

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

*City of Crescent City*

<b>Monday</b>	<b>August 18, 2008</b>	<b>5:00 p.m.</b>
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**CALL TO ORDER** Mayor Pro Tem Enea called the meeting to order at 5:00 p.m.

**ROLL CALL** Present: Council Members Enea, Burns, Scavuzzo, and Schellong,  
Absent: Mayor Tynes

**PLEDGE OF ALLEGIANCE** Mayor Pro Tem Enea led the Pledge of Allegiance.

**STAFF** **MICHAEL YOUNG**, Interim City Manager; **ROBERT N. BLACK**, City Attorney; **L. DIANNE NICKERSON**, City Clerk; **JIM BARNTS**, Director of Public Works; **WILL CAPLINGER**, City Planner; **MATT HILDEBRANDT**, Pool Manager; **KEN McDONALD**, Finance Director; **ERIC WIER**, Associate Engineer; **GARRET SCOTT**, Crescent City Police Officer

**PUBLIC COMMENT ON CLOSED SESSION ITEMS** – None

**CLOSED SESSION**

No final actions taken.

**ACKNOWLEDGMENTS** – None

**COMMUNICATIONS**

Richard Miles, city resident, spoke about city warrants, the last BOS meeting, allegations of downtown stores going out of business because of a box store, economic decay, people running for office, the county, business people and the city being responsible for some of the economic blight, the myth of “Comeback Town USA,” and Tri-Agency.

Donna Westfall, city resident, spoke about the previous council meeting and “Acting” City Attorney Black’s reference to Herrmann Goering. She also questioned the integrity and competency of Dianne Nickerson, City Clerk, and stated the city clerk had help and

plenty of time and should have cross-checked the sewer rate protest votes by APNs, addresses, and accounts, and she offered the help of others to compose a list of those items. Ms. Westfall stated she had spoken with Mayor Tynes who said the city clerk was ethical and did as she was told, and Ms. Westfall asked whether Mayor Tynes, or any other member of the council or city staff had advised the city clerk, in writing or by memo, or communicated in any way, shape, or form to alter, fake, fudge, misrepresent, manipulate or deliberately falsify the vote.

Beatrice Chadwell, county resident, spoke about being a renter, ratepayer, living on a limited income but paying her own water bill and stated her vote had not been counted.

Timothy Hoone, city resident, spoke about meeting the new Economic Director, Jim Grossman, and gave congratulations to the Tri-agency for hiring someone with Mr. Grossman's qualifications because he is anxious to get the city, the harbor, and economic development on track and we have good things to look forward to this year.

Eileen Cooper, city resident, asked whether the public would be able to give an opinion on the sewer report on this agenda; Mayor Pro Tem Enea stated yes.

Linda Sutter, city resident, spoke about Chief Plack asking for a livable wage for the police and asked how the city can pay for two city managers but can't afford to give the police officers a livable wage? Ms. Sutter also asked how the city manager was able to lose \$1.4M dollars of CDBG funds and how is it that tourism takes precedence above our city?

City Attorney Robert Black responded to Donna Westfall's comments and stated he is the City Attorney (not Acting City Attorney as stated by Ms. Westfall) and that he had confused Goebbels (whom he quoted at the last meeting) with Goerring and that was his mistake. Mr. Black stated that he is not passing judgment, but his point at the time was that previously, no one had proven any discrepancies concerning the sewer rate protests but the subject was talked about meeting after meeting instead of evidence being brought forward.

Jody Mangum, city resident, spoke about responsibility for overseeing that funds are distributed for the Wastewater Treatment Plant, contaminated soil and why we were billed for it, and said it is a million dollar mistake that needs to be addressed. Ms. Mangum also spoke about raising connection fees, the cost of the outfall and the MBR, and she stated that Pelican Bay State Prison is one of the worst prisons in the nation and that we do need police help with that prison in our back yard.

