



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

<b>Monday</b>	<b>June 7, 2010</b>	<b>5:00 p.m.</b>
---------------	---------------------	------------------

Call to Order Mayor pro-tem Burns called the meeting to order at 5:00 p.m.

Roll Call Council Members present: Burns, Westfall, Slert, Murray and Mayor Schellong (entered later 5:45 p.m.)  
Others present: City Manager Rod Butler, Deputy City Clerk Karen Phillips, City Attorney Robert Black, Associate Engineer/Utilities Director Eric Wier, Police Chief Doug Plack and Finance Director Ken McDonald

Pledge of Allegiance Council Member Donna Westfall

**PUBLIC COMMENT ON CLOSED SESSION ITEMS**

**1. CLOSED SESSION**

- Conference with Labor Negotiator: Rod Butler, Crescent City Management Employees Association (Gov't Code § 54956.8)
- Conference with Labor Negotiator: Rod Butler, Crescent City Employees Association (Gov't Code § 54956.8)
- Conference with Labor Negotiator: Rod Butler, Clerical Employees of Crescent City (Gov't Code § 54956.8)
- 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)) (Four cases: 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; 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.

No public comments were received regarding the closed session items. There being no comments regarding the closed session, Mayor Pro Tem Burns recessed the meeting in closed session at 5:00 p.m. Mayor Schellong entered the closed session at 5:45 p.m. Council Member Westfall left the closed session at 5:47 p.m. The closed session was adjourned at 6:00 p.m. and the Council meeting was reconvened in open session at 6:03 p.m. City Attorney Robert Black reported that no final actions were taken during the closed session. Mayor Schellong took a moment to publicly acknowledge the work and efforts of Triplicate reporter Nick Grube, who was present at the meeting, noting that he

will be moving to Bend, Oregon to work for the Bend Bulletin. Megan Hansen, his replacement, was introduced to the audience and the Council by Mayor Schellong.

**ACKNOWLEDGEMENTS-**

2. Approve and read A PROCLAMATION SUPPORTING THE DESIGNATION OF JUNE 11 -18, 2010 AS UNITED STATES ARMY WEEK. (SSG. Wilson)

Mayor Pro Tem Burns read and presented the proclamation to Army Staff Sergeant Wilson.

3. Approve and read A PROCLAMATION SUPPORTING THE DESIGNATION OF JUNE 14, 2010 AS 'FLAG DAY'.

Council Member Slert read and proclamation and presented it to Richard Miles.

**CONSENT CALENDAR**

4. Approval of the regular minutes of the May 17, 2010 Crescent City Council meeting, the minutes from the Joint Crescent Fire Protection District Board/City Council meeting of May 18, 2010, and the minutes from the Annexation Workshop of April 12, 2010.
5. Approval of warrant claims list for the period May 18, through June 7, 2010.
6. Approval of biweekly payroll reports for the period ending May 22, paid May 28, 2010.

The following changes to minutes were made: Council Member Slert: May 17 minutes – page 5, paragraph 3, 4<sup>th</sup> line down, “is” should be “he finds”. Council Member Slert also asked about warrants on page 8, noting the series of legal service entries that represent \$8,300 for the month of May, he guesses for the various Westfall cases. Mayor Schellong indicated that she signed checks totaling near \$11,000 for City Attorney fees this month, about \$2,000 of that is attributable to Ms. Westfall. Council Member Slert also asked that page 5 of the warrants notating “flashlights” it should be explained that these are not regular flashlights, but special flashlights that the police use. Council Member Westfall made the following changes to the May 17<sup>th</sup> minutes - page 5, 18 lines down from item number 13: change “fall” to “all of the”; and page 6 change to “several dozen” street lights have been out for years.

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, consisting of items 4-6, with the noted changes.

