agency Director Bill Renfroe was present to give a report on the Festival and the designations of funds requested. Mayor Schellong suggested that some of the funds could also be designated to the Police Explorers for their work at the festival. The Tri-Agency had already selected three animal shelters to receive funds and advertisements for the event included where the funds would go. The distribution of the funds received was discussed in detail.

There were no public comments.

Council Member Slert suggested that the Explorers receive \$125 from the funds of the festival. He stated that this festival was a celebration of our local assets. Mayor Schellong expressed her appreciation for the work done on the event. Council Member Burns stated that he enjoyed the event, however, is it ok to designate who will be receiving the funds before the event and advertise it. It was decided by the Council to give \$125 of the funds received from the festival to the Crescent City Police Explorers.

17. Consider and approve the Intergovernmental Agreement (IGA) for Transportation of Return Activated Sludge agreement between the City of Crescent City, California, and the City of Medford, Oregon. (Jim Barnts)

Public Works Director Jim Barnts explained the agreement in detail and explained the importance of the sludge for the Wastewater Treatment Plant. Explanation of the bid process was discussed in detail. Discussion continued on the explanation of “seeded sludge”.

On a motion by Council Member Slert, seconded by Council Member Burns and unanimously carried 5-0, the City Council of the City of Crescent City approved the Intergovernmental Agreement (IGA) for Transportation of Return Activated Sludge agreement between the City of Crescent City, California, and the City of Medford, Oregon.

18. Consider and select the dates for the City Council Workshop on the FY 2010/2011 City Redevelopment and Housing Authority Budgets and a joint meeting with the Crescent Fire Protection District Board of Directors. (Rod Butler)

City Manager Butler outlined all of the activities on the calendar currently. He asked for the Council to approve two more calendar items, the first one being the Budget Workshop to include City Redevelopment and the Housing Authority for the 2010/2011 budget. It is tentatively scheduled for 5:00 p.m., Monday May 10, I Street Fire Hall. The Council was in agreement to have the meeting at that date and time. Secondly, a Joint meeting between the City Council and Crescent Fire Protection District Board is needed. Fire Chief Wakefield has suggested to Mr. Butler to have the meeting on Tuesday, May 18th, 6 – 7pm, which will include observing firefighter training at the Fire Protection District.

There were no public comments.

CITY COUNCIL ITEMS

➤ **Legislative Matters – none**

➤ **Reports, Concerns, Referrals, Council travel and training reports** – Mayor Schellong stated that the Elk Valley Rancheria has asked for another letter of support that is the same as what was requested prior. The City of Crescent City sent out a letter of appreciation to our local physicians on behalf of the staff and Council, for Physician Appreciation Week. Mayor Schellong attended the LEADN Awards and was pleased to see the recognition that the City officers received. She also attended the Airport Authority meeting. She states that the City will be a guest speaker of the Chamber of Commerce luncheon and she urges all to attend. She also announced the upcoming Town Hall meeting being held this Saturday, April 10th, 9:00 a.m. at the Washington Blvd Fire Hall. There will be a Tri-Agency meeting and she will give an update to the Council afterwards. There is an Annexation Workshop on April 12th, 5:00 p.m. at the I Street Fire Hall. On April 14th, the Friday Night Live kids are having a symposium and asked the Mayor to be a guest speaker. The Police Explorers are putting on the first annual Officers' Ball, which is a semi-formal event to be held on Saturday, April 17th at 5:30 p.m. Council Member Murray attended the Economic Summit held on Saturday, March 27th. She received some very valuable feedback that the City can do next year as action items. She attended the Tri-Agency meeting on behalf of the Mayor. Council Member Slert stated that it would help to move forward regarding the budget – he would like an accounting that the public to be aware of the legal fees and Sewer Rate Rollback Initiative fiscal impacts. Currently the County will be counting signatures on the Anti-Fluoride Initiative. Mayor Schellong encourages the community to speak on this matter. It represents a sizable amount of money and due to the economic climate Council member Slert feels the public needs to be aware.

➤ **City Manager Directives - none**

ADJOURNMENT

Adjourn the meeting to the regularly scheduled meeting on Monday, April 19, 2010 at 5:00 p.m.

There being no further business to come before the Council, Mayor Schellong adjourned the meeting at 7:57 p.m. to return to closed session. The Council will then adjourn to the next regularly scheduled meeting on Monday, April 19, 2010 at 6:00 p.m.

ATTEST:

By: Robin Patch, Deputy City Clerk
for Rod B. Butler City Clerk



MINUTES
Crescent City Housing Authority
REGULAR MEETING
APRIL 5, 2010 AT 6:00 P.M.
FLYNN CENTER, 981 H STREET, CRESCENT CITY CA 95531

Call to Order Mayor Schellong called the meeting to order at 6:35 p.m.

Roll Call Council Members Burns, Slert, Murray, Westfall, and Mayor Schellong

COMMUNICATIONS

PUBLIC COMMENT PERIOD – There were no public comments.

CONSENT CALENDAR

1. Approve regular meeting minutes of March 15, 2010 Crescent City Housing Authority.
2. Approve warrant claims list for the period of March 16, 2010 to April 5, 2010.
3. Receive and file the Housing Authority Basic Component Unit Financial Statements dated June 30, 2009. (Ken McDonald)

On a motion by Council Member Burns, seconded by Council Member Slert and unanimously carried 5-0, the City Council of the City of Crescent City approved and adopted the consent calendar, consisting of items 1-3.

