

**MINUTES
REGULAR CITY COUNCIL MEETING
CRESCENT CITY CULTURAL CENTER
1001 FRONT ST
CRESCENT CITY CA 95531**

City of Crescent City

Tuesday September 4, 2007 6:00 p.m.

CALL TO ORDER Mayor Burns called the meeting to order at 6:00 p.m.

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

PLEDGE OF ALLEGIANCE Mayor Burns led the Pledge of Allegiance.

STAFF **ELI NAFFAH**, City Manager; **BOB BLACK**, Interim City Attorney; **L. DIANNE NICKERSON**, City Clerk; **JIM BARNITS**, Director of Public Works; **WILL CAPLINGER**, City Planner; **MATT HILDEBRANDT**, Pool Director; **DOUG PLACK**, Police Chief; **JOEI SANCHES**, Director of Finance

ACKNOWLEDGMENTS – None

COMMUNICATIONS

Mayor Burns opened the public communications portion and stated that citizens could comment on the proposed sewer rate increase at this time if they so chose.

Barry Evert, city resident, praised Police Chief Plack, and spoke about problems going on within the city, specifically on J Street. Mr. Evert relayed incidents of transients in the neighborhood who are stealing, defecating and urinating in residents' yards (including inside Mr. Evert's house), yelling at each other and residents, trashing and sleeping in residents' yards, loitering on the street, numerous break-ins, panhandling door-to-door, and creating a general feeling of being unsafe in the neighborhood.

Mrs. Chadwell, city resident, spoke about her home being broken into and sentimental things being stolen, the Sheriff having to pull someone from a neighbor's porch, the local liquor store, panhandlers, and having a feeling of not being safe in the neighborhood at night. Ms. Chadwell stated that Safeway and Rays markets send panhandlers off their property when they see them.

Jim Snow, county resident, remarked that the city does not need more police officers because nothing will change until the council meetings are broadcast.

Jim Barrett, city resident, spoke about the number of foreclosures due to recent market conditions, laws against camping in the city, a church that can't feed the homeless, a homeless shelter, and a pay scale that doesn't meet reality in the area. Mr. Barrett stated that a lot of people are already displaced, and more will be coming.

Kathryn Murray, city resident, asked that the county pay more toward the water and sewer rates to balance things out.

Charles Danderford, county resident, asked whether the costs would go back to the old sewer rates after three years and wanted this to be on a ballot.

Mr. Lewis, county resident, stated that bonds that were issued to do the sewer needed to be paid off, and that the people paid twice before ever getting to use it.

Caroline Safford, city resident, asked whether after three years, is an assessment going to be put on property and where is that money going.

Jesse Salisbury, city resident, stated we are expected to have a majority protest, and wants the community garden on the next agenda.

Jim McCadden, city resident, spoke about a zero rate increase. Mr. McCadden stated it is a lot of money but he has yet to hear anything about where that money is going. He also asked what kind of growth will result and stated we don't have enough jobs in this community to take care of the people who are looking for work. If we bring more people into this community, it is going to exacerbate that situation. At the same time, if we do invest in the expansion and it winds up being housing, it lowers the values of all the rest of the homes that are already here.

Ted Scott, city resident, stated he was born and raised here and doesn't like being robbed and suggested that the council pass an ordinance that everyone has to have a gun because that is how he took care of a burglar. He also spoke about someone spray-painting sidewalks throughout the city, the need for a safe crosswalk on Front Street and stated that in Cloverdale there is a painted sign stating "It's the Law to Stop for Pedestrians." Mr. Scott also asked that the sidewalk in front of the coffee shop at the fairgrounds be closed because people are pulling out of there and causing traffic problems.

Faye McGee, city resident, spoke about calling the police because of vandals damaging her fence. Ms. McGee said she does not advocate guns, but would like to mine her fence line.

Leslie McNamer-Vasquez, county resident, spoke in favor of sewer expansion and, unfortunately, it needs to be paid for. Ms. McNamer-Vasquez spoke about voting on the subject.

Brian Chambers, city resident, stated he is speaking for his mother and spoke about people still feeding the birds, the old clinic, and said the sewer fee has nothing to do with how much water you use and his mom can't afford the increase. Mr. Chambers also spoke about the street sweepers going down only one side of the street when people are home and asked why it doesn't go to Jackie and Gainard at the end of the street and mentioned problems with design of those streets.

Alicia Wright, city resident, does not get the paper or listen to the radio and stated that everyone should tell everyone else about the sewer rate increase and 50% plus 1 of the people say no to this raise, what other options are available. Ms. Wright also spoke about not feeling safe in the area and the need for more deputies and police officers.

CONSENT CALENDAR

- 1. Approval of the regular meeting minutes of August 20, 2007**
- 2. Approval of warrant claims list for the period August 21, through September 4, 2007**
- 3. Receipt of biweekly payroll reports for the period ending August 18, paid August 24, 2007**
- 4. Approval of Resolution 2007-24 adjusting the compensation for the Crescent City Housing Authority Director**

Council Member Tynes made a motion to approve the consent calendar items as presented; the motion was seconded by Council Member Schellong and so carried unanimously 3-0.