**7. PUBLIC HEARING(S) –**

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)

- Conduct a public hearing, consider and approve the City of Crescent City/Housing Authority/Redevelopment Agency/Crescent City Financing Authority FY 2010/2011 Budget. (Rod Butler/Ken McDonald)

The public hearing was opened at 6:15 p.m. City Manager Rod Butler reported on the budget and the process which the budget underwent to arrive here today. The budget is a status quo budget with no new positions. The funding for the Visitors Bureau was discussed with two budget options: one with \$100,000 for Visitors Bureau funding, and one with no funding for the Visitors Bureau. The City Manager and staff are asking that the Council not require the City to pay out more than half the revenues (\$50,000) at one time, if approved, due to the rate of payback of state revenues, possible passage of the sewer rate reductions, and the use of redevelopment funds for Visitors Bureau not having been answered yet. Several other recommended actions were presented, including review and approve the proposed Fiscal Year 2010-2011 Operating and Capital Budgets for the City of Crescent City, the Crescent City Redevelopment Agency, the Crescent City Housing Authority and the Crescent City Public Financing Authority as presented; provide direction to staff on the desired amount of funding for the Crescent City Chamber of Commerce Visitors Bureau, including the schedule of funding distributions throughout the fiscal year; direct staff to return to the City Council in January 2011 with a detailed mid-year budget analysis identifying any additional necessary General Fund budget reductions and including updated revenue projections; authorize the addition of up to \$7,000 in the Information Technology budget for a new computer server, if needed, for the installation of the Springbrook Version 7 Software upgrade; and if desired, provide staff with direction on any additional spending reductions or changes to the Fiscal Year 2010-2011 budget. The Manager reported that there was one minor change after printing the budget, which was the addition of the \$7,000 request for a new computer server for installation of Springbrook 7 software upgrades. Council Member Slert congratulated Manger and Finance Director for putting the budget together. Even in these difficult times the City has been able to avoid layoffs. Mr. Butler has made decision to avoid reductions, hired a Police Lieutenant, finished the pool, replaced the Sewer Treatment Plant and paid the State \$300,000 + in RDA funds. Council Member Slert indicated the Visitors Bureau being for the benefit of the region and it shows the best return for our dollars, as shown by the TOT rate of returns. It is the single strongest economic engine in his opinion, which needs to be considered in conjunction with the plans for a new airport terminal, the new Elk Valley Rancheria destination resort and the economic development at the harbor. The Visitors Bureau is here now and about today. Council Member Murray agreed with Council Member Slert about the achievements over the last year. She thanked staff for working so diligently. She questioned the entry on page 46 listing "City Hall project". This entry, according to the City Manager, was overlooked in the budget review process and should be deleted. Finance Director McDonald indicated the funds are still in the budget; about 24% of that amount is general funds and would go back into the General Fund if that line item is deleted. Council Member Murray is in full support of the Visitors Bureau. She asked about the fireworks amount listed in the budget and noted it seems like a lot; however, the fireworks bring in a lot of tourists to the area. Council Member Burns stated the budget was passed last year with Visitors Bureau funding and the City asked the departments, and employees to make cuts. He cannot see putting the burden on the Police and Fire Departments, he is not in favor of the funds going to the Visitors Bureau at this time; it does not make fiscal sense. Council Member Westfall agreed with Council Member Burns and she wants the amount for the Visitors Bureau to be less than \$50,000 this fiscal year, unless the City can relook at the

amount later in the year and see what can be afforded. Mayor Schellong asked about reopening the pool on Sunday's during the summer. City Manager Butler indicated the current budget does not have this opening (Sunday's during the summer) included in it. The POP (Promote Our Pool group) has not come forward to provide for Sunday openings during the summer as anticipated. Mayor Schellong invited the public to go to the "Sweets by the Sea" POP fundraiser for the pool. Mayor Schellong noted she has a problem with the legal fees and them getting out of hand. She has hard time with the "unknowns" and the possibility of not being able to support the police, fire and keep the pool open. Chris Howard, Visitors Bureau Chairman, and the Mayor met and he answered all her questions regarding the Bureau. She has a few concerns regarding large contributions to outside partnerships that are supported by the Visitors Bureau, even though she understands that the tourists in these areas want to come here. She also does not like the amount of funds the Bureau used for the website. The Bureau's reimbursement to the Chamber of Commerce is for phone call tracking, postage and other services/expenses. She also noted the Visitors Bureau is actively looking at private partnership opportunities. She thanked the Bureau for the five or more inch binder of materials and information that document the dollars spent by the Bureau. Mayor Schellong stated she has a hard time taking money of reserves for anything at this time, although she supports the \$50,000 plan at this time. Council Member Slert stated a big issue is created by private industry looking to the City for its leadership, and if the City waivers, then it will have a negative impact.