### **CONSENT CALENDAR**

Richard Miles, city resident, asked about warrant #409075 on page 2 for the expenditure of \$600 to RHS. Mr. Miles stated he is not against paying people to work for the city, but very little work was actually done and before we pay this warrant he wants to hear City Planner Will Caplinger and Public Works Director Jim Barnts say the total amount of

work done by RHS, because the people from BID cleaned most of the tree wells. Mr. Caplinger explained that under the grant, there is money for labor, cleanup, etc., and the city's share is about \$3,000, but we don't have city staff to do this. Mr. Caplinger stated that Mr. Miles' complaint is that volunteers were not paid for their work, and that Mr. Caplinger is administering the tree grant to the best of his ability and the Department of Forestry administers their own grant.

- 1. Approval of the regular meeting minutes of August 4, 2008**
- 2. Approval of warrant claims list for the period August 5, through August 18, 2008**
- 3. Receipt of biweekly payroll reports for the period ending August 12, paid August 8, 2008**

The city clerk reported two corrections to the minutes (a misspelled name, and the addition of Matt Hildebrandt's name).

Council Member Burns made a motion to approve Consent Calendar items 1 through 3 as corrected; the motion was seconded by Council Member Schellong and so carried unanimously, 4-0.

**PUBLIC HEARINGS – None**

**REPORTS**

- **Reports relative to the City of Crescent City programs and projects, from staff or outside agencies**
  - **Wastewater Treatment Plant presentation**

Jim Barnts, Director of Public Works, reported while Ward Stover, of Stover Engineering, gave a slide presentation. Mr. Barnts stated there have been some problems with floor tiles, but it will be done in September, the electrical and MBR should be complete in January and by next summer, buildings should be completed, and things should be on-line and functioning.

Council Member Scavuzzo asked about warrant #409432 for pool lights. Mr. Barnts stated there are no change orders for lights. It is not for the contractor because the city is putting in the lights in the pool locker room.

Richard Miles, city resident, thanked Jim Barnts and Ward Stover for doing an excellent job on the sewer plant, and spoke about the River Watch lawsuit, plant capacity to meet the needs of the city, treatment plant infiltration of incoming water during the rainy season, and tile not sticking to the lab floor.

Ken Wahlund of Wahlund Construction said that any time someone wants to come and look at the plant, he is there and will answer questions. He stated the lab building floor is something the architect wanted and we went ahead and put in the floor but he does not feel the architect took into account the high water content in that area. Mr. Wahlund said they repaired the floor at their own cost. As far as contaminated soil goes, Mr. Wahlund stated that they did a limited survey of what the city wants to pay for in that area and he offered to use a post and lag system which will contain that whole area. The area was sealed off and the contamination around the tanks was dug out, stockpiled, and hauled away and there is documentation for the process.

Linda Sutter, city resident, asked the name of the lab floor tile and Mr. Wahlund said it is not tile; it is thick linoleum that is easy to walk on. Ms. Sutter asked whether a sodium chloride test was done on the floor and Mr. Wahlund said there were three tests done, the first two did not pass the moisture content, so the cracks were filled but the compound in that area did not dry.

Council Member Schellong asked whether people should make an appointment through Jim Barnts office, for safety reasons, if people want to talk to Mr. Wahlund, but Mr. Wahlund said his office is outside of the construction area.

Council Member Burns thanked Mr. Wahlund for working with us and stated the council knows there are situations that are being dealt with.

□ **Report on the water and sewer rate study**

Mike Young, Interim City Manager, reported on the water and rate study. Part of the contract was that they were to have recommendations on sewer connection charges and in October they are to have the balance of the entire study with recommendations for a monthly charge for both water and sewer. For sewer connections alone, it boils down to about nine pages of text and examples. Some factors come into play, portions of the treatment plant that have been completed, and the next phase over twenty years and how many users there will be. Some assumptions that need to be made are the growth rate. The General Plan estimates 2% overall. Actual history shows .8%. A second factor is that there are two areas that are presently on septic tanks, but are nearby and can be extended to the sewer plant and if so, how many would actually hook up – the range is from zero to 489 and why would anyone hookup to the sewer if they have a functioning septic tank? The county has an incentive that if you have sewer, you can have smaller lots. Three different scenarios were looked at and the middle assumption was that the growth rate would be .8% and approximately half of those numbers would connect to the system, resulting in a connection charge of \$13,000. If you look at the growth rate and no one hooks up, there would have to be a higher charge and it would be over \$16,000. If you used a 1% growth rate, it would be \$8,916, so the most reasonable assumption has to be made. The ad hoc committee will meet on September 3 and hopefully they will make a recommendation to the council for sewer only. The committee asked the council to set a public hearing on September 15, and they felt the sooner things are in place, the sooner

the fees will be captured. Mr. Young's recommendation is to wait until council has the entire package concerning both water and sewer connections. Discussion followed.

