



**AGENDA**  
**RIO DELL CITY COUNCIL**  
**REGULAR MEETING – 6:30 P.M.**  
**TUESDAY, SEPTEMBER 2, 2014**  
**CITY COUNCIL CHAMBERS**  
**675 WILDWOOD AVENUE, RIO DELL**

*WELCOME . . . By your presence in the City Council Chambers, you are participating in the process of representative government. Copies of this agenda, staff reports and other material available to the City Council are available at the City Clerk's office in City Hall, 675 Wildwood Avenue. Your City Government welcomes your interest and hopes you will attend and participate in Rio Dell City Council meetings often.*

*In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Office of the City Clerk at (707) 764-3532. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to assure accessibility to this meeting.*

**THE TYPE OF COUNCIL BUSINESS IS IDENTIFIED IMMEDIATELY AFTER EACH TITLE IN BOLD CAPITAL LETTERS**

- A. CALL TO ORDER**
- B. ROLL CALL**
- C. PLEDGE OF ALLEGIANCE**
- D. CEREMONIAL MATTERS**
- E. PUBLIC PRESENTATIONS**

*This time is for persons who wish to address the Council on any matter not on this agenda and over which the Council has jurisdiction. As such, a dialogue with the Council or staff is not intended. Items requiring Council action not listed on this agenda may be placed on the next regular agenda for consideration if the Council directs, unless a finding is made by at least 2/3rds of the Councilmembers present that the item came up after the agenda was posted and is of an urgency nature requiring immediate action. Please limit comments to a maximum of 3 minutes.*

- F. CONSENT CALENDAR**

*The Consent Calendar adopting the printed recommended Council action will be enacted with one vote. The Mayor will first ask the staff, the public, and the Council members if there is anyone who wishes to address any matter on the Consent Calendar. The matters removed from the Consent Calendar will be considered individually in the next section, "SPECIAL CALL ITEMS".*

- 1) 2014/0902.01 - Approve Minutes of the June 17, 2014 Regular Meeting (ACTION) 1
- 2) 2014/0902.02 - Approve Minutes of the July 8, 2014 Special Meeting (ACTION) 27
- 3) 2014/0902.03 - Approve Minutes of the July 15, 2014 Regular Meeting (ACTION) 33
- 4) 2014/0902.04 - Approve Minutes of the July 22, 2014 Special Meeting )(ACTION) 45
- 5) 2014/0902.05 - Approval of Resolution No. 1240-2014 Adopting the North Coast Integrated Regional Water Management Plan (NCIRWMP) Phase III (ACTION) 57
- 6) 2014/0902.06 - Approve Purchase of Memorial Plaque for John Lane (ACTION) 60
- 7) 2014/0902.07 - Approve Appointment of R. L. "Bud" Leonard and Jared Wilson to the Rio Dell Planning Commission (ACTION) 62

G. SPECIAL PRESENTATIONS/PUBLIC HEARINGS

- 1) 2014/0902.08 - Presentation on East-West Rail in Humboldt County from Nick Angeloff, David Hull and Pete Oringer (RECEIVE & FILE) 69

H. SPECIAL CALL ITEMS/COMMUNITY AFFAIRS/PUBLIC HEARINGS

- 1) "SPECIAL CALL ITEMS" from Consent Calendar
- 2) 2014/0902.09 - Conduct Unmet Transit Needs Public Hearing (ACTION) 70

I. ORDINANCES/SPECIAL RESOLUTIONS/PUBLIC HEARINGS

- 1) 2014/0902.10 - Adopt Resolution No. 1239-2014 Amending the Police Department Operating Budget for FY 2014-2015 (ACTION) 75
- 3) 2014/0902.11 - Introduction and First Reading (by title only) of Ordinance No. 327-2014 Amending Sections 16.15.130(2)(a) and (e) of the Rio Dell Municipal Code (RDMC) to be Consistent with the Subdivision Map Act (ACTION) 78

J. REPORTS/STAFF COMMUNICATIONS

- 1. City Manager
- 2. Chief of Police
- 3. Finance Director
- 4. Community Development Director

K. COUNCIL REPORTS/COMMUNICATIONS

L. ANNOUNCEMENT OF ITEMS TO BE DISCUSSED IN CLOSED SESSION AS  
FOLLOWS: **No Closed Session Items Scheduled**

M. ADJOURNMENT

*The next regular meeting will be on September 16, 2014  
at 6:30 p.m. in City Hall Council Chambers*

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*675 Wildwood Avenue  
Rio Dell, CA 95562*



**TO:** Mayor and Members of the City Council  
**FROM:** Karen Dunham, City Clerk  
**THROUGH:** Kyle Knopp, City Manager  
**DATE:** September 2, 2014  
**SUBJECT:** Approval of Minutes of the June 17, 2014 Regular Meeting

**RECOMMENDATION**

Approve the minutes of the June 17, 2014 regular meeting as presented.

**BACKGROUND AND DISCUSSION**

At the last meeting Councilmember Marks asked for clarification on the June 17, 2014 minutes; specifically related to the adoption of Resolution No. 1222-2014 establishing wastewater fees and charges. During discussion of this item at the June 17th meeting, the Council expressed concern with regard to the City Engineer being the only one authorized to make adjustments to the customer winter water consumption due to irregularities that occurred during the three month average. A recommendation was made by staff that the resolution be revised to read "the City Manager or his designee is authorized to make adjustments....." in place of the City Engineer.

Councilmember Marks asked for clarification on the consensus of the Council and asked that the City Clerk review the resolution to make certain it reflects the change as approved by the Council and to bring the minutes back at this meeting for approval.

The resolution as attached reflects the revision as approved by the Council.



**RESOLUTION NO. 1222-2014**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RIO DELL ESTABLISHING WASTEWATER FEES AND CHARGES FOR WASTEWATER CUSTOMERS PURSUANT TO ORDINANCE NO. 207**

**WHEREAS**, the City of Rio Dell is authorized by the California Constitution and the California Code to charge fees to cover expenses for the services it provides; and

**WHEREAS**, the City Council of the City of Rio Dell did adopt Ordinance No. 207 that allows for sewer rates and charges to be modified by resolution of the City Council to provide for future changes; and

**WHEREAS**, Ordinance No. 207 deemed reasonable and authorizes the Council for the City of Rio Dell to fix charges to pay for expenses to be incurred by the wastewater department. The expenses to be paid include: (a) salaries, office expenses and other necessary disbursements; (b) the operation expenses of the utility; (c) provisions for the appropriate funds for repairs, replacements or betterments "; and

**WHEREAS**, all wastewater system connections, once purchased, place a demand on the capacity of the treatment and collection system for processing and treat possible effluent whether in service or not; and

**WHEREAS**, the City Council of the City of Rio Dell has held public meetings pursuant to Proposition 218 to discuss the need for an increase in wastewater rates and charges; and

**WHEREAS**, the City has entered into a funding agreement for construction of a \$12.6 million Sewer Plant and Effluent Disposal Project with the State Water Resources Control Board; and the City must earmark funds for the repayment of the loan

**NOW, THEREFORE BE IT RESOLVED** that this Resolution establishes and fixes wastewater service rates and charges for residential, commercial and institutional customers and replaces the wastewater rates and previously set by Ordinance or Resolution. Wastewater rates shall include a fixed minimum charge in addition to volume rates based on winter water consumption. Wastewater rates shall meet the following conditions:

- 1) Sewer Bills. Sewer bills are based on consumption but in no case are sewer bills less than the fixed/minimum service charge that is applied to the sewer bill for an equivalent dwelling unit (EDU).
- 2) Definition of Consumption. "Consumption" shall mean a three month average of winter water use as measured and recorded at the water meter serving the same parcel or premise receiving sewer service for the months of December, January, and February. The City Manager or his designee is authorized to make adjustments to customer winter water consumption due to any of the following conditions:

Vacancy: If the water consumption readings for the three winter months indicate that the premise being served sewer service was vacant during a portion of the three winter months, the City is authorized to average the water consumption for the period the premise appeared to be occupied.