The following persons addressed the Council: Richard Miles stated his concern over the safety in our city and that if the City wants to attract tourists; what good is the advertising if we do not have a safe community. Chris Howard, Chairman of the Visitors Bureau, thanked the Council for their considerable discussion in light of the issues and through the past year's budget. He sees this as a time for opportunity due to influences outside our area and things that have occurred. TOT revenues generate 12.8% of the overall income for the City over the last ten years and 15.2% of our economic employment is from the tourism sector. Mr. Butler recently pointed out the roughly 30% of the City's General Fund budget came from the TOT; the reinvestment is important. Mr. Howard asked to let the Visitors Bureau grow that investment, to provide jobs and opportunities within the area.

The public hearing on the budget was closed at 6:44 p.m.

Council Member Slert concurred with Mr. Howard regarding the reinvestment in the future; it challenges us to think of a better economic engine. Mr. Slert did meet with John Thompson of Trees of Mystery last week and noted that they (Thompsons) are on their way to a banner year. Council Member Slert feels that the RDA idea needs to be revisited with regard to using those funds to fund the Bureau.

On a motion by Council Member Slert, seconded by Council Member Schellong, and carried on a 3-5ths polled vote, with Council Members Westfall and Burns voting "no", the City Council of the City of Crescent City adopted the FY 2010-2011 Budget as presented for Operating and Capital Budgets for the City of Crescent City, the Crescent City Redevelopment Agency, the Crescent City Housing Authority and the Crescent City Public Financing Authority, including \$7,00 for the dedicated server in Information Technology and including a commitment for \$50,000 for the Visitors Bureau in July

2010 for a six month investment and that the funding be reconsidered and reviewed at the end of the six months.

## **8. REPORTS**

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

No reports were made.

## **COMMUNICATIONS**

### **➤ PUBLIC COMMENT PERIOD –**

The following persons addressed the Council: Zack Larson, county resident, gave a brief report on the MLPA round two. *Council Member Westfall left the meeting at 6:49 p.m.* The second round of MLPA proposals will be put forth to the California Fish & Game in October of 2010. There is a hearing set for the public June 25 at 1:00 p.m.-5:00 p.m. at the Crescent Fire Protection District office on Washington Boulevard. *Council Member Westfall returned to the meeting at 6: 50 p.m.* Mayor Schellong indicated that she has attended several of the MLPA meetings; however, she wanted to know if the meetings could be held in the evenings for working people to attend. The Council expressed an interest in receiving an in depth report from Mr. Larson at a future meeting. Initiative staff will be holding a public open house on July 7<sup>th</sup> in Crescent City and presenting the proposals. Richard Miles expressed concerns about Ms. Westfall. It is his understanding that she has been harassing City workers and he wants the harassment to stop. He does not like that fact that the Council Member put out a blog to guess the number of street lights are out. He went to the website that someone is hosting and it borders on slander and yellow journalism, in his opinion and he feels that it should be taken down. Jodi Mangum mentioned the difference between Brookings and Crescent City and the former Brookings City Officer who used gas for a lawn mower. She wanted to know what happened to the fill dirt that is missing from the treatment plant. The generator was sold at public auction, and she wanted to know when the notice was in the newspaper. She spoke of a conflict of interest within the State conflict of interest guidelines. She noted that she has a call into Judge Follett regarding the Grand jury and comments made. Joie Sanchez just asked her about getting copies of a report she requested earlier; she never got the whole thing. Mayor Schellong indicated that the auction items were voted on at a public meeting and the notice was in the paper. Council Member Donna Westfall stated that she thinks it is funny that Richard Miles called her and noted the number of street lights the City had out after complaining about it earlier in the meeting. Mr. Miles indicated he wanted the free dinner being offered. City Manager Rod Butler stated that the generator sold at auction for \$3,000.00.

## **CONTINUING BUSINESS**

9. Consider and approve Payment #36 for Wahlund Construction and Payment Invoice #7907 for Stover Engineering regarding the Wastewater Treatment Plant. (Jim Barnts)

City Associate Engineer/Utilities Director Eric Wier reported briefly on Payment #36 to Wahlund Construction and Invoice #7907 to Stover Engineering.

On a motion by Council Member Slert, seconded by Council Member Burns, and carried on a 4-5<sup>th</sup> polled vote, with Council Member Westfall voting “no”, the City Council of the City of Crescent City approved and adopted Payment #36 and Invoice #7907 as presented.