Richard Miles, city resident, spoke about the Department of Commerce, a bureau of citizens, Del Norte County growth over the next four years, the expansion of Pelican Bay State Prison, and more people moving here. Mr. Miles stated we need to fix things so that everyone will pay their fair share for the treatment plant and we also need to fix our water system because it is an antiquated system that is being fixed, but should the money come from developers?

Wendy Bertram, county resident, talked about assumptions and stated they are the most important part, and spoke about hookups not being defined well enough. She also spoke about the kind of growth we want. Ms. Bertram said it was her understanding in Prop 218 direction that you pay for what you can use and said she would like to see how that is determined in the rates. She would also like to see incentives attached to water and asked why zoning changes would be given to two lots. She also wants to know how to distinguish the current users for their price as opposed to new users – will they have the same rate as the current users?

Kathryn Murray, city resident, commented that Council Member Schellong's idea to have a workshop is terrific because we will have these types of questions that come up. Also, the rancheria will bring in new jobs and we have just changed some zoning in the city so we will have growth.

Eileen Cooper, city resident, commented on the assumption of the middle evaluation at .8% for the last nine years. Ms. Cooper said she thinks we are going to fall a little short, especially with an economic downturn the nation is facing. Another reason to expect a shortfall of the middle is the expectation of about 200 people on septic systems turning on sewer systems between Blackwell and Washington. That area has some of the best soil in the county, not sand and not clay, and people are happy with their septic systems in that area. The incentives for people coming off septic might not be the way people want to go; it's not getting sewer, it is getting water and that is why she thinks we are going to fall short of the middle assumption and if you give away connections too cheaply – be careful, play it safe and go a little bit higher.

Council Member Schellong clarified to Mrs. Bertram that the incentives are from the county, not the city. As far as the current versus new ratepayers, everyone will pay the same rate, and what we are discussing are new connection capacity charges for a new developer or new home.

Council Member Burns stated that a utility, like a gas company that charges "X" amount of money for gas, will charge the same amount for all users; the connections will change, but the fees will remain constant for users.

Mike Young, Interim City Manager, stated the Department of Commerce is where the .8% came from, and they make projections for what they believe populations are for every city in California.

**UNFINISHED BUSINESS**

**4. Consider prioritizing two (2) competitive affordable housing applications for the 2008 HOME Investment Partnerships Program and take action as necessary and appropriate**

Mike Young, Interim City Manager, reported both projects are good, but the state will only accept one project and they want the city to stay behind one or the other. The recommendation staff made is Del Norte Point. If the council doesn't make a choice, you won't get either one.

Council Member Burns stated the only reason he agrees with Del Norte Point Apartments is because they have larger units for larger families – 3-4 bedrooms.

Council Member Schellong was concerned because Del Norte Point had let two permits expire, and that Northcrest is great to work with.

Council Member Enea agreed with Council Member Burns in that the units have more bedrooms at Del Norte Point and it is close to the schools.

Richard Miles, city resident, spoke about soil samples and when someone does that, as Del Norte Point has done, they are seriously considering doing a project and he has not seen it in the Northcrest area and doesn't think it is the best use for that area. He stated we need low-cost housing for welfare recipients, but what we really need is reasonably priced housing for all people.

Linda Sutter, city resident, commented that Del Norte Point is close to schools and good for small children. She stated she would be afraid of putting children over on Northcrest.

Council Member Burns made a motion to contract with Del Norte Point Apartments for the competitive affordable housing application for the 2008 HOME Investment Partnerships Program; the motion was seconded by Council Member Schellong, and so carried, 3-1, by the following polled vote:

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

**5. Consider and discuss ADA Committee appointments and take action as necessary and appropriate**

L. Dianne Nickerson, City Clerk, reported that according to the Joint City/County ADA Agreement, two members would be chosen by the county, two by the city, then one member would be chosen by the combined four. The county had made their choices, but the city had not yet decided on their members. Ms. Nickerson checked with the previous ADA members for the city, Kim Yost and Claire Draper, and they both stated they wanted to remain on the committee and had turned in applications to the previous city manager, but never heard from him. The only other application she had received was from Donald Johnson.