Irregularity: The City is authorized to eliminate from the calculation water readings which are clearly not representative of average monthly water use when compared to water readings for

**RIO DELL CITY COUNCIL  
REGULAR MEETING  
JUNE 17, 2014  
MINUTES**

The regular meeting of the Rio Dell City Council was called to order at 6:30 p.m. by Mayor Thompson.

**ROLL CALL:** Present: Mayor Thompson, Councilmembers Johnson, Marks, Wilson, and Woodall

Others Present: City Manager Stretch, Chief of Police Hill, Finance Director Woodcox, Community Development Director Caldwell, Water/Roadways Superintendent Jensen, Wastewater Superintendent Chicora and City Clerk Dunham

**PUBLIC PRESENTATIONS**

**Adam Dias** asked if the matter concerning water/sewer billings for the fire department would be discussed during the item on the agenda related to adoption of the budget.

**Virginia Connolly** asked the council to make it clear to the audience when they will be allowed to speak on the matter.

Mayor Thompson suggested for the benefit of the public, that the discussion on the budget be moved to this portion of the agenda.

Motion was made by Wilson/Woodall to move Item 2014/0617.12 – *Approval of Resolution No. 1225-2014 Adopting the 2014-2015 Fiscal Year Budget* to the first matter of business to allow the public the opportunity to address the council at this time. Motion carried 5-0.

City Manager Stretch provided a staff report and said a couple of study sessions were held related to the Fiscal Year 2014-2015 Budget and for this evening's agenda, staff prepared the adoption resolution and a list of final budget adjustments for approval. He said staff suspects there may be some changes so the council may need to come back on June 24<sup>th</sup> for a special meeting for the final budget adoption.

He reported the budget this year represents a very trim \$3.2 million budget with no adjustments for salaries or employee benefits and is austere because of an imbalance in the general fund after adjusting indirect charges between various funds related to water and wastewater projects. He said with completion of projects, they are no longer taking as much time from the finance department or city manager department. He said the adjustments resulted in moving more costs to the general fund which created a shortfall for the fund. He stated the city council directed staff to put together a tight budget with \$131,000 being pulled from reserves and to move forward with the preparation of a revenue measure to be placed on the November ballot.

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City Manager Stretch continued with review of the proposed budget adjustments as identified in Resolution No. 1225-2014 as Attachment A. A total of eight budget adjustments were presented; the last adjustment being a reduction of finance department expenditures by \$65,199 for the elimination of the Accountant I position. He noted that additional personnel costs were allocated in the finance department when there were projects going on but since the extra staff is no longer needed, the Accountant I position was eliminated. He indicated that the employee in that position, assumed her former position of Fiscal Assistant II and the Fiscal Assistant II currently holding that position was terminated. He also reported that the community development director offered to reduce his work schedule to 4 days/week which reduced the budget by \$18,215; \$12,737 for the general fund and \$5,478 for the building fund.

Moving on to the water and sewer funds, City Manager Stretch explained that all of the adjustments between these two funds are the result of litigation occurring in the city of Davis related to the city not charging themselves internally or other public agencies for water and wastewater. He said they used the same consultant as Rio Dell used for the Wastewater Rate Study, Bartle Wells Associates, and the consultant contacted the city to advise staff of the recent court action stating that the city of Davis did not contest the action because they had no defense. He said it is clear under Prop 218 that rates have to be proportional which is the basis for the action in Davis. The consultant's suggestion was that the city take light of the that decision; and staff has done so by figuring out what internal costs are going to be in order to pay for water and sewer since city hall has not paid for those services. He said likewise, the fire department or the library have also not paid.

In addition, when the water department back-flushes filters, it takes an enormous amount of water which doesn't just go out onto the ground, but into the wastewater system. He explained under this directive the wastewater system has to charge the water system \$43,000/yr. which is why this is being added into the budget now because this is no minor expense that can be taken care of mid-year. Likewise, the wastewater system uses water from the plant which is approximately \$33,600/yr.

Councilmember Wilson said since the water fund is basically paying the sewer fund and vice-versa, isn't it just a matter of moving money between funds.

City Manager Stretch explained that it ends up being a cost to one fund and that cost is worked into the rate structure so the community is picking up that expense through the rates.

Councilmember Wilson said that it is simply the cost of doing business and in order to make a water plant or sewer plant function you have costs associated with it so that's essentially what you're doing. He said you can call it anything you want but the money just moves between the funds so the money is still there.

Mayor Thompson reviewed some ground rules for public comment on the issue and said the city council understands the public's concerns regarding charging the fire department for water and

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sewer but wanted to make it clear that the city council will not break the law. He said the city of Davis was sued for not charging public agencies and lost; as a result of that it will be coming down the line to other cities. He asked that the public hold their comments until staff has the opportunity to complete the report so the audience has a better understanding of what is going on.

City Manager Stretch continued and explained that the fire department and the library are the only other public agencies that are not being charged for water and sewer. He made it clear that the public works department will be paying for water to irrigate the center median on Wildwood Ave. and so is city hall for water used throughout the building and grounds; he said the same goes on the sewer side.

He further explained that the early numbers that came out for the fire department appeared that the bill would be between \$450 - \$500/mo. for water and sewer. He said that he didn't have a chance to talk to the fire chief after emailing him that this was coming down, but if he had they probably could have worked out the details and avoided this becoming such a big issue. He said it wasn't until late today that the water superintendent determined that the size of the water meter at the fire hall was identified in the billing system as a ¾" meter but is actually a 2" meter. What that means is that when you look at the consumption of 196 units it is actually 19.6 units because when you go from a ¾" inch meter to a 2" meter, you have to move the decimal to the left. As such, the correct estimate for the year is estimated at \$1,500 as opposed to over \$5,000.

Councilmember Wilson stated that as an admonition to our staff, some of the emotion and turmoil created here tonight could have been very well avoided by two things: 1) having had a discussion with the fire chief and possibly the fire commissioners; and 2) staff doing their homework before putting it in the budget which is an important part of the budget process.

City Manager Stretch said he attempted to have a dialog with the fire chief but no one got back to him. He stated that he sent him an email and indicated what the city was facing but never heard back. He commented that the fire chief did a very good job getting to all of the radio stations and everybody but the city.

Councilmember Wilson said the first time the city council heard anything about this was at the June 10<sup>th</sup> meeting and asked if the fire chief was made aware that this was going to be in the final budget.

City Manager Stretch stated that he told him that it was going to happen and as soon as he knew more, he would get back to him.

City Manager Stretch continued with review of the final budget adjustments and said there are adjustments in the budget for the fire department, the library and all of the city's own funds which will cost the general fund approximately \$3,500; that's why they had to be included in the final budget adjustments.



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City Manager Stretch said the last adjustment, as discussed was between the building and planning departments.

Councilmember Marks stated that she did call the city of Fortuna and found out that they do meter the water usage at their fire department but do not charge.

Motion was made by Councilmember Marks to continue to monitor the meter reading at the fire department but not charge at this time. Councilmember Wilson seconded the motion and amended it to add that in the event the California or Federal regulations require that the fire department be charged that the city covers those costs from the general fund.

Mayor Thompson called for discussion on the motion and said he would have preferred to have the city attorney present at this meeting but he was not available.

City Manager Stretch stated the advice from the city attorney was that the city council pay attention to what the Superior Court is saying and that charges be established because if they aren't, it is clear that the city will be sued which will result in defense costs. He said that is the attorney's legal advice and that the city council can take it or not; it's really the council's call.