PUBLIC HEARINGS – None

REPORTS

- **Chamber of Commerce**

Reweti Wiki, Executive Director of the Chamber of Commerce, reported on the Action Del Norte: Community Progress Initiative, and industry clusters which is collaboration between businesses and stakeholders, including the government, within a similar industry, then you can super-grow your expansion if and will create a viable business and social environment within your region. It seems to attract talent to existing businesses and fosters entrepreneurialism. Clusters that were identified as either emerging or representing significant growth opportunity within Del Norte County are: cultural heritage, downtown revitalization, tourism, agriculture, coastal industries, new economies, and health care. Mr. Wiki also stated that funding for utilities for public bodies do not match the amount of money it takes to maintain these utilities.

Consumption demands are now far outpacing the capacity for which the original systems were built. One of the important things from the chamber's perspective for economic and social revitalization in the county is expansion and sufficient capacity of the sewer system. Unless we can realize it in some way, then we will remain stagnant in terms of our growth. It is not just adding new houses, it is having an infrastructure that will attract and be attractive to people who wish to invest in this community, not just people who want to move here.

- **Other reports relative to City of Crescent City programs, projects, and/or Council and staff travel and training reports**

5. Report on sewer rate increase – no action necessary

Bob Black, Interim City Attorney, reported on the process of the sewer rate increase and the public hearing scheduled for October 15, 2007. Discussion followed. No action necessary.

Jim Snow, county resident, spoke about the "Fox watching the henhouse," televising public meetings, and rigged elections.

Mike Hutchinson, city resident, spoke about assessments, and asked whether this is the first time the issue has come up since Proposition 218 went into effect.

Jim Barrett, city resident, spoke about wanting the sewer fixed but that this is a "snow-job," and stated it looks like Jim Barnts is benefiting and double dipping with a subdivision. He (Mr. Barnts) runs the sewer, provides the sewer to himself, he oversees it, and runs a subdivision and Jim Barrett wants that subject addressed. Mr. Barrett asked whether this is really going to fix all the problems, are all the pipes going to be dug up, and stated that Supervisor David Finigan sells houses and will benefit from this.

Faye McGee, city resident, stated this whole "berg" isn't worth \$43,000,000 and rates have been going up. Ms. McGee stated she is but one person who never uses even the minimum amount, are we going to ask tourists to buy tickets to tour our \$43,000,000 plant, why do we need this, and what happens if a tsunami hits.

Jesse Salisbury, city resident, stated the rates for sewer costs would now be higher than our electric bills, and felt areas from the county should be annexed.

Brian Chambers, city resident, asked why doesn't everyone have to send something in.

Jeff McCadden, city resident, stated that over 30% of the people who own properties don't even live in this town so renters who actually pay the rates should have a say.

Ted Scott, city resident, stated he is not happy about the sewer rate hike, and it is rough on seniors and the handicapped. Mr. Scott asked who is coming to Crescent City to build

here? There are no taxes charged just 26 miles up the road. It should be put on a real ballot and voted on and if it doesn't pass, tell the people what is going to happen.

No action taken.

UNFINISHED BUSINESS

6. Update on CDBG funds (specifically re-use funds)

Joel Sanches, Finance Director, reported there is a deficit of \$47,000 caused by CDBG money being used for other purposes than sidewalk loans. Approximately \$21,000 was used for paying salaries, and approximately \$31,000 to retired seniors, volunteer police, Del Norte County Library, and equipment rental for sidewalk loans, thus causing a deficit of \$47,000. Ms. Sanches' recommendation is to not authorize any more loans from CDBG program income account until the reserves are restored. Discussion followed.

Council Member Schellong made a motion to reallocate the \$21,000 in salaries from the General Fund for the 2006-2007 CDBG PI Fund; the motion was seconded by Mayor Burns and so carried unanimously, 3-0, by the following polled vote:

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

This item will also be also discussed at the next budget meeting.

NEW BUSINESS

7. Consider and adopt Resolution 2007-25 of the City Council of the City of Crescent City approving the financing and refinancing of certain improvements to the City's Wastewater system from proceeds of a bridge loan provided by Umpqua Bank in anticipation of a state revolving fund loan, and approving the execution and delivery of an interim Wastewater System Financial Facility Agreement in connection with the bridge loan, and authorizing and directing the execution and delivery of any other agreements and actions related thereto, and take action as necessary and appropriate

Jim Barnts, Director of Public Works, reported and introduced Robert Porr, from Fieldman Rolapp & Associates, and Evelyn, from Umpqua Bank. Mr. Porr explained why we are doing what we are doing and how it affects the overall financing of the sewer plant, how it is structured, and what is going to happen. Discussion followed and there were no public comments.

Council Member Tynes made a motion to approve Resolution 2007-25 of the City Council of the City of Crescent City approving the financing and refinancing of certain improvements to the City's Wastewater system from proceeds of a bridge loan provided by Umpqua Bank in anticipation of a state revolving fund loan, and approving the execution and delivery of an interim Wastewater system Financial Facility Agreement in connection with the bridge loan, and authorizing and directing the execution and delivery of any other agreements and actions related thereto; the motion was seconded by Council Member Schellong and so carried unanimously, 3-0, by the following polled vote:

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

CITY COUNCIL ITEMS

Reports, Concerns, Referrals – None

Legislative Matters – None

CITY MANAGER DIRECTIVES

Mayor Burns thought it was a great idea to put out bright yellow signs for pedestrian crossings. Mayor burns directed staff to publicize the sewer rate increase workshop time and dates and be sure to do everything they can to let the citizens know that these meetings are public.

Council Member Schellong asked that the budget information be given to the council this week.

CLOSED SESSION

No action taken.

ADJOURNMENT

The meeting adjourned at 8:07 p.m.

ATTEST:

L. Dianne Nickerson, City Clerk