Council Member Burns made a motion to appoint Kim Yost and Claire Draper to the Joint City/County ADA Committee; the motion was seconded by Council Member Schellong and so carried unanimously, 4-0. Dianne Nickerson will give Donald Johnson's application to the committee for consideration.

**6. Consider and discuss Annexation Agreements for water hookups and take action as necessary and appropriate**

Mike Young, Interim City Manager, reported and referred to a legal case in Portland, OR. Discussion followed. Robert Black's recommendation was to direct staff to bring this back to the council with a more detailed report.

Richard Miles, city resident, spoke about a person who would like to sell some property to Solid Waste, the City/County water lawsuit, new buildings by the Social Security building and whether the owners had signed an annexation agreement.

Linda Sutter, city resident, asked the name of the case and Mr. Black stated it was Portland versus Michelle Hussey, 1994.

Council Member Burns stated he is fine with using Annexation Agreements.

Council Member Scavuzzo made a motion to continue using the Annexation Agreements; the motion was seconded by Council Member Burns and so carried, 3-1, with Council Member Schellong dissenting.

**NEW BUSINESS**

**7. Notification of a request from the City Clerk, Dianne Nickerson, for a Grand Jury investigation of the sewer rate increase protest results**

Dianne Nickerson, City Clerk, reported that she had requested the Grand Jury to look into the process and results of the sewer rate increase protests. Ms. Nickerson stated that she has been accused of being a liar, fraud, and cheat at numerous council meetings and felt she had no other recourse than to ask the Grand Jury to look at the results for themselves.

Richard Miles, city resident, thanked Dianne Nickerson for doing what she did. He stated there is a group of people in town who continue to make accusations and point

fingers and it has gotten to the point that he hopes that in the future, Ms. Nickerson will exercise her right to sue these people because libel and slander are very serious, and to also accuse our city attorney of wearing the iron cross and being a Nazi is getting a little ridiculous.

No action was necessary.

**8. Consider and discuss the Housing Advisory Committee and take action as necessary and appropriate**

Will Caplinger, City Planner, reported the Planning Commission identified some individuals who are interested in this committee and the commission had given recommendations.

Discussion followed and Council Member Burns made a motion to appoint Susie Mendez, Kathryn Murray, Susie Minx, and Dan Phillips to the Housing Advisory Committee; the motion was seconded by Council Member Enea and so carried unanimously, 4-0.

**9. Consider and approve a letter of support for the Crescent City Harbor District to apply for matching funds to rebuild the inner harbor and take action as necessary and appropriate**

Council Member Schellong reported and discussion followed.

Richard Miles, city resident, stated that he and Council Member Scavuzzo were at a recent Harbor meeting and maybe after this election we will get a “white knight” to rescue the Harbor. He stated the city should write this letter but to also send it to Mike Thompson, Dianne Feinstein, Barbara Boxer, and others. Mr. Miles stated the Coast Guard is dredging our neighboring harbors, but they aren’t doing ours and our Harbor is becoming an economic blight.

Staff was directed to write the letter and have either the Mayor or Mayor Pro Tem sign it.

**CITY COUNCIL ITEMS**

**Legislative Matters**

- Reports, Concerns, Referrals, Council travel and training reports – *In accordance with Gov’t Code § 54954.2(a), City Council Members may make brief announcements or brief reports on their own activities. They may ask questions for clarification, make a referral to staff or take action to have staff place a matter of business on a future agenda***

Council Member Scavuzzo asked about properties with liens against them due to delinquent sewer fees – how long does the tax lien go on and when does that water or

sewer hookup go away? Mike Young, Interim City Manager, stated that water can be disconnected, but a tax lien is put against a delinquent sewer bill and after five (5) years, the county tax auditor is authorized to sell that property. If the property goes away, i.e., the building burns or is torn down, the connection stays with the property until it is re-used. If the meter is pulled, the owner has to pay for the installation of a meter.