Councilmember Marks pointed out that the original estimate was in error and apologized for that but said the fire department is still using almost 20 units of water each month which is equal to 14,000 gallons for basically just the kitchen in the fire hall and bathrooms which is a lot of water.

Water Superintendent Jensen said as he understands it, the 2' meter serves the fire hall, the new bathrooms and any water facets outside; not the fire hydrant which is on the 6" main and not being metered.

Councilmember Marks asked for confirmation that the fire trucks are filled from the hydrant rather than through a garden hose.

Fire Chief Wilson responded that they fill their trucks and fire engines from the hydrants. He agreed that 20 units is a lot of water but pointed out that much of the use is for the public restrooms which they do not charge the public to use. He said this includes the clean-up and hosing out of the restrooms due to the misuse of the restrooms on a daily basis.

City Manager Stretch stated for clarification that the estimate established for the fire department does not include water for fighting fires or filling the trucks. He said this is water used for the building and restrooms and it has never been suggested that the city charge for water used for fighting fires.

Mayor Thompson questioned whether the city of Fortuna is aware of the Davis lawsuit and because Rio Dell is aware of it, needs to be very careful so as not to be sued. He said the



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council understands the fire department's point of view but the city council is going to do what the law requires and is not going to ignore a court ruling.

Fire Chief Wilson asked why the city of Rio Dell is the very first city in the state of California, aside from Davis to innovate into this and be worried about litigation in Davis.

Mayor Thompson stated as everyone is aware, the city contracted with Bartle Well Associates to do a Prop 218 Wastewater Rate Study and it just happens that they also did a rate study for the city of Davis. As part of that study, the city of Davis was sued for not charging public entities for water and sewer and lost so the consultant at Bartle Wells contacted the city to alert us of the recent court decision. He said if it weren't for the city going through the Prop 218 process, we probably would not know about the lawsuit.

Fire Chief Wilson stated that the city can blanket it anyway they want and pull the curtain over the claim that the city is going to charge the various departments internally but it's all a shell game of money moving it from one account to another which is tax payer dollars. He said another point is that the city is going to charge tax revenue organization money that will in turn cause them to raise their rates to taxpayers so the tax payers are not only being charged once by the city but for the water used again by the fire department. He asked where this is going to end when one tax entity charges another tax entity it just jockeys back and forth because what it will do is force the fire department to charge the city for fire protection. He said the city has never paid for fire protection and the fire department protects the city every day and night.

Councilmember Wilson asked if the city, as a public entity can pay for fire protection out of the city's general fund and proposed an amendment to the motion to say that in the event the state of California or federal regulations requires the fire department to be charged for the use of water and/or sewer service, then the city shall cover those costs from the city's general fund in the amount equal to the required costs.

He said essentially if the city wants to be legal, then charge the fire department and in turn have the city step up and cover that cost out of the general fund, paid for by the citizens of Rio Dell. He said that way, the law is satisfied and the tax payers pay the bill just like anything else.

Mayor Thompson commented that he sees Councilmember Wilson's point but without legal counsel present recommends the council continue through the budget process and at least have legal counsel here to make sure any decision made is legal. He suggested staff make arrangements to have the city attorney present at the meeting on June 24<sup>th</sup> before a decision is made. He said if he calls for a vote, he is certain it would pass but asked if the citizens are willing to take the chance of the city being sued and if they are willing to pick up the tab.

Councilmember Johnson stated that it is not uncommon for cities to include in their budgets, donations to their fire departments for fire protection as well as donations to libraries.

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Councilmember Woodall said she would like to hear what everyone has to say but is reluctant to vote on this issue without legal counsel present.

Councilmember Wilson suggested again that the motion include language to say that if the state rules that the city must charge the fire department for water and/or sewer services then the city will pay for those costs from the general fund, provided it is legal to do so in the state of California.

Councilmember Marks suggested another line item be included in the budget for donations to the fire department.

Councilmember Wilson said he would agree as long as it gets done tonight. He said some of the problems the city is facing is because the council moves in a very lively but very sporadic, reactive nature. He said there have been other problems in the past where the city council made decisions, many of which have been reactive actions and have reaped the effects of that later. He said had the city followed and done it correctly, we wouldn't be in the situation we are in now. He commented that he doesn't particularly care for these situations or losing sleep over it. He said it is not necessary or necessary for the turmoil caused to these gentlemen here tonight (and ladies). He added that they all have had to come down here and put in time at a meeting like this and it is just not right. He went on to say that he will do what the city council decides to do but wants to see it resolved so the people here have peace of mind. If the matter is continued to the meeting on the 24<sup>th</sup> with legal counsel fine, but there needs to be an action tonight so everyone understands the city is not just going to shuffle this off.

**Adam Dias** addressed the council and stated that the Rio Dell-Scotia Chamber of Commerce took it upon itself to call the city of Davis and they said that they have never charged their fire department for water or sewer, they are not part of the lawsuit and they have no intention of charging the fire department. He said he is unclear whether the city actually made a phone call to Davis to question them about this situation so making a motion right now might be premature when a phone call could possibly determine whether these actions are necessary.

Mayor Thompson said he would like to see the public hearing continued, knowing that the city council is in complete agreement with the fire department's position that they not be charged for water and sewer services.

Fire Chief Wilson interjected that the council only wants to defer the decision so there aren't a group of people present to contest the decision. He went on to say that the fire department is the sole source within the city offering public recreation and community events and that they have gone over and beyond what most small volunteer fire department's do. He said with that being said, this water bill discussion is not the first time it has been mentioned and actually came up during a direct conversation with the water superintendent in the past. He claimed the fire department has been a target of the city for the last couple of years and that the city has

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attempted to place bricks and walls between the city and the fire department, especially since the termination of Jim Hale (former public works director). He said during last year's Wildwood Days event, the city manager told them they would have to sign an agreement if they wanted to use any of the city's equipment for the event and said they did not sign any such agreement and put the event on without the help of the city, except for assistance by the police department. He commented that the email from the city manager said metered water usage would not include water for fire trucks but then said that the fire hydrant would need to be metered which inclined him to believe that it would eventually be billed. He stated that he replied to the email that afternoon that he would advise the fire commissioners at that evening's board meeting and get back to him. He said that in less than 8 hours' time they were told that the city would be charging the fire department an enormous amount for water which he said is completely unnecessary and is the result of the lack of communication between the city and the fire department.

He went on to say that he doesn't know what they as a volunteer fire department have done to the city manager to create such animosity but whatever the reason intends to ask for his resignation. He said he feels that Mr. Stretch should not be involved in the city's budget process over the next few weeks because there are many things that need to be straightened out. He stated that the public needs to get involved and that they will be watching staff very closely because of wasting tax payer's money and anything else they can think of because they have been provoked. He said if he has to put every volunteer he has to monitor city hall and public works staff he will. He mentioned that over the past 15 years, public works staff has grown by 3 people when the city has hardly grown. He said there are more swivel chairs in city hall than there ever has been and questioned what has created the extra work.

Mayor Thompson responded that there was actually a reduction in city staff approximately 3 years ago.

Jim Barsanti, a Rio Dell fire commissioner stated that the fire department is required to operate under a budget just like the city is and if they are charged \$1,500 a month for water, he can guarantee at the end of the year they will be forced to close their doors. He said the question is whether the city wants a volunteer fire department or not.

Councilmember Marks clarified that the estimated expense was \$1,500 a year; not month.

Garey Barsanti commented that the only thing that means anything in this city is the fire department.