### **NEW BUSINESS**

10. a) Consider and approve a resolution entitled, RESOLUTION NO. 2010- 09, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CRESCENT CITY APPOINTING THE DOWNTOWN PARKING AND BUSINESS IMPROVEMENT DISTRICT ADVISORY BOARD. (Martha Rice)

Because some of the downtown businesses are clients of the Mayor at her place of employment, she recused herself. *Council Member Westfall left the meeting at 7:03 p.m.* Business Improvement District Advisory Board President Billie Kaye Gavin-Tygart reported that Jenny Young would not be appointed to the Board of the BID due to her employer not joining the BID. Dee Newton is the replacement in Jenny’s place. *Council Member Westfall returned to the meeting at 7:05 p.m.*

On a motion by Council Member Slert, seconded by Council Member Murray and carried on a 4-5<sup>th</sup> polled vote, with Mayor Schellong recused, the City Council of the City of Crescent City approved and adopted RESOLUTION NO. 2010- 09, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CRESCENT CITY APPOINTING THE DOWNTOWN PARKING AND BUSINESS IMPROVEMENT DISTRICT ADVISORY BOARD.

b) Receive and file the Annual Assessment Report for FY 2010/2011 from the Business Improvement District Advisory Board. (Martha Rice)

City Attorney Black reported on the annual assessment report briefly. Council Member Murray asked about page 2 of the report as the lodging is crossed out. Staff indicated that it is being folded into the service category and therefore is not needed any longer.

By consensus, the Annual Assessment Report for FY 2010-2011 from the BID was accepted and filed as presented.

c) Consider and approve a resolution entitled, RESOLUTION NO. 2010- 10, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CRESCENT CITY DECLARING ITS INTENTION TO LEVY AND COLLECT ASSESSMENTS WITHIN BUSINESS IMPROVEMENT DISTRICT FOR FY 2010/2011. (Martha Rice)

Richard Miles asked a question regarding the payment of business licenses and the payment of BID dues. He feels those businesses that have already paid their dues would be paying extra this year under the proposal. He wants to know if levies have already been made and what the legality of setting the fees is.

On a motion by Council Member Slert, seconded by Council Member Westfall, and carried on a 4-5<sup>th</sup> polled vote, with Mayor Schellong recused, the City Council set hearings on July 5<sup>th</sup>, 2010 and August 2, 2010 and adopted RESOLUTION NO. 2010- 10, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CRESCENT CITY

DECLARING ITS INTENTION TO LEVY AND COLLECT ASSESSMENTS WITHIN BUSINESS IMPROVEMENT DISTRICT FOR FY 2010/2011.

11. Receive and approve the Del Norte Solid Waste Management Authority FY 2010/2011 budget. (Kevin Hendrick)

Executive Director of the Del Norte Solid Waste Management Authority Kevin Hendrick presented the FY 2010-2011 Solid Waste Management Authority budget. This is the slimmest year Mr. Hendrick has seen so far. Reductions have been made in the budget and they are facing potential staff cuts, which he will be discussing with his Board in July. Council Member Slert asked about combining the various revenue streams and if there would be a benefit to tracking them separately. Mr. Hendrick indicated that all revenues are split into four budgets and the allocation of the revenue expenses are tracked. Council Member Slert asked about the payroll and how many staff that pays for. Mr. Hendrick indicated that grants they have include personnel costs and he feels that some of the gap will be closed with the grant funds for personnel. There are nine people on their payroll. Mr. Hendrick noted the franchise will be discussed tomorrow at the Del Norte Solid Waste Management Authority meeting.

12. Receive report on the on the recent Ranney collector well inspection and quality monitoring results. (Eric Wier)

Utilities Director/Associate Engineer Eric Wier presented a report on the Ranney collector well inspection and monitoring results. The collector was authorized and purchased in 1957. In staff's opinion the Ranney Collector well is the most important and most expensive piece of equipment to reconstruct. Pictures of the collector were shown throughout the years. The Ranney Collection Wells, Inc did the evaluation of the well and collector recently. It was found that the laterals have some crustation, but are working well and in good shape. 10,000,000 gallons a day is the production level maximum, but the City uses only about 2,000,000 per day. Council Member Murray stated she appreciated the tour of the collector and she thanked staff for the history. Council Member Burns asked the total cost of the evaluation. Mr. Wier indicated the total was near \$30,000. Water quality micro particulate analysis is done, and according to staff, there are fewer particulates in the collector than in the water in the river.

