



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

Monday August 2, 2010 5:00 p.m.

Call to Order Mayor Schellong called the meeting to order in open session at 6:01 p.m.

Roll Call Council Members present: Westfall, Slert, Murray and Mayor Schellong
Council Members absent: Burns
Others present: City Manager Rod Butler, Deputy City Clerk Robin Patch, City Attorney Bob Black, Public Works Director Jim Barnts and Police Chief Doug Plack

Pledge of Allegiance Council Member Murray

PUBLIC COMMENT ON CLOSED SESSION ITEMS

1. CLOSED SESSION

- Conference with Labor Negotiator: Rod Butler, Crescent City Employees Association (Gov't Code § 54956.8)
- Public Employment (Gov't Code § 54957 (b)) Public Works Director/City Engineer
- 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); City of Crescent City vs. Westfall, Del Norte Superior Court, No. CVUJ 10-1134; Potential Litigation (Gov't Code § 54956.9 subdivision (b)) (Two cases)

Mayor Schellong called the closed session to order at 5:02 p.m. with all four Council Members present. There were no public comments on closed session items. Council Member Westfall was excused from the closed session at 5:38 p.m. City Attorney Black stated that no final actions were taken on closed session items.

ACKNOWLEDGEMENTS-

2. Presentation of the first Crescent City Pride Award to Richard and Chere Wier Owner/Operators of Wier's Mortuary Chapel, 408 G Street.

Mayor Schellong spoke in regards to Crescent City's first Pride Award and how it was started from a suggestion by Council Member Slert. Mayor Schellong felt that the Wier's Mortuary Chapel was the best choice to represent the City for the first award due to the fact that the property has always been kept clean and nice. Council Member Slert stated that Wier's is a cornerstone and a pillar of this community, Council Member Murray agreed and stated that they are an icon to the community, Council Member Westfall agreed with the previous statements. Mayor Schellong stated that it was necessary to have a positive growth mindset for Crescent City to see growth happen.

CONSENT CALENDAR

3. Approval of the regular minutes of the July 19, 2010 Crescent City Council meeting.
4. Approval of warrant claims list for the period July 20, through August 2, 2010.
5. Approval of biweekly payroll reports for the period ending July 17, paid July 23, 2010.
6. Approve a Memorandum of Understanding (MOU) between the City of Crescent City and the Clerical Employees of Crescent City.

Consider and approve a resolution entitled, RESOLUTION NO. 2010-22, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CRESCENT CITY ADOPTING THE MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF CRESCENT CITY AND THE CLERICAL EMPLOYEES OF CRESCENT CITY FOR THE PERIOD OF JULY 1, 2010 THROUGH JUNE 30, 2013.

On a motion by Council Member Slert, seconded by Council Member Murray and carried 4-0, polled vote, the City Council of the City of Crescent City approved and adopted the consent calendar, consisting of items 3-6.

Council Member Slert asked for clarification on the City Attorney billing of over \$10,000 this month and additional legal services of \$8,400. He believes these figures to be substantially associated with Council Member Westfall's continuous nuisance claims against the City and wanted clarification. Mayor Schellong stated that the majority of the \$10,000 check was to pay for the work the City Attorney had to do regarding the Sewer Rate Initiative, Wastewater Treatment Plant project, and Joei Sanches lawsuit. Council Member Slert stated that he was not questioning the City Attorney's billing; he wanted the public to be aware of what Council Member Westfall's initiatives are costing the City. Council Member Slert further wanted to clarify the Clerical Employees MOU for the public – the Council, City Manager Rod Butler, and Finance Director Ken McDonald have done everything to protect the employees from layoffs and have done an excellent job protecting our finances. He stated further that the real economic issue before the City is the Sewer Rate Rollback Initiative. When people become informed, they will understand that it is a serious threat to the economy of the City. Council Member Westfall spoke against Council Member Slert's comments on the Sewer Rate Rollback Initiative being a nuisance. She stated that she was voted in to represent the underrepresented people of our community and feels that the Initiative is not a nuisance, but the people speaking out for their constitutional rights.

Council Member Westfall asked for clarification on a \$450 check issued to Stover Engineering. Mayor Schellong answered that it was for labor compliance for the American Recovery and Reinvestment Act (ARRA) street and sidewalk projects, not the Wastewater Treatment Plant as Council Member Westfall believed. Council Member Westfall further asked for explanation of a check issued to Express Employment; Mayor Schellong stated that the City hired some local temporary workers for the 4th of July. City Manager Butler stated that they worked for 10 days to spruce up the City by doing some landscaping.

The following citizen made a comment: Tanya Pearcey spoke on the Clerical Union Memorandum of Understanding (MOU) and that it was presumptuous to enter an agreement during these rough economic times.