Andrew Gonzales addressed the council and said he has lived in Rio Dell for 7 years, works as a paid fire fighter, is a volunteer fireman for the Rio Dell Fire Department, served as a volunteer on the Rio Dell Planning Commission, sometimes works 72 hours a week and has 3 kids and took 18 hours off work to be here tonight. He said he understands that times are tough, budgets are small and there are expectations from the public that the city council is responsible for and

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although he has not had much time to reflect on this issue feels there must be a way to work it out so the fire department does not incur the extra expense of having to pay for water. He said he has been to most of the people's homes in the room tonight and said as much as the fireman get "likes" on *facebook* or get people to donate to one of their fund raisers he's not sure anyone really understands how tough it is to be a volunteer fireman and the sacrifices their families have to make. He said all he is asking is for the city council to take into consideration that while the city operates on a budget of \$2.3 million, the Rio Dell Fire Protection District operates on a budget of \$80,000 and has to supply all of the equipment necessary to be able to go into homes and rescue people and protect their belongings. He noted that he personally goes into businesses and inspects the buildings to insure that the people who go into those businesses, and pay taxes to the city, are safe in the event of a fire. He added that he realizes that people are passionate and that it may seem to the city that the amount of money to cover the water bill is a small amount and if he could he would pay it out of his own pocket but thinks that while the city council thinks they understand they don't really know what is at stake. He commented that he understands the city is looking for grant money and is under a microscope but questioned what other things the city could get sued for. He said that there must be somewhere else to find the money besides going after the fire department and said between volunteering for the fire department, and working an enormous amount of hours traveling all over to put out fires to keep people safe, maybe he could find some time somewhere to volunteer his time to put together a fund raiser for the city to cover the expense for water used at the fire hall.

Mayor Thompson pointed out that every member of the council is a non-paid volunteer and in addition to attending city council meetings and doing research and studying various subjects also represent the city on various other boards which sometimes go on to all hours of the night.

Virginia Connolly shouted out that she owns 2 rentals in the city and the poor people with 1 bedroom/1 bathroom homes get charged the same for water as the rich people on the hill with 4 bathrooms and accused the city of turning water off to the poor.

Mayor Thompson asked the city clerk to read the motion before calling for a vote.

City Clerk Dunham stated a motion was made by Councilmember Marks to continue to monitor the meter reading at the fire department but not charge. Councilmember Wilson seconded the motion as amended to say that in the event the California or federal regulations require that the fire department be charged, that the city cover the cost from the city's general fund.

City Manager Stretch asked for clarification if the motion would also include "or decision by the Superior Court." Councilmember's concurred that it would.

Councilmember Marks asked if the motion is not correct if it can be amended at the next meeting.

City Manager Stretch explained the maker and the second of the motion would have to agree to reconsideration of the motion.

Mayor Thompson questioned the possibility of the council approving the motion and the city attorney determining it is illegal for the city to pay for the fire department's water; the statement was not well received by the audience.

Councilmember Wilson stated that one way or another the city council is going to solve the problem and make it right.

Fire Chief Wilson stated that the last thing the fire department wants is to break any laws or break any rules and if the fire department needs to pay their fair share for water, whatever that might be, and that's the city council's decision, then they will accept that decision. He said his opinion is that if there is no litigation pending at this time, why is the action being taken now. He added that they are trying to build the community and want to have a good relationship with the city and the staff and want things to be moving in the same direction but that is not the case. He said everyone needs to join together as a community and if the city is ever going to change everyone is going to have to be on the same team or the city will continue to regress.

Councilmember Woodall stated that she is in support of the motion on the floor but if the council passes it tonight without consulting with legal counsel then she feels the council is only passing it to pacify the citizens here tonight.

Councilmember Marks clarified that she was only asking what the process is to modify a motion after it is passed should it be necessary.

City Manager Stretch stated that he believes the motion is clear and that there's not any such thing as a wrong motion. He explained that if the motion is passed and at the next meeting the city attorney advises otherwise, the council can either ask for reconsideration of the motion or not. He said his job is to report the facts to the council and stated there is existing litigation and it is going to come to a conclusion. He said the city of Davis is already bracing for it because they are installing meters so they can charge public agencies for water.

Councilmember Johnson stated that he is a little nervous about voting on this issue without legal counsel present and personally would like to see this continued to the next meeting because he values the city attorney's input into the motion. He added that he is actually confused about the motion because he cannot vote against what is State law.

City Manager Stretch further explained that Prop 218 is a proposition passed by the electorate and so this is an interpretation of the court as to what the intent is and a decision that will be made by a Superior court and as such is the law of the state unless it is appealed. He said the city attorney advised that it sends a very clear message that if you are a public agency and not following those practices then you are subject to being litigated and that it probably will happen.



He said the attorney knows how it is coming down and has talked to Davis's legal counsel and his legal opinion is to follow the advice of their attorney and Bartle Wells Associates who specializes in these matters.

**Jeremy Shaw** asked that the Council not take action to charge the fire department for water because of fear.

**Kathleen Kemp** commented on the lack of communication between the city manager and the fire department as indicated by the former building official, Arnie Kemp in a letter to the city council.

Councilmember Marks withdrew the motion on the floor as amended and Councilmember Wilson withdrew the second.

Motion was then made by Marks/Wilson to continue to read the meter at the fire hall but not bill at this time. Motion carried 4-1 with Councilmember Johnson casting the dissenting vote.

City Manager Stretch stated he will try and arrange to have the city attorney present at the meeting on July 24<sup>th</sup>.

Mayor Thompson called for a brief recess at 7:42 p.m.

The meeting reconvened at 7:50 p.m.

Discussion continued on the budget beginning with review of the Budget Summary Worksheet by Department by Fund.

Kaye Peak asked if the replacement of the water line on Old Ranch Road was discussed.

City Manager Stretch referred to Item 6 on the 2014-2015 Final Budget Adjustments which included a \$10,000 expenditure to the capital projects budget under the water fund for repairs to the water line, and Item 7 adding \$10,000 in revenue to the water fund for reimbursement from Old Ranch Road customers for the same line replacement.

**Kaye Peak** asked if the \$10,000 was the actual cost for replacement of the line or an estimate.

Mayor Thompson stated that it was an estimate and reiterated that the cost was the responsibility of those customers served from the Old Ranch Road water line.

Councilmember Marks stated that she had a chance to walk Old Ranch Road twice and said she understood the 6 inch water line that reduces to a 2 inch located on the flat running from the hydrant to Old Ranch Road was going to be addressed with the water rate study since it is apparently leaking and over 60 years old.

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City Manager Stretch explained the \$10,000 was included in the budget based on the assumption that the expenditure occurs in order to upgrade the water line for a number of users out of city limits and the presumption that those users will reimburse the city for those repairs. He further explained that as part of the water rate study proposal a subset rate will be included for those rate payers outside city limits under the terms of Prop 218.

Water Superintendent Jensen stated that basically Phase I will include replacement of the line above ground on Old Ranch Road because it is easier to get to; after that is complete, Phase 2 will potentially include replacement of the line on the flat from the hydrant to Old Ranch Road. He indicated that roughly 38 services are on that same pressure zone which is the Dinsmore tank; the Monument Association is 1 group of 7 users and the remaining 31 are those users on above the Dinsmore flat and back down Monument Road. He explained the 38 services on the Dinsmore tank are a totally separate pressure zone than services coming from the Douglas and Painter Street tanks.

**Kaye Peak** commented that she would be happy to be part of the complete Monument area users instead of being isolated as a group of 7. She said it has been distressing to have several different options thrown at them related to upgrade of the line on Old Ranch Road including the issues with easements and she is present to see if the council is voting on anything that obligates them with regard to the repairs.

Mayor Thompson explained that the city council will be voting on approval of the overall budget which includes \$10,000 payable by those customers out-of-city limits pointing out that the in-city rate payers are not responsible for the repairs to the water line serving out-of-city users. He said as part of the Prop 218 Water Rate Study that will be occurring in the months to come, that area will be addressed and voted on but the exact amount is unknown.