HOUSING DIRECTOR'S REPORT – None

PUBLIC HEARING –

4. Conduct a public hearing, approve submission, and authorize execution of the 5-year and Annual Plan for the FY 2010/2014. Certify compliance of the plans with the Quality Housing and Work Responsibility Act of 1998 to Housing and Urban Development by the required Board Resolution and take action as necessary and appropriate. (Suzie Mendez)

Housing Authority Executive Director Susie Mendez introduced the public hearing and explained it in detail. Mayor Schellong reported that the Housing Authority received a 100% C-Map Audit in all indicators from State and Federal Housing Authority.

There were no public comments.

On a motion by Council Member Burns, seconded by Council Member Westfall and unanimously carried 5-0 on a polled vote, the City Council of the City of Crescent City approved the submission, and authorized the execution of the 5-year and Annual Plan for the FY 2010/2014.

CONTINUING BUSINESS – None

NEW BUSINESS - None

ADJOURNMENT

Adjourn to the next regular meeting scheduled on May 17, 2010 at 6:00 p.m.

There being no further business to come before the Housing Authority, Mayor Schellong adjourned the meeting at 6:40 p.m. and reconvened as the Redevelopment Agency. The Council will then adjourn to the next regularly scheduled meeting on Monday, May 17, 2010 at 6:00 p.m.

ATTEST:

By: Robin Patch, Deputy City Clerk
for Rod B. Butler City Clerk



MINUTES
Crescent City Redevelopment Agency
REGULAR MEETING
APRIL 5, 2010 AT 6:00 P.M.
FLYNN CENTER, 981 H STREET, CRESCENT CITY, CA 95531

Call to Order Mayor Schellong called the meeting to order at 6:40 p.m.

Roll Call Council Members Murray, Slert, Burns, Westfall, and Mayor Schellong

COMMUNICATIONS

PUBLIC COMMENT PERIOD - There were no public comments.

CONSENT CALENDAR

1. Approval of the regular meeting minutes of March 15, 2010 of the Crescent City Redevelopment Agency.
2. Approve warrant claims list of March 16, 2010 to April 5, 2010.
3. Receive and file the Crescent City Redevelopment Agency Basic Component Unit Financial Statements dated June 30, 2009. (Ken McDonald)

On a motion by Council Member Slert, seconded by Council Member Burns and unanimously carried 5-0 on a polled vote, the City Council of the City of Crescent City approved and adopted the consent calendar, consisting of items 1-3.

EXECUTIVE DIRECTOR'S REPORT – None

BUSINESS ITEMS – None

PUBLIC HEARING – *there were no public comments.*

4. Consider and adopt the second reading of Ordinance No. 754 -- AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CRESCENT CITY, CALIFORNIA, APPROVING AND ADOPTING A SEVENTH AMENDMENT TO THE AMENDED DISASTER REDEVELOPMENT PLAN FOR REDEVELOPMENT PROJECT NO. 1 EXTENDNG CERTAIN TIME LIMITS APPLICABLE THERETO.

On a motion by Council Member Burns, seconded by Council Member Slert and unanimously carried 5-0 on a polled vote, the City Council of the City of Crescent City adopted Ordinance No. 754 -- AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CRESCENT CITY, CALIFORNIA, APPROVING AND ADOPTING A SEVENTH AMENDMENT TO THE AMENDED DISASTER REDEVELOPMENT PLAN FOR REDEVELOPMENT PROJECT NO. 1 EXTENDNG CERTAIN TIME LIMITS APPLICABLE THERETO.

Consider and adopt the second reading of Ordinance No. 755 -- AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CRESCENT CITY, CALIFORNIA, APPROVING AND ADOPTING A FOURTH AMENDMENT TO THE

REDEVELOPMENT PLAN FOR REDEVELOPMENT PROJECT NO. 2
EXTENDNG CERTAIN TIME LIMITS APPLICABLE THERETO.

On a motion by Council Member Murray, seconded by Council Member Burns and unanimously carried 5-0 on a polled vote, the City Council of the City of Crescent City adopted Ordinance No. 755 -- AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CRESCENT CITY, CALIFORNIA, APPROVING AND ADOPTING A FOURTH AMENDMENT TO THE REDEVELOPMENT PLAN FOR REDEVELOPMENT PROJECT NO. 2 EXTENDNG CERTAIN TIME LIMITS APPLICABLE THERETO.

REDEVELOPMENT AGENCY ITEMS –

Redevelopment Agency Executive Director Rod Butler announced the upcoming Annexation Workshop to be held on April 12th at the I Street Fire Hall. He further stated that a workshop that will focus on the Redevelopment Agency (RDA) is tentatively scheduled for June.

Executive Director Butler explained in detail how the RDA funds will be protected from the State and the necessary steps that have been taken.

ADJOURNMENT

Adjourn the meeting until the next regularly scheduled meeting of May 17, 2010 at 6:00 p.m.

There being no further business to come before the Council, Mayor Schellong adjourned the meeting at 6:47 p.m. and reconvened as the City Council. The Redevelopment Agency will then adjourn to the next regularly scheduled meeting on Monday, May 17, 2010 at 6:00 p.m.

ATTEST:

By: Robin Patch, Deputy City Clerk
for Rod B. Butler City Clerk