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 to receive public testimony regarding the proposed 2010-2011 Business Improvement District (BID) assessments. Give direction to staff as appropriate. (Martha Rice)

Mayor Schellong addressed those in attendance regarding a survey that was done regarding the BID and advised that the Council would not be allowed to discuss that particular item tonight as it is not on the agenda. She gave direction to those in attendance on how to get the item on the agenda for Council discussion. City Manager Butler went over the process of the public meeting/public hearing. He stated that this was necessary in regards to the new assessments that are before the Council tonight. He further stated that he is encouraged after attending BID Advisory Board meetings on a regular basis and that two members of the BID Board are here tonight to answer questions. BID President Billie Kaye Gavin-Tygart stated for clarification purposes, BID was directed by the Council to become compliant last year. She stated that when the original assessment of \$150 for booth renters was presented, salon owners as well as several booth renters came forward stating this amount was too high and would create a hardship for them. This caused the BID Board to rethink the assessments and to change the amount to \$50, which is the same amount as the Non-Profit category; this amount was approved with no opposition.

The public hearing was opened at 6:29 p.m.

The following citizens gave public testimony:

Sarah Reynolds, House of Beauty, stated that \$767 was paid from her salon in BID assessments this year and that her salon's booth renters had to pay \$100 this year. They don't feel there is any benefit as being a part of the BID as it has not increased their business.

Michele Bessant spoke in regards to some complaints she has about Beachfront Park and would like it on the agenda. She feels that the downtown area would be better if it was more aggressively promoted. There are too many empty buildings, the assessments are too high and businesses have moved from the City limits because it's too expensive for them to operate at that location.

Patty Percy, The Bookcomber, stated that the billing cycle created a little confusion – one bill came in January, the other came in June. She would like to see BID prosper and businesses to come together.

Deborah Stover, Del Norte Office Supply, said she signed the petition as a “yes” vote to pay the BID assessment. She stated that she agrees with Patty Percy's comments about the assessments becoming a division within the downtown businesses.

Ron Gastineau, Planning Commissioner, is currently involved in BID and has seen an improvement in the downtown area. BID has been an incredible advocate for businesses downtown. BID is a very positive thing for our community; if you take the time that each BID Advisory Board Member put into all of the events, etc – it far outweighs the assessments.

Amy Wilson, booth renter at Witches' Hut spoke on behalf of Diana Tomasini by reading a letter she authored. It stated that she has been involved in the BID Advisory Board in the

past and that the current Board is facing the same problems that were faced before. She feels that since the budget for BID is so small, they should not be spending money on parades, or decorating for holidays, or for security cameras. Her opinion was that a Business Merchant Group would be a better approach to a business environment within Crescent City; it would not be mandatory nor would any dues be required. She further stated that the building that she owns, Tomasini's Enoteca/Witches Hut, is required to have 19 licenses and permits by the City and State, including BID dues, to conduct business. She feels that these requirements make it very difficult for a small business to thrive in the current economic climate.

Sam Rutledge, business owner in the BID, felt that the dues he paid in the past were voluntary, and he was glad pay them. However, now that it is mandatory he does see the benefit, therefore does not pay them. He stated that he does not want the Council to approve "mandatory dues" and to keep them "voluntary". Mayor Schellong stated for clarification that assessments were never "voluntary" and City Manager Butler reiterated that it was never voluntary, it has always been mandatory. He further stated that if the payments are voluntary, then it is not a legitimate BID.

The public hearing was closed at 6:49 p.m.

Council Member Slert stated that for clarification purposes, the BID was in disarray for a number of years and recently has become more professional with the help of the City Attorney's office. The assessments appear to be fair and reasonable and the reason for the change was for the purpose of streamlining the billing. Businesses that are left to themselves as individuals somehow fail, because they are consumed by running a business, however if you have a collective entity everybody can collectively can look out for the best interest of the community. Mayor Schellong stated that BID has been very active over the last 10 years; the accounting of the assessments was not done very well in the past by the City. The Council decided that if there were business owners that were working as hard as they were, that the City would do their part to help grow the downtown area. She reiterated that the fees have always been mandatory, never voluntary. She stated that the Council is here tonight to discuss lowering the fees for booth renters to down to \$50 for the year. BID Advisory Board Vice-President Corpstein thanked the Council for this agenda item as well as thanking those who came to give public comment. She stated that they recognize that communication needs to be clearer with the businesses within the BID. She asks for the Council to make the decision tonight as BID planning grinds to a halt until this decision is made. Council Member Westfall suggested a change to the Halloween parade as it was not well attended. She stated that BID Advisory Board should contact local churches to be more involved in the parade by asking children to dress as Biblical characters. She mentioned the local Pastor's prayer group held at the Nazarene Church and that a member of the BID Advisory Board should introduce themselves to the Pastors and get involvement that way. Council Member Murray stated that tonight they are only here to pass the below resolution, however, does not want those that did the petition feel ignored and that they can discuss this at a future meeting. She stated she spends her money downtown and outlined the places she patronizes. Mayor Schellong stated her appreciation for Council Member Murray's comments and reiterated to Ms. Speakman that the time and effort she put into the survey did not go unnoticed by the Council, it was appreciated. She gave instructions on how to get something on the City Council agenda to open it up for discussion by the Council.