**Kaye Peak** asked if she was correct to say that the \$10,000 obligation does not fall on their shoulders until further discussion by the council. The response was that she was correct.

City Manager Stretch explained under California law the city must have appropriations which are a dedicated sum of money for specific purposes so you have a number of expenditures with offsetting revenue that may come from gas tax funds, sales tax, property taxes or any source legal for a city to have in order to balance the budget. He said in this particular case, assuming that there is a \$10,000 expenditure, the assumption is that the city will be reimbursed for repair of the line because if not, the citizens would be bearing the cost. He said the issue here is to approve the budget not the \$10,000 needed to effectuate the repairs.

Councilmember Marks referred to the staffing plan with regard to the community development director budgeted at 80% and said she is not asking to change his agreement to increase his hours but recommended his position be budgeted at 100% in case the situation changes after the November election and it is necessary to go back to 100%.

Councilmember Wilson stated he did not have a problem with allocating that position as full-time because there are still a lot of uncertainties regarding the proposed sales tax measure.

City Manager Stretch explained the discussion was that Kevin Caldwell has been very effective in updating the city's general plan, amending the codes and now he is training for his building official license. He said he is good at other things but he would like to have the time off and if he can still get the important planning matters done as well as assuming the responsibilities of the building official under the current work schedule then it seems to be a good fit.

The consensus of the council was that the community development director position remains in the budget staffed at 80%.

Councilmember Wilson questioned whether the building department will be fully funded with the additional revenue generated from administrative fees once the training is completed and the building program is done in-house.

City Manager Stretch said it will eventually get to that point and that it is a policy decision of the council on how the building program should proceed.

City Manager Stretch then explained that the resolution to adopt the budget was prepared to include the proposed recommendations, suggestions and corrections as previously discussed however; if the council wishes to made changes, the revisions will need to be made and the resolution brought back to the council for approval on June 24, 2014.

City Manager Stretch continued with review of the Budget Summary spreadsheet and drew the council's attention to the newly added contingency fund which was not part of the budget in the past. He explained the purpose of having a contingency fund is so if something comes up that is not anticipated, funds can be pulled from the contingency fund rather than pulling from reserves which requires adoption of a resolution, holding a public hearing, and increasing expenditures and revenues because the reserve is not appropriated in the budget. Staff's suggestion is that a 5% contingency fund be established in the general fund so when there is an unanticipated need that occurs, the money is pulled from contingency fund which only requires 4/5ths vote of the council. He stated for clarification that the contingency fund is appropriated, just not for any particular purpose. He said the same 5% contingency was established for streets, sewer, water, recycling and the spay & neuter fund. He said this provides a lot more flexibility and makes it a lot easier to access funds when necessary.

City Manager Stretch stated that the finance department developed a form that will come to the city council anytime there is a transfer from the contingency fund which lays out the transaction.

Councilmember Wilson commented that it is basically the same thing as a journal entry but the form is one of the things requested by the council in order to have a better paper trail of budget transfers.

City Manager Stretch stated that this is the reason for creating the form and said his experience in the past is that the finance director had aggregated these adjustments to the end of the year so he was never really comfortable with the balances in the various funds. He said there should always be a transfer form that is tracked so the transfers show up on the books the next day reflecting the correct balances.

He stated that staff will be bringing a resolution before the city council at the next meeting that sets forth the policy.

Continuing on with review of the budget spreadsheet, City Manager Stretch referred to general fund expenditures of \$889,000 and said with revenues projected at \$772,000, money from reserves will need to be pulled to make up the difference to balance the fund. He also noted that the difference between the projected revenue and projected expenditures in the building department was reported at \$28,200 which is the cost coming from the general fund to fund this year's program.

Staff then reported that there were a number of gas tax funds that were idle for a number of years so they were gathered and put into one fund which is the reason for the larger beginning fund balance of \$226,000. He said with total projected revenue of \$90,000 and expenditures of \$206,000 it is obvious that this year's street funds of \$109,500 are not going to go very far. He said this is one of the reasons the council has been discussing placing a special revenue measure on the November ballot because those funds can also be used for street fund activities as well as for law enforcement and for general public services.

City Manager Stretch stated that he had made a suggestion that if the special revenue measure passes, that the Lead position in the public works department be added back into the budget however; that is no longer the case because the city simply does not have the money.

Moving on to the water fund, it was reported that the water fund, as discussed on a number of occasions is totally underfunded thus pulling from reserves to balance the budget. City Manager Stretch explained that during the budget process it was discovered that a number of years ago, the city council adopted a policy whereas \$4.50 from each water bill was to be put into the water capital fund however; for the past several years it was going into the water operations. As such, \$77,000 was transferred from water operations to water capital which is why the water operations fund is short. He commented that the water system is in need of major repairs and later in the year Bartle Wells Associates will be conducting a Water Rate Study because rates must be adjusted in order to maintain the system.

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A public hearing was opened to receive public comment on the proposed 2014-2015 budget.

**Adam Dias** addressed the council about the shortfalls in this year's budget and said last year staff was hailing that the city was doing better financially than most other cities and questioned the difference between last year and this year. He pointed out that the city is basically a sinking ship and juggling water and sewer rates will have a crumbling effect. He said he was in support of a local sales tax measure and feels the public would support it. He questioned why staff is not currently looking for investors to put in another gas station or motel and said the city must have a strategic plan for economic development because the council can't continue to rely on its residents to pick up the tab.

In response to the comments, Mayor Thompson said no doubt part of the problem the city is facing is because of the lack of economic development however; things are being done to try and turn that around. He said another problem is the consistent turn-over of city manager's and other management staff. He agreed that it is prudent to implement a strategic plan to hold the city from continuing down that path. He commented that the city has basically been playing catch-up for the last 5-10 years because actions were not taken that should have been that the city has spent approximately \$32 million in infrastructure improvements alone which is enormous.

**Carol Theuriet** stated that she is very interested in knowing why the city does not go after grants that are so available out there and said she hopes the new city manager has experience in writing grants or he/she will be worthless to the city. She made the statement "if you have grants, you have streets."

City Manager Stretch reported that the city was successful this year in securing a \$100,000 grant for a drainage study of the Belleview/Ogle area and is in line for a \$783,000 grant for an emergency water intertie between the city of Rio Dell and Scotia. He also commented that grants for street improvement projects are pretty dried up and he too hopes the new city manager has a magic bullet and can secure additional grant funding for the city.

There being no further public comment, the public hearing closed.

The public hearing was continued to the June 24, 2014 special meeting.

City Manager Stretch stated he will prepare a resolution that includes all of the final budget adjustments and a resolution that does not include revenue from the fire department to the water and sewer departments and bring them back to the council for consideration on June 24, 2014.

### **CONSENT CALENDAR**

Councilmember Wilson asked that Item No. 3 related to employee contract extensions be removed from the consent calendar for separate discussion.



Motion was made by Woodall/Marks to approve the consent calendar including the approval of minutes of the May 20, 2014 regular meeting; approval of minutes of the June 3, 2014 regular meeting; approval of Resolution No. 1224-2014 accepting the deed from the County of Humboldt vacating and conveying a portion of Metropolitan Road to the city and authorizing the City Manager to execute the Certificate of Acceptance; approval of a 1 year Memorandum of Understanding (MOU) with Eel River Disposal & Resource Recovery for a Green Waste Recycling Program and authorizing the City Manager to execute the agreement; and approval of Resolution No. 1226-2014 adopting the Gann Appropriations Limit for FY 2014-2015. Motion carried 5-0.

**SPECIAL CALL ITEMS**  
(From Consent Calendar)

Approve 1 year contract extensions with Rio Dell Employees' Association, Rio Dell Police Officers Association, City Clerk, Police Chief, Community Development Director, Water/Roadways Superintendent and Wastewater Superintendent from July 1, 2014 through June 30, 2015

Councilmember Wilson referred to the employment agreement for the community development director and asked if it would be amended to reflect .08 time as opposed to a full-time position, and if there is a provision in place that allows the option to change the time back to full-time should it become necessary.