13. Consider and approve contract extension for 2007 Community Development Block Grant (CDBG) Program Economic Development Planning and Technical Assistance Grant and approval of RFP for CDBG Over-the-Counter Underwriting and Application Preparation Assistance. (Rod Butler/Bill Renfroe)

City Manager Rod Butler, Contract Grant Coordinator Charlaine Mazzei, and Executive Director of Tri-Agency Bill Renfroe presented the contract extension for the 2007 Community Development Block Grant (CDBG) Program. City Attorney Black disqualified himself as this grant may include the Harbor. Ms. Mazzei stated that she wants to present a Power Point presentation of a complete historical CDBG overview and will have one prepared to show at the next meeting. The over the counter program is a little used process with no specific due dates. CDBG allows the applicant to use infrastructure of for supporting businesses – 1 job equivalent is required for each \$35,000 of granted funds. If the jobs are not retained, or created, the funds would have to be paid back. A business needs to come forward as the applicant in order to make this grant

work. The business has to be willing to go through the underwriting process and allow their books to be examined by an independent party. The pre-application process is where we are now. If it shows that there is a viable project, CDBG will invite the City to present an application and it that would come to the Council for a public hearing, complete with a resolution and other documents for the grant. Then the application goes to the CDBG loan committee for approval. The business applicant will be Alber Seafoods. The Alber jobs were not used as part of the over the counter grant process for the Harbor in the reconstruction grant and may be used with this application. CDBG is not concerned whether or not the jobs were counted in the past grant application according to Ms. Mazzei. Mayor Schellong asked to have that documented in writing and also wanted to know if the money would be used for the retail seafood portion of the process. Council Member Slert recused himself from the discussion. Council Member Burns asked if the grant process would be more competitive. Ms. Mazzei indicated that this grant process is fairly interactive and a chance will be given to strengthen the application along the way. The last CDBG Planning and Technical Assistance grant had \$11,000 left over when Ms. Mazzei went back to close out the grant. As it happens the left over funds can be used to hire the underwriting process for the “Over the Counter” grant. Bill Renfroe commented on the potential projects and finding a project in our area. There are criteria for this type of grant including the targeted income and 1(fte) job creation per every \$35,000 granted. It is his understanding that the Alber Seafoods jobs were not counted in the Harbor Reconstruction Project CDBG grant. Alber is going to expand their business to include hake and whiting processing, bring in an expanded line of seafood and implement new marketing and processing equipment. A timeline was presented in the agenda packet showing the grant process. The process will not be done in time for this coming crab season. Mayor Schellong asked about the infrastructure items and how the crab cooker is considered infrastructure and not equipment. Staff indicated the office and retail space will be made out of shipping containers, which have gained popularity recently in recycled building. The canopy over the dock, the retail space and one other item are may need to be pulled out of the grant because it could slow the process down with the Coastal Commission. Council Member Murray asked to have Alber change the sign on the side of Alber Seafoods boxes to “Crescent City Crab” or something more local in nature. Mayor Schellong indicated that the Harbor should just give the City the building. *Council Member Burns left the meeting at 7:57 p.m.* Mayor Schellong continued by wanting to know what assurances the City has in this process. She wanted to know if this fits into the Harbor’s Master Plan. Council Member Westfall wanted to know if the City was the conduit for the Harbor grant. She asked about “design, bid, build” and if it was a correct understanding of that process. Mr. Renfroe indicated many bidders would not work on a “design, bid, build” project due to the unknowns and the risks associated with such a bid. Ms. Mazzei indicated that pass through is not dissimilar to the process the City went through for Harrington House. This type of an arrangement is not unusual. She commented that she would not think the City should take on the job retention component responsibility. *Council Member Burns returned to the meeting at 8:00 p.m.* Richard Young, Harbormaster/CEO, indicated the one weak spot in this grant process was the fact that the funds needed to be guaranteed by Mr. Alber, in this case the jobs retained or created, so that the parties are comfortable with the process. Having a processor leave the area is a large risk that has occurred before and that the Harbor would not like to risk again. We should keep the processor here for the tourism and keep the Harbor a working harbor. Staff indicated the cargo containers are not what some would envision; many have mahogany floors and are

considered ideal for this type of placement as well as being used for housing. No public comments were received.