Consider and approve a resolution entitled, RESOLUTION NO. 2010-23, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CRESCENT CITY APPROVING THE

ANNUAL ASSESSMENT REPORT FOR THE CRESCENT CITY DOWNTOWN BUSINESS IMPROVEMENT DISTRICT AND LEVYING ASSESSMENTS FOR FISCAL YEAR 2010-2011.

On a motion by Council Member Slert, seconded by Council Member Murray and carried 4-0, the City Council of the City of Crescent City approved a resolution entitled, RESOLUTION NO. 2010-23, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CRESCENT CITY APPROVING THE ANNUAL ASSESSMENT REPORT FOR THE CRESCENT CITY DOWNTOWN BUSINESS IMPROVEMENT DISTRICT AND LEVYING ASSESSMENTS FOR FISCAL YEAR 2010-2011.

8. REPORTS

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

- Receive a report from the Promote Our Pool Foundation (POP) on the Sweets by the Sea fundraising event. (Connie McDonald)

Peter Mann from Promote Our Pool (POP) spoke on behalf of Connie McDonald. He gave a brief account of the funds raised from this event which were in the neighborhood of \$7,000. The community really pulled together to make this event a success. He read from Connie McDonald's report that the pool annexation was next on the list of important items for POP and that the Board hopes to have it accomplished. Mayor Schellong stated that POP did a great job and that it was a really nice event.

The following citizen made a comment: Tim Hoone, County resident, stated that the transformation of the Cultural Center was beautiful and nicely done. Sweets By the Sea was a wonderful event.

COMMUNICATIONS

➤ **PUBLIC COMMENT PERIOD** – the following citizens made comments:

James Wayman, County resident, owner of Curb I.D., stated that in order to do his business he had to have \$1mil liability insurance policy which costs \$1800 a year. He asks the Council if there is a cheaper way to do business in the City.

Tim Hoone, County resident, commented on the webcast and that it comes through clearly. He stated that the Council, staff, and BID Board Members did a great job handling the dialogue regarding the assessments.

Tanya Percy, invited the Council to the Del Norte Tea Party Patriots meeting on August 5th from 6-8 p.m. at Cornerstone Assembly of God, speakers include Leroy Davies and Lauren Hanks.

CONTINUING BUSINESS--None

9. Consider and approve Payment #37 for Wahlund Construction and Payment Invoice #7991 for Stover Engineering regarding the Wastewater Treatment Plant. (Jim Barnts)

Correction was made to the agenda item, this was payment #38 for Wahlund Construction, not #37.

On a motion by Council Member Slert, seconded by Council Member Murray and

carried 3-0, with Council Member Westfall voting no, the City Council of the City of Crescent City approved Payment #38 for Wahlund Construction and Payment Invoice #7991 for Stover Engineering regarding the Wastewater Treatment Plant.

NEW BUSINESS

10. Consider a request from the California Highway Patrol to waive the Cultural Center facility rental fees on September 7, 2010, for a special event in recognition of the 30th anniversary of fallen Hwy. Patrol Officer Ernest Felio.

City Manager Rod Butler went over the process that has been undertaken by an ad hoc committee consisting of Mayor Schellong and Council Member Slert to review the rental fees, etc. He then went into detail about the 30th anniversary in recognition of Officer Felio's death. The CHP has requested the waiver of the fees and that this event will bring in many family members as well as governmental figures within the State to the event. Staff's recommendation is that the CHP get a fee waiver for the rental, but be required to pay the \$180 cleaning fee. Mayor Schellong stated that this is passionate event in recognition of a fallen officer.

On a motion by Council Member Slert, seconded by Council Member Murray and carried 4-0, the City Council of the City of Crescent City approved the request from the California Highway Patrol to waive the Cultural Center facility rental fees, but to charge the \$180 cleaning fee, on September 7, 2010, for a special event in recognition of the 30th anniversary of fallen Hwy. Patrol Officer Ernest Felio.