City Manager Stretch stated the agreement will need to be amended and brought back to the council for approval and explained the city council controls the budget and personnel allocations and as long as it is mutually agreeable between the city council and the employee, the agreement can be amended to go back to a full-time position.

Councilmember Johnson pointed out that the agreement could be amended to go back to a full time position if necessary with funding from the 5% contingency.

City Manager Stretch agreed and said there are savings in the contingency fund as a result of the community development director reducing his hours to 80% so if the council wants to amend the budget to reflect 100% of his salary it can easily be done.

Motion was made by Wilson/Johnson to approve 1-year contract extensions with Rio Dell Employees' Association, Rio Dell Police Officers Association, City Clerk, Community Development Director, Water/Roadways Superintendent and Wastewater Superintendent. Motion carried 5-0.

## SPECIAL CALL ITEMS

### Approve Lease/Purchase Agreement for DocStar Document Management System

City Manager Stretch provided a staff report and said the city council has discussed the concept of implementing a document management system in the office for a couple of years. Staff has researched the various systems used by other agencies and is recommending the DocStar System that is currently being used by the police department. He said currently records are stored off-site and staff is often burdened with retrieval of files. He said initially, the system will be utilized by the city clerk and once the system is set up with current files, staff will step into inputting all of the important old files so eventually most everything will be stored electronically. He stated that the purpose of the 60 month lease at \$193.00/mo. is to facilitate the process.

Councilmember Johnson questioned the time involved to input the documents.

City Clerk Dunham explained the plan is to have a starting point for inputting current information and as time allows, staff will input older documents.

Councilmember Marks stated that when the council initially discussed the idea of an electronic filing system, there were some concerns related to how the system was to be set up so files could be easily accessed by anyone.

City Clerk Dunham explained the system can be set up anyway we want and typically documents can be retrieved multiple ways.

She commented that related to audits, files scanned into DocStar are accepted as original documents.

Chief of Police Hill interjected that the system essentially works like a file folder and is set up so files can be retrieved under various criteria such as date, subject, author or recipient which makes it very easy and user friendly. He said his department has never been in a situation where they haven't been able to find a document because it can literally be set up to find a document as many ways as you want. As an example, city council packets can be searched by a single word or phrase. He said their police reports all go into DocStar and never have to be printed. He commented that DocStar will actually redact information that should not be released and tracks those changes. He noted that with implementation of DocStar in the police department they have reduced paper consumption significantly and emptied and eliminated several file cabinets. He added that the system is backed up daily and a backup tape is taken off site every day.

Councilmember Johnson asked if there are other agencies that use DocStar or similar electronic filing systems.

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City Clerk Dunham stated that she sent out inquiries to city clerks throughout the state and learned that most other cities do have electronic filing systems. She said many of them use Laserfisch but the systems basically work the same way. She said from the references provided by Coastal Business Systems (CBS), there are several local businesses and public agencies that use DocStar.

Motion was made by Woodall/Johnson to approve the lease/purchase agreement for the DocStar Document Management System. Motion carried 5-0.

Approve Award of Bid for CDBG Ogle/Belleview Drainage Study

City Manager Stretch asked that this item be continued to the June 24, 2014 special meeting as staff was still gathering information.

**ORDINANCES/SPECIAL RESOLUTIONS/PUBLIC HEARINGS**

Introduce and Conduct First Reading (by title only) and Adopt Ordinance No. 321-2014 and Resolution No. 1220-2014 Establishing Residential Multi-family Zoning Designation, Section 17.20.035 of the Rio Dell Municipal Code; a Zone Reclassification Redesignating Approximately 8.7 acres from Urban Residential (UR) to Residential Multi-Family; Redesignating the Downtown City Parking Lot from Town Center (TC) to Public Facility (PF); Establishing Emergency Shelters/Transitional Housing Regulations, Section 17.30.079 of the Rio Dell Municipal Code; and Amending Section 17.10 of the Rio Dell Municipal Code, Definitions to Include Emergency Shelters/Transitional Housing

Community Development Director Caldwell provided a staff report and said he had attended a workshop last year regarding the Housing Element update and learned that the city must have a minimum density of 15 units per acre for multi-family dwelling and currently the maximum density is 10 units per acre. Therefore, staff is recommending the establishment of a residential multi-family zone and general plan designation to meet the state requirement.

He stated the second recommendation is to re-designate approximately 9 acres from Urban Residential (UR) to Residential Multi-Family (RMF) which includes 6 parcels primarily on Rigby Ave. and Center St. He indicated that the majority of those parcels are already designated multi-family. He stated the other reclassification is the downtown parking lot parcel; re-designating it from Town Center (TC) to Public Facility (PF). He said to reflect those general plan amendments, Table 1.1 of the general plan will be amended and also 1.2 which identifies the various land use designations.

He said the next requirement is to amend definitions of the general plan to include emergency shelters and transitional housing; and lastly to establish emergency shelters

and transitional housing to principally permit the uses in Residential Multi-Family zones. He then reviewed the development standards that the city can impose on these uses and recommended they all be adopted.

A public hearing was opened to receive public input on this item. No public comment was received at this time

Community Development Director Caldwell then referred to a letter submitted by Dean Smither requesting that the parcel on the corner of Davis and Rigby (052-312-002) not be rezoned because it is already developed with (2) 4-plex apartment complexes and although it may help with compliance of the Housing Element, it does not address the shortage of rental units.

Staff explained that under the new proposed zoning the parcel could be developed with another 4-plex apartment complex however; the developer would have to comply with the current development standards.

Motion was made by Johnson/Marks to approve introduction of Ordinance No. 321-2014 and Resolution No. 1220-2014 and to continue the second reading (by title only) consideration, approval and adoption to the meeting of July 1, 2014. Motion carried 5-0.

Conduct Second Reading (by title only) and Adopt Ordinance No. 322-2014 Amending Rio Dell Municipal Code Section 13.10.130 noting when Wastewater Fees are due and Transferring Wastewater Fee Authority from RDMC to Resolution No. 1222-2014

City Manager Stretch provided a staff report and said as a follow up to city council's direction on May 20, 2014, staff prepared a resolution to implement the Wastewater Equity Rate Study and as the council will recall, they were ready to take action at that time but staff did not have the ordinance and resolution prepared so the ordinance is back for its first reading and introduction. He said the current wastewater rate is a fixed rate at \$76.16 and the new rates include 70% fixed charges and 30% variable and the ordinance also establish how the program will be administered.

City Manager Stretch reviewed a minor change to the proposed ordinance deleting the language concerning fees for new sewer connections and establishing them in Resolution 1222-2014 since it is much easier to amend a resolution should it be necessary. The second change provides that connection fees are payable when the building permit application is filed, prior to construction.

Councilmember Johnson referred to Chapter 13.10.370 with regard to fines for illegal discharge of sewer and asked if the minimum \$25.00 and maximum \$500.00 fine provision was carried over from the 1987 ordinance and if so if they are going to be revised.

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City Manager Stretch commented that the fines reflect current charges and are not suggested for update at this time. He said there was discussion whether to do a complete ordinance revision or to focus on the equity rate adjustment and the decision was made to focus on the rates.

Mayor Thompson pointed out that in several places throughout the ordinance it refers to “outside city limits” and since the city does not currently provide sewer service to any customers outside the city, suggested that Section 3. (b) under Chapter 13.10.230 be deleted and any similar language that refers to outside city services.

Mayor Thompson also asked if these changes will affect the Wastewater Rate Study.

City Manager Stretch stated that adoption of the proposed ordinance is the first step of the process and does not affect the results of the Wastewater Rate Study.