On a motion by Council Member Burns, seconded by Council Member Murray and unanimously carried 4-0, with Slert recused, the City Council of the City of Crescent City approved and authorized the City Manager to execute an extension to the City's CDBG grant 07-PTAE-3259 Economic Development Planning & Technical Assistance Grant for the purpose of completing a CDBG Over-The-County application to assist the Harbor in upgrading the seafood processing facility currently leased by Alber Seafoods and approved RFP CDB/OTC 2010 soliciting proposals to provide business underwriting, economic analysis and grant application preparation assistance for CDBG Over-The-Counter funding.

14. Consider and authorize the City Manager to execute Change Order #14 and various purchase orders for the Wastewater Treatment Plant Project. (Jim Barnts)

City Associate Engineer/Utilities Director Eric Wier reported on Change Order #14 and various purchase orders for the wastewater treatment plant. This change order includes 95% completion and this is a very good sign that items are still being resolved at this point. The order includes several items; including the reduction of Howe Street Drive reducing the cost of the project by \$79,000+ and the rest are purchase orders for maintenance items. Council Member Westfall stated she came up with \$142,000 for the total change order. She thought that Howe Drive was tabled. Staff explained a portion of Howe Drive would be the access the treatment plant. Mr. Wier indicated the change order with the credits reduces the project by \$79,000+. The purchase orders are non-contract items. City Attorney Black asked if these proposals would still be before the Council or at least some of them if they were contract items. Mr. Wier indicated that "yes they would", but some might be more expensive. The routine maintenance is needed on all equipment and the new and old facility equipment is being interfaced and the maintenance needs to be done to make that interface work and require less work at a later date that might be more expensive. Mayor Schellong went over the total of the purchase orders. Engineer Ward Stover indicated that the City Engineer's report refers to the purchase orders and they have been authorized in the past, but they showed up in the Engineers staff report. This would have normally been signed and approved by staff. This is really two pieces; change order and authorization for the City Manager to pay purchase orders. Council Member Slert asked if proposal #32 as based is adequate. Mr. Stover indicated for the time being; one thickness will be put down to make it water tight, they will have a final service later after the final work is done. A lot of the items included in this agenda item show foresight and keep the plant functioning, according to Mr. Stover. He has seen the entries and he assumes that they have to do with the standard use and correct functioning. Council Members asked if it is true with this change order and purchase orders that there will be no change to the sewer rates. Mr. Stover indicated that it is his understanding that the rates will not be affected by this change. The Howe Drive change was discussed and Mr. Stover indicated that he feels staff does not feel that they had a real clear direction with regard to the park and other items at this time. There has not been clear direction and the direction did change from the beginning of the project over the last few years regarding the drive. Howe Drive has been discussed as being a cul-de-sac and eliminating the "S" turn, which would be a savings. Council Member Westfall asked if the \$57,000 reduction will be done next year. Mr. Stover indicated that it will be done when staff gets to the process. The project is running over a

few days, but it is still considered on time. The training, listed in the contract, is being provided by the contractor, and in lieu of money, he has been given extra time. There are pieces of the treatment plant up and running, some that have passed their warranty period. At what point can the Council take a final walkthrough. Mr. Stover mentioned this fall (October). Council Member Slert offered thanks to City staff for working with the contractor while they are cleaning up and for all their diligent work on behalf of the City. Council Member Murray added Mr. Stover and his crew to those thanks. She also commented on Howe Drive and the number of folks who wanted to have Howe Drive go through as a scenic drive for visitors.

On a motion by Council Member Murray, seconded by Council Member Slert and carried 4-5th vote, with Council Member Westfall abstaining, the City Council of the City of Crescent City approved and authorized the City Manger to execute Change Order 14 as well as various purchase orders outlined in the report as part of the Wastewater Treatment Plant project.

15. Consider and select a preferred design alternative for the Front Street reconstruction project. (Jim Barnts)

City Associate Engineer/Utilities Director Eric Wier reported on the Front Street design and reconstruction project and showed historic photos of early Front Street. Front Street is an important street and is a vehicular connection to the downtown area. A four-way stop sign, a roundabout, widened street and bump-outs were all discussed in several design alternatives over the years. The 2010 staff alternative separates traffic by a median. The median consists of a traffic barrier, which could be street lights or trees, etc. It would be a nice addition of character to the street. Mayor Schellong asked if there would need to be a new parks person budget with these changes. City Manager Butler answered that it would take additional maintenance, but he would not want to have the improvements and no way to maintain them. Zero people were interested in the 2005 alternatives and 15 liked the 2010 alternatives as reported by staff from the public meetings held and from the town hall meeting, which generated the suggested alternatives. Mr. Wier would like to have design funding secured with the Del Norte Local Transportation Commission and proceed with finding a design consultant. A proposed four-way stop sign at "H" and Front Streets will further slow traffic on the street. The round-about was suggested near the hotel at the intersection with "A" Street. The sign design from the town hall meeting is going to come back at the next meeting according to staff. No public comments were received.

