

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

City of Crescent City

Monday

June 30, 2008

5:00 p.m.

**CALL TO
ORDER**

Mayor Tynes called the meeting to order at 5:00 p.m.

ROLL CALL

Present: Council Members Schellong, Burns, Enea, Scavuzzo,
and Mayor Tynes

Absent: None

**PLEDGE OF
ALLEGIANCE**

Mayor Tynes led the Pledge of Allegiance.

STAFF

MICHAEL YOUNG, Interim City Manager; **ROBERT BLACK**,
City Attorney; **L. DIANNE NICKERSON**, City Clerk; **KEN
McDONALD**, City Finance Director; **WILL CAPLINGER**, City
Planner; **JIM BARNTS**, Director of Public Works; **DOUG
PLACK**, Chief of Police

COMMUNICATIONS

Richard Miles, city resident, spoke about back agendas, the Water Department on Harrold Street, extending water lines, and annexation agreements.

UNFINISHED BUSINESS

1. Discuss and approve an Interim Operational 2008-2009 City Budget and take action as necessary and appropriate

Mike Young, Interim City Manager, reported that the section in the budget under Summary shows more money coming in than going out, which is a balanced budget, but that exactly how much is in each fund can't be answered yet. Mr. Young recommended that the council adopt the Interim Operational 2008-2009 budget, but not to hire people for new positions or start any new projects; he said to "let the dust settle" to see where we are then bring this back. There is nothing in the budget that can't wait even six months before a decision is made to do some of the projects or programs proposed. Mr. Young stated that in his opinion, we would not do things unless specifically directed by the council. It is prudent to know exactly where we stand with our budget. Ken McDonald,

City Finance Director, spoke about cleaning up items and putting them in the right places. He said corrections have to be made at the same time the audit is ongoing.

Extensive discussion followed and each Department Head spoke about their individual budgets.

Richard Miles, city resident, spoke about the Chief of Police having two candidates going to the College of the Redwoods and that if he heard Mike Young right, the two people will go to the academy then not have a job. He commented that maybe this year we should tell various agencies to go elsewhere for funding because the city may not have the money.

Council Member Burns made a motion that we adopt the Interim Operational 2008-2009 City Budget with the caveat that we are not hiring any new personnel, nor funding new projects or programs; the motion was seconded by Council Member Schellong and so carried unanimously, 5-0, by the following polled vote:

AYES: Council Members Schellong, Scavuzzo, Enea, Burns, and Mayor Tynes
NOES: None
ABSTAIN: None
ABSENT: None

PUBLIC COMMENT ON CLOSED SESSION ITEMS – None

ACTION TAKEN DURING CLOSED SESSION

No final action taken.

ADJOURNMENT

The meeting adjourned at 7:14 p.m.

ATTEST:

L. Dianne Nickerson, City Clerk

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Crescent City Redevelopment Agency

CALL TO ORDER Agency Member Tynes called the meeting to order in regular session at 5:40 p.m.

ROLL CALL Present: Agency Members Scavuzzo, Burns, Enea, Schellong, and Tynes
Absent: None

COMMUNICATIONS

Richard Miles, city resident, commented that the real function of the RDA is to incur debt and it is time the council incurred some big debts because there have been a lot of improvements downtown and most have been in the RDA zones. He suggested advertising two city parcels on the website, have them appraised for current value, and sell them for additional money. Mr. Miles stated parking lots are failing, the breezeway is falling apart, and dry rot needs to be fixed at the library.

REDEVELOPMENT AGENCY ITEMS

- 1. Consider the proposed Owner Participation Agreement establishing a loan of \$204,000 in support of the Pacific Coast Plaza redevelopment project and take action as necessary and appropriate**

Robert Black, City Attorney, recused himself from this item and left the room because he is considering renting space from Mr. Fearing.

Will Caplinger, City Planner, reported. Mr. Caplinger will ask the RDA attorneys about prevailing wages, and this agreement is to be paid back to RDA within six months.

Discussion followed. Council Member Burns stated we need to be spending money on ourselves, i.e., the pool, etc., which we have not been doing, but we do need to start. Mayor Tynes spoke about Square Deal being a thorn in the city's side for a long time and how this development has helped the city, not to mention the sales tax that will be generated and the reassessment. Council Member Scavuzzo stated he wants to be sure we have the money to do this.

Mike Young, Interim City Manager, Spoke about the previous commitments and stated that if the council is comfortable doing this, we will send the agreement on to the RDA attorneys to approve and proceed with the agreement subject to review by the RDA attorneys.

Council Member Schellong made a motion to direct staff to have the attached agreement between the City of Crescent City and Matt Fearing sent to RDA Attorney Nicki Murphy and

signed by Interim City Manager Mike Young; the motion was seconded by Council Member Enea and so carried, 3-2, by the following polled vote:

AYES: Council Members Schellong, Enea, and Mayor Tynes
NOES: Council Members Scavuzzo and Burns
ABSTAIN: None
ABSENT: None

ADJOURNMENT

The meeting adjourned at 6:04 p.m.

ATTEST:

L. Dianne Nickerson, Secretary