Mayor Thompson opened a public hearing to receive public comment on the proposed ordinance.

**Kaye Peak** asked if this is only going forward for new sewer connections.

Mayor Thompson stated that there are no sewer connections outside city limits so the language referring to outside city services does not need to be included in the ordinance. Also, any new proposed sewer connections to outside city residents would require approval by Lafco.

There being no further public comment, the public hearing closed.

City Manager Stretch recommended amendment to Section 3 to read: “In any case where customers are served by the Rio Dell sewer system, the customer shall pay rates as established by resolution.” He said with maintaining that language, both (a) and (b) can be deleted.

Motion was made by Johnson/Marks to conduct first reading (by title only) of Ordinance No. 322-2014 amending Sewer Rates and Regulations, Section 13.10.130 of the Rio Dell Municipal Code (RDMC) noting when Wastewater Fees are due and transferring Wastewater Fee Authority from the RDMC to Resolution No. 1222-2014, as amended and continuing the public hearing to July 1, 2014 for its second reading and adoption. Motion carried 5-0.

Councilmember Woodall pointed out that the council’s policy is that meetings cannot continue past the hour of 10:00 p.m. without a majority vote of the council to do so.

Motion was made by Woodall/Johnson to continue the hour of adjournment past 10:00 p.m. Motion carried 5-0.

A 5 minute recess was called at this time, 9:55 p.m.



The meeting reconvened at 10:00 p.m.

Approve Resolution No. 1222-2014 Establishing Wastewater Fees and Charges based on 70% Fixed Rate and 30% Volume Rate and Annual Adjustment Based on the Annual CPI Index

City Manager Stretch provided a staff report and stated this is a continuation of the Prop 218 public hearing on the proposed wastewater rate adjustments as are set forth in the accompanying resolution. He said the matter was properly noticed and notices were sent to all property owners and residents in the city. He noted that the city council conducted the first public hearing on May 20, 2014 and as expressed before, the city council was ready to move forward but staff did not have the resolution prepared at that time. He stated the resolution sets forth the fees with 70% fixed charges and 30% variable and also establishes how the program will be administered. He commented that the city council indicated that once the sewer fees are set they want to talk about the annual 3% adjustment policy because as he explained before, the annual adjustment for inflation should be based on the Bureau of Labor Statistics CPI index to be effective July 1<sup>st</sup> of each year. He noted that for this year the adjustment actually should have been 1.6% but didn't have the correct rate schedule in place yet so didn't modify the adjustment. He further reported that the resolution establishes the fixed rate at \$47.01 and the other 30% is based on average volume during the months of December, January and February of each year.

Councilmember Wilson questioned whether there should perhaps be a cap on the annual cost of living adjustment because historically it has been as high as 15% and doesn't necessarily relate to wastewater.

City Manager Stretch stated that if that were to happen, the council would need to bring the resolution back for possible amendment.

Councilmember Marks stated that she thought there was to be a mechanism in the resolution for adjustments to the average water consumption due to irregularities.

City Manager Stretch referred to Item (2) of the resolution which states that the city engineer is authorized to make adjustments under certain conditions.

Council discussed whether it is prudent to only authorize the city engineer to make such adjustments.

Community Development Director Caldwell commented that often the language is stated as "the city manager or his/her designee." as being authorized.

Consensus of the Council was that someone in addition to the city engineer be authorized to approve adjustments such as the public works director.

Councilmember Johnson stated that the wastewater capacity (connection) fee is recommended to be \$5,220 in the Capacity Fee Survey but is not reflected in the resolution.

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City Manager Stretch explained the wastewater capacity fee has already been adopted under separate resolution.

Discussion continued regarding how EDU's (equivalent dwelling units) are established. Councilmember Wilson referred to an account (Cornerstones) identified as 5 EDU's and said the use is no different than a normal residential use.

Mayor Thompson recused himself from discussion on this issue because the address being discussed, 423 Painter St. is owned by his cousin.

Councilmember Wilson said that he noticed churches sometimes use a lot of water and said he would like to understand what constitutes an EDU.

City Manager Stretch reviewed the calculation for establishing the count for commercial EDU's and said the EDU count equals the average winter water use which is 5 ccf and you times that by 60% plus 40% times the strength factor. He stated that the strength factors are based on industry standards and rely on the State Regional Water Quality Control Board to assign those strength factors.

He further explained that Bartle Wells Associates went through each and every account to determine the strength factor.

Mayor Thompson expressed his concerns regarding the proposed wastewater rate schedule and commented that it is estimated that 80% of the rate payers will see a reduction in their bill but disagreed because of the inactive accounts that weren't paying anything. He said he would like to see the wastewater rates stay at the \$76.16 fixed rate and that he is not in favor with the 3 month average when there may be other months where water consumption is lower than the 3 winter months.

He went on to say that the rate schedule should be easy to understand and it isn't. He said Bartle Wells Associates presented faulty numbers and said all the facts need to be true and correct. He said he is not interested in increasing any wastewater rates when water rates are going to have to be adjusted in the near future.

Councilmember Marks asked where the money will go in the event more revenue is generated that anticipated.

City Manager Stretch explained the goal is to have the rate structure be revenue neutral but if more revenue is collected than the target amount, the excess would go into wastewater capital because it is underfunded.

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Councilmember Woodall commented that this rate structure method was explored to make wastewater rates more equitable for low users but all it has done is open up a can of worms and said she would like to see the rates stay fixed so everyone is charged the same.

Councilmember Wilson stated that if the new rate structure is going to be adopted, then staff needs to basically do what Bartle Wells Associates did to make sure the data is correct. He said at the end of the day, he doesn't have a problem staying with the current fixed rate structure.

Councilmember Johnson said the only problem with that is that vacant units have access to sewer but aren't paying their share to maintain the system.

The question was raised whether the vacant (inactive) services could still be charged a system fee as proposed by Bartle Wells Associates without implementing the new rate structure.

City Manager Stretch pointed out that the consultant produced numbers initially based on incorrect information provided by staff. Since that time, there has been a change in staff and the correct numbers were provided. He said the consultant went through that data very carefully to make sure their calculations were correct and since then, the numbers have not bounced around.

Discussion ensued regarding accuracy of the calculations and potential effects on businesses.

City Clerk Dunham asked for permission to comment on the matter and said that she has personally seen a lot of customers come into the office lately, many of which are senior citizens to inquire about what they will be charged under the new rate structure and when they realize they will actually see a reduction of their bill, they seem very excited and are counting on this to happen.

Councilmember Wilson said he likes what the consultant has proposed for residential customers but would like to take a closer look at commercial accounts to make sure those rates are equitable.

Mayor Thompson expressed concern once again about increasing some customer's wastewater rates then turning around and increasing water rates.

Councilmember Marks stated that if the city council passes this now, at least they will know how it is working before the city gets into the Water Rate Study.

City Clerk Dunham pointed out that the decrease in wastewater rates for 80% of the customers will help to absorb some the water rate increase so the financial impact will be minimal.

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Councilmember Marks said the idea is to collect for inactive accounts because those property owners are benefitting from a system even though they are not using it, and also to help those citizens who are low users and have less impact on the system.

City Manager Stretch commented that from the beginning, the council knew there would be winners and losers and it happens to be that 80% of the customers will benefit and 20% will not.

Councilmember Johnson stated that when he was appointed to the council approximately 1 year ago, everyone was talking about the Prop 218 Wastewater Rate Study and at that time he thought the council was headed down the right road with the idea of recovering revenue from vacant properties where there are millions of dollars of infrastructure improvements they should be contributing to and to give breaks to the people who needed breaks. He said as an engineer, if you get 99 ½% of something, you have overdesigned it. He said what he would like to do with any motion that is made is to say that the council will come back in 6 months and revisit the commercial accounts for the first 3 months of implementation which will give staff time to determine what is going on and if necessary, adjust the rates for those accounts.