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 accepted the 2010 town hall meeting public comments, approved the 2010 Alternative as the preferred design alternative for the Front Street Reconstruction project, directed staff to proceed with a request for design funding from the Del Norte Local Transportation Commission, and authorized staff to proceed with a selection process overseen by the City Manager for a design services consultant, assuming that design funds are received from the Del Norte Local Transportation Commission.

16. Certification of new Sewer Rate Reduction Initiative and removal of original Sewer Rate Reduction Initiative from the November 2010 Election ballot. (Rod Butler)

City Manager Butler reported on the Sewer Rate Reduction Initiative and its qualification to be placed on the November 2, 2010 election ballot. This wording is a portion of the litigation with the City. The attorneys have suggested that the proposal #1 should be replaced with the sewer rate reduction #2. There is a signed agreement. Council Member Westfall asked if a certification was actually received by the County Clerk. No, according to the Manager, there was an e-mail and verbal confirmation; no official certificate has been received yet. Council Members asked if the City was required to have this certification approved to be placed on the ballot. City staff suggested that it be approved subject to the certification.

On a motion by Council Member Slert, seconded by Council Member Westfall and carried 4-1, with Council Member Murray voting “no” the City Council of the City of Crescent City received and filed the certified results from the Del Norte County Clerk-Recorder-Registrar of Voters regarding the signature verification process for the latest proposed sewer rate deduction initiative circulated by Council Member Westfall (Initiative #2) and directed the Initiative #2 be placed on the consolidated general election ballot for November 2, 2010 by the Del Norte County Clerk-Recorder and that the original sewer rate reduction initiative (Initiative #1) be removed from the ballot at the request of the proponents and subject to certification by the County Clerk.

17. Select a date and time for a City Council Workshop to discuss Redevelopment issues.  
(Rod Butler)

Discussion was held regarding setting a date and time for a workshop to discuss redevelopment issues and whether to hold a three hour or two-two hour workshops. The following date was set for a workshop this summer Monday, July 26th, 2010 for a two hour workshop. The second workshop date will be set at a later date.

18. a) Consider and approve a resolution entitled, RESOLUTION NO. 2010-11 , A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CRESCENT CITY DECLARING THE DATE OF THE GENERAL MUNICIPAL ELECTION OF 2010, AND SPECIFYING THE OFFICES TO BE FILLED. (Rod Butler)

b) Consider and approve a resolution entitled, RESOLUTION NO. 2010 –12, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CRESCENT CITY REQUESTING CONSOLIDATION OF THE NOVEMBER 2, 2010 CITY OF CRESCENT CITY ELECTION WITH THE NOVEMBER 2, 2010 COUNTY OF DEL NORTE CONSOLIDATED GENERAL ELECTION. (Rod Butler)

Rod Butler, City Manager, indicated that the two resolutions needed to be adopted every two years in order to consolidate the election process with the County of Del Norte elections. Two Council Members (Burns and Schellong) are up for election as well as for the filling of a partial term for the City Clerk and will be on the next ballot. The second resolution calls on the County Clerk to consolidate the elections.

On a motion by Council Member Burns, seconded by Council Member Murray, and unanimously carried 5-0 polled vote, the City Council of the City of Crescent City approved and adopted RESOLUTION NO. 2010-11 , A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CRESCENT CITY DECLARING THE DATE OF THE GENERAL MUNICIPAL ELECTION OF 2010, AND SPECIFYING THE OFFICES

TO BE FILLED and RESOLUTION NO. 2010 –12, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CRESCENT CITY REQUESTING CONSOLIDATION OF THE NOVEMBER 2, 2010 CITY OF CRESCENT CITY ELECTION WITH THE NOVEMBER 2, 2010 COUNTY OF DEL NORTE CONSOLIDATED GENERAL ELECTION.