11. Consider and waive full reading, read by title only and introduce for first reading, Ordinance No. 757, entitled, AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CRESCENT CITY RE-ENACTING A "PRETREATMENT ORDINANCE" AND REVISING CERTAIN SECTIONS OF THE MUNICIPAL CODE. Take other action as necessary and appropriate. (Jim Barnts/Bob Black)

City Attorney Bob Black stated that this Ordinance is a requirement of the City to operate the Wastewater Treatment Plant (WWTP) and replaces another Ordinance. This current Ordinance is more detailed and clarifies a variety of issues related to the City's powers to regulate what gets introduced into the WWTP. This has been close to a year in development; the footer of the Ordinance is incorrect, because it was in revision as late as a week ago. Mayor Schellong stated that she is under the impression that this is a more technical Ordinance due to the fact that our WWTP is a newer plant, etc. City Attorney Black answered that yes, the City has an interest in protecting this facility. The standards have evolved; the next step will be to address the County. Mayor Schellong asked for this to be placed in the City Update when all of the information is obtained.

The following citizens made comments:

Tanya Percy, Sutter Coast employee, stated that there is a list at the hospital of things that can be flushed; private citizens are allowed to bring old medications to the hospital for disposal.

Cheryl Corpstein, County resident, feels that this Ordinance is a great idea and that educating the public is key.

Council Member Westfall asked how the treatment plant cleans the water from medications flushed from one's body – City Engineer Jim Barnts answered that the new MBR takes out so much that it is practically clear water - we do not have as much of the chemicals as we

had before. Discussion on the matter continued. Council Member Slert stated that this is a very thorough document (*Council Member Westfall left the dais at 7:54 p.m.*) and applauds the staff and City Attorney for their effort in putting the document together. He asked in regards to Section 13.33.140, that identifies Wastewater Treatment rates and it says “reserved” – will there be a schedule of fees that will be published? (*Council Member Westfall returned to the dais at 7:56.*) Were these going to be left open ended? City Attorney Black stated that as far as this Ordinance is concerned, yes; staff has not advised him of fees and charges, etc. Discussion continued on the negotiation of fees. Mayor Schellong stated that for the purpose of this Ordinance, we had named a “Pre-Treatment Coordinator”; City Manager Butler stated that they will be named soon, just have not been approached yet – this is not a new position. Council Member Westfall asked for clarification on the \$1,000 penalty noted on page 40 of the ordinance for a late report. City Engineer Barnts and City Attorney Black clarified that this is a “worst case scenario” one time assessed penalty that is designed to be used as a tool.

On a motion by Council Member Slert, seconded by Council Member Murray and carried 4-0, on a polled vote, the City Council of the City of Crescent City introduced the first reading of Ordinance No. 757, entitled, AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CRESCENT CITY RE-ENACTING A “PRETREATMENT ORDINANCE” AND REVISING CERTAIN SECTIONS OF THE MUNICIPAL CODE.

CITY COUNCIL ITEMS

- **Legislative Matters** – Consider miscellaneous legislative matters pertinent to the City of Crescent City. Authorize the Mayor to sign the appropriate letters and/or positions with respect to such matters
 - Authorize the Mayor to sign a letter of support relating to Crescent City’s local commercial fishing industry.

City Manager Rod Butler went over the letter requested in detail. Mayor Schellong stated that this is something she feels strongly about, the way the funds have been distributed has been extremely unfair and the local fisherman need an advocate. Council Member Slert stated that this is about reasonableness and doing something for our local fisherman. Council Members Westfall and Murray were in agreement with Councilman Slert’s comments.

City Manager Butler stated that the Governor has recently stated that local City governments are to put their salaries online. Mr. Butler stated that Crescent City is way ahead of the curve; this is something that has been done as a part of our budget being posted online. Mr. Butler gave directions on how to access the information.

- **Reports, Concerns, Referrals, Council travel and training reports** –
 - Council Member Slert: attended the Special Redevelopment Agency (RDA) Workshop and that there were no discussions regarding sustainable funding for the Visitor’s Bureau at the Council level. Discussion continued on Visitor Bureau funding. Council Member Slert also attended the Tri-Agency meeting.
 - Mayor Schellong: stated that the RDA meeting went well, she appreciated the knowledge of PMC representative Scott Davidson. She attended the brief Tri-Agency meeting as well as the Del Norte Solid Waste Management Authority meeting. She stated that it has been pleasant dealing with Recology; she believes the agreement will be signed at the next meeting and reported that rates were lowered as a part of the

negotiations. She attended the Dollar Tree “grand opening” for their new location at the old Pacific Drug building as well as the Economic Development meeting at Elk Valley Rancheria. The Mayor announced that the County Fair starts this Thursday and mentioned those who will be performing, as well as available activities including the rodeo, demolition derby, texting contest, etc.

➤ **City Manager Directives - none**

ADJOURNMENT

Adjourn the meeting to the next regular scheduled meeting of August 16, 2010 at 5:00 p.m.

There being no further business to come before the City Council, Mayor Schellong adjourned the meeting at 8:21 p.m. to the next regular scheduled meeting of August 16, 2010, at 5:00 p.m.

ATTEST:

Robin Patch, Deputy City Clerk for
Rod Butler, City Clerk