City Manager Stretch agreed and encouraged the council to move forward with that in mind. He noted that there are really only 2 questionable commercial accounts anyway.

At 10:15 p.m., Mayor Thompson called for public comment on the proposed wastewater rate schedule.

**Sharon Wolff** addressed the council and said that she has sat through so many of these public hearings over the wastewater rates that she lost count and said her bill will go up and she doesn't mind paying for it if the rates are equitable but does not want to pay for those vacant accounts. She added that she does mind hearing the same comments over and over again because if the council is deciding to not implement the new rate schedule because of a couple of customer's bills going up then she wishes that would have been decided a long time ago because this is nuts. She noted that some people's bills will go up and some will go down and when the Water Rate Study is done that can be debated then and besides that, she would like to go home.

There being no further public comment, the public hearing closed.

Motion was made by Johnson/Marks to adopt Resolution No. 1222-2014 Establishing Wastewater Fees and Charges based on 70% fixed rate and 30% volume rate and annual adjustment based on the annual CPI index with an amendment to Item 2 of the Resolution striking "City Engineer" and adding "City Manager or his/her designee" relative to approving adjustments, and that the Council comes back in 6 months to look at all of the commercial accounts for the first 3 months under the new rate structure. Motion carried 3-2.

**REPORTS/STAFF COMMUNICATIONS**

Chief of Police Hill reported on recent activities in the police department and said he will be meeting with a representative of the State Department of Fish & Game on June 27<sup>th</sup> and will be going over some issues related to the river bar and will report back to the council.

Community Development Director Caldwell reported on activities in the planning department and said on the next planning commission agenda he will be presenting new fence regulations to reflect an exemption of the building code to increase the maximum fence height from 6 feet to 7 feet; and a text amendment of Chapter 17.35 of the General Provisions of the Rio Dell Municipal Code since there have been a number of new amendments adopted.

Finance Director Woodcox reported on recent activities in the finance department and said the credit card system is finally up and running. She said there were a couple of glitches in the beginning so the vendor has agreed to reimburse the city for the cost of the card reader. She also reported that she will be attending a SCORE meeting in Redding on June 27<sup>th</sup>; staff was working on close out of May and will begin working on the year-end close-out.

**COUNCIL REPORTS/COMMUNICATIONS**

Councilmember Woodall thanked the members of the public who stayed to the end of the meeting.

Councilmember Marks thanked Mayor Thompson for the many hours he spent putting together numbers for the Wastewater Rate Study.

Mayor Thompson reported at the last meeting of the Humboldt Waste Management Authority (HWMA) he was re-elected as Chair for another year.

**ADJOURNMENT**

There being no further business to discuss, the meeting adjourned at 10:25 p.m. to the regular meeting of July 1, 2014.

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Jack Thompson, Mayor

Attest:

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Karen Dunham, City Clerk



**RIO DELL CITY COUNCIL  
SPECIAL MEETING  
JULY 8, 2014  
MINUTES**

A special meeting of the Rio Dell City Council was called to order at 5:00 p.m. by Mayor Thompson.

ROLL CALL: Present: Mayor Thompson, Councilmembers Johnson, Marks, Wilson and Woodall

Others Present: City Manager Stretch, Finance Director Woodcox, Water/Roadways Superintendent Jensen, Wastewater Superintendent Chicora and City Clerk Dunham

Absent: Chief of Police Hill and Community Development Director Caldwell (excused)

**PUBLIC PRESENTATIONS**

None

**SPECIAL MEETING MATTERS**

Notice of Unavailability of Water and Immediate Curtailment of Water Diversion from the Eel River/Implementation of Mandatory Stage 3 Water Reduction Plan

City Manager Stretch stated the purpose of the special meeting is to discuss the existing water shortage emergency and put together an action plan.

He provided a staff report and stated that following the State of Emergency proclamation by Governor Brown in January, the State Water Resources Control Board issued a statewide notice of water shortages and potential for future curtailment of water rights diversions. He said based on the most recent water availability and water demand projections they determined that the existing water supply in the North Fork Eel River, Main Stem Eel River, and the Van Duzen tributary is insufficient to meet the needs of senior water rights holders. As such, the SWRCB notified the City, along with other junior water rights holders to immediately stop diverting water from the river until such time water conditions improve.

He said those who are found to be diverting water beyond what is legally available to them are subject to fines of \$1,000/day and \$2,500 for each acre-foot of water diverted. If the State issues a Cease and Desist Order and any water rights holder is found to be in violation of that order, they will be subject to fines up to \$10,000/day.

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City Manager Stretch further stated that all curtailed diverters are required to complete an online Curtailment Form within 7 days of receipt of the notice to confirm that diversion has been curtailed and if applicable, to identify an alternate water supply.

He noted that there is an exception to the curtailment which allows junior water rights holders to continue to divert if information can be provided to the SWRCB to support that the water being diverted is the only source of water for human health and safety purposes, that there is no other available supply and that maximum conservation measures have been implemented.

He said he was on a conference call this morning with the Deputy Director of Water Rights and their enforcement personnel and he informed them that the City Council would be meeting this evening to implement a Stage 3 Mandatory Water Reduction Plan prohibiting all outdoor water use. He said he also informed them that the City was preparing the water use exemption form and proposing to implement the Stage 3 Mandatory Reduction Plan with a "target" of 50 gallons/per person/day for indoor use and will do everything possible to meet that target although it will create a substantial hardship on the residents of Rio Dell.

Staff reported that the City is currently diverting an average of 357,000 gallons of water per day and if water use is limited to 50 gallons/per person/day as mandated, we would need to reduce the diversion to 188,100 gallons/day which will be extremely difficult. He noted that excluding outside irrigation the average number of gallons used per person is 83 gallons per day.

Next was review of the draft water use exemption form and the report on the current reservoir conditions all of which reported capacity substantially below the historical average.

Discussion ensued regarding other potential sources of water for outside irrigation.

Wastewater Superintendent Chicora stated that he asked the SWRCB if the City's treated effluent could be used for irrigation purposes and he was told that it could absolutely not be used because the City does not have a tertiary treatment plant and would have to have filtration on the end of the treatment plant in order to irrigate in an urban area.

City Manager Stretch reported that the City has curtailed all watering of landscaping and trees including the median and said without some level of irrigation, the new trees and landscaping will not survive because it has not taken hold yet. He said one option would be to purchase water and truck it in.

City Manager Stretch mentioned that the 50 gallons/per person/day is somewhat arbitrary and that the reason the City's water diversion has been curtailed is because the SWRCB is saying that the senior water rights holders don't have enough water so as a junior water rights holder, we have to give way to them. He said because this is the City's soul source of water it puts the City in a unique situation because people should have superior right to water over others with senior water rights that use water for something other than health and safety purposes. Also, Rio

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Dell is the first City to have been issued a curtailment notice under these circumstances. Other Cities generally have an alternate source whereas Rio Dell does not.

He said staff's recommendation is to implement the Water Shortage Contingency Plan Stage 3 effective immediately; direct staff to prepare and submit the Human Health and Safety Claim Form; direct staff to prepare direct mailers and door hangers to every business and resident with information about the mandatory water curtailment along with public service announcements, direct staff to read meters every other week to monitor compliance, and direct staff to prepare an emergency water rate schedule with excess use penalties and bring it back to Council for consideration.

Councilmember Johnson asked if the 50 gallons per person/day limitation will prohibit back flushing of the system.

Water Superintendent Jensen stated that the system cannot operate without back-flushing as it is part of the process to make water.

Mayor Thompson called for public comment.

**Larry Arsenol** asked what water rights holders have priority over the City and asked about the possibility of drilling a new well.