19. Consider and approve a resolution entitled, RESOLUTION NO. 2010-13, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CRESCENT CITY APPROVING THE WAGES, HOURS, AND OTHER COMPENSATION AFFECTING THE CITY CLERK OF THE CITY OF CRESCENT CITY. (Rod Butler)

The City Manager reported on the City Clerk position and recommended that the Council approved the resolution as presented. *Mayor Schellong left the meeting at 8:56 p.m.* Under this resolution before the County the Clerk's position would become a 20 hour per week position, establish a monthly stipend of \$2,000 per month and bring the position in line to access to benefits similar to the Council and well as participation in the City's healthcare plan. *Mayor Schellong returned to the meeting at 8:57 p.m.* Council Member Murray expressed concerns about dictating the requirements of an elected official by way of the job description; she does not feel that this is correct. She feels that the public should decide the qualifications of an elected official. Mr. Butler explained because this was a full-time position within the City structure, the job description was developed and classified. Mayor Schellong feels that there are actually job duties and the position does not represent the constituents, there needs to be some description outlining the job duties. City Attorney Black indicated the performance of duty requirements for elected officials is outlined in the state statutes. Attachment "A" could be converted to an advisory description.

On a motion by Council Member Burns, seconded by Council Member Westfall, and unanimously carried 5-0 polled vote, the City Council of the City of Crescent City approved and adopted RESOLUTION NO. 2010-13, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CRESCENT CITY APPROVING THE WAGES, HOURS, AND OTHER COMPENSATION AFFECTING THE CITY CLERK OF THE CITY OF CRESCENT CITY effective November 1, 2010 and adopted Attachment "A" as a description of general duties and desirable qualifications for the City Clerk.

### **CITY COUNCIL ITEMS**

- **Legislative Matters** – The following legislative matters were discussed: City Manager Butler mentioned the City received request from the Harbor District and Ernest Perry to apply for fund under the CDBG Planning and Technical Assistance program for the trail system. They will need letters of support for their application. Staff was directed to move forward with the letters of support by consensus of the Council.
  
- **Reports, Concerns, Referrals, Council travel and training reports** – The following reports were made: Council Member Westfall reported she met with Goodwill Industries regarding relocating to Crescent City, she hopes it may generate new jobs. Council Member Burns reminded everyone not to forget to vote tomorrow. He also reported that City Fire Chief Steve Wakefield held a great volunteer fire banquet. Council Member Murray stated that they also had great

food at the volunteer fire dinner and there were great hosts. Council Member Slert also thanked Chief Wakefield for his attendance. He would like to seriously consider at the next fire/council meeting that the City begin charging for plan checks, because they take time out of the chief's schedule. The Council directed staff to work to bring something back with regard to charging for plan checks. Council Members Slert also noted Richard Miles was working hard to clean up the cemetery before Memorial Day. Mr. Miles suggested having a no camping, loitering or trash disposal at the cemetery. Council Member Slert also gave a shout out to Jim Gibson, who is planning on coming back to Crescent City in a month or so to recover from illness. Council Member Slert attended the Front Street design meeting also. Mayor Schellong noted that the Boarder Coast Airport Authority JPA has received approval from the California Coastal Commission on its conditional coastal development permit for the new airport terminal. The JPA has worked extremely hard to get to this point and she is looking forward to building the terminal this next year. She had a great time at the fire dinner this weekend and attended the meeting with Lieutenant Governor Maldonado. She was fascinated with his impression of the area and noted that he loved being here. Mayor Schellong also visited Crescent Elk and the class that recently met with the Council to request approval of the smoking ban. She gave out City pins to the students and invited them to come back to the Council. They have purchased the no smoking signs, placards and brochures. The Northcrest Drive traffic median weeds are almost three feet high and she would like to have them removed, she directed staff to contact the County to cut them down since the median is outside the city limits. The bushes by the city apartments also need to be cut.

- **City Manager Directives** – The following directives were given the City Manger: None.

### **ADJOURNMENT**

Adjourn the meeting to the City Council Workshop on Monday June 14, 2010 at 5:00 p.m.

There being no further business to come before the City Council, Mayor Schellong adjourned the meeting at 9:17 p.m. until the workshop set for Monday, June 14, 2010 at 5:00 p.m.

Attest:

---

By: Karen Phillips, Acting Deputy City Clerk  
for Rod B. Butler City Clerk