**CITY MANAGER DIRECTIVES – None**

Council Member Schellong would like an update on broadcasting the council meetings, and the Planning Commission would like the problem regarding illegal fireworks addressed soon. It will be on the next agenda.

Council Member Burns thanked Laura Haban and Mike Young for setting up interviews this Saturday for a new city manager.

**ADJOURNMENT**

The meeting adjourned at 8:48 p.m. to a closed session at 8:30 a.m. on Saturday, August 23, 2008, at the Flynn Center, 981 H Street, Room 130.

**ATTEST:**

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L. Dianne Nickerson, City Clerk

MINUTES  
REGULAR MEETING  
FLYNN CENTER  
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CRESCENT CITY CA 95531

*Crescent City Housing Authority*

**CALL TO** Authority Member Enea called the meeting to order at 8:29 p.m.  
**ROLL CALL** Present: Authority Members Burns, Schellong, Scavuzzo, and Enea  
Absent: Authority Member Tynes

**COMMUNICATIONS**

Richard Miles, city resident, spoke about a Eureka bulletin board at the co-op, and said the City of Eureka has an arbitrator for housing. He has had a broken window at his residence for months and threatened not to pay his rent, but the landlord still has not fixed the window. He stated that according to the law, he has some rights, but unless a city has some form of arbitration, he has no rights.

Discussion followed.

**CONSENT CALENDAR**

- 1. Approve regular meeting minutes of July 21, 2008**
- 2. Approval of warrant claims list for the period July 22, through August 18, 2008**

Council Member Schellong made a motion to approve the Consent Calendar as presented; the motion was seconded by Council Member Burns and so carried 4-0.

**HOUSING DIRECTOR'S REPORT** – None

**PUBLIC HEARING** – None

**UNFINISHED BUSINESS** – None

**NEW BUSINESS** – None

**ADJOURNMENT:** The meeting adjourned at 8:34 p.m.

**ATTEST:**

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**SUSIE MENDEZ, SECRETARY**

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

*Crescent City Redevelopment Agency*

**CALL TO ORDER** Agency Member Enea called the meeting to order in regular session at 8:35 p.m.  
**ROLL CALL** Present: Agency Members Scavuzzo, Schellong, Enea, and Burns  
Absent: Agency Member Tynes

**COMMUNICATIONS**

Richard Miles, city resident, suggested that if there is money available for trees, why can't we spend some of the money around the Redevelopment areas. He stated we have tree wells by the fountain and the Stamps' property and the mock cherry trees have canker on them. There is a wall where wisteria or some vines can be planted so why can't we hire RHS or CAN to do the work. Mr. Miles stated the RDA has been neglected for years and looks sad so take some of the tree grant money and spend it in the RDA.

**CONSENT CALENDAR**

- 1. Approval of the regular meeting minutes of July 21, 2008**
- 2. Approval of warrant claims list for the period July 22, through August 18, 2008**

Agency Member Schellong made a motion to approve the minutes as presented; the motion was seconded Agency Member Burns and so carried unanimously, 4-0.

**EXECUTIVE DIRECTOR'S REPORT** – None

**BUSINESS ITEMS** – None

**REDEVELOPMENT AGENCY ITEMS** – None

**PUBLIC HEARING** – None

**ADJOURNMENT**

The meeting adjourned at 8:38 p.m.

**ATTEST:**

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**L. Dianne Nickerson, Secretary**

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

*Crescent City Housing Authority*

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**ROLL CALL** Present: Authority Members Burns, Schellong, Scavuzzo, and Enea  
Absent: Authority Member Tynes

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**HOUSING DIRECTOR'S REPORT** – None

**PUBLIC HEARING** – None

**UNFINISHED BUSINESS** – None

**NEW BUSINESS** – None

**ADJOURNMENT:** The meeting adjourned at 8:34 p.m.

**ATTEST:**

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**SUSIE MENDEZ, SECRETARY**

MINUTES  
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**EXECUTIVE DIRECTOR'S REPORT** – None

**BUSINESS ITEMS** – None

**REDEVELOPMENT AGENCY ITEMS** – None

**PUBLIC HEARING** – None

**ADJOURNMENT**

The meeting adjourned at 8:38 p.m.

**ATTEST:**

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**L. Dianne Nickerson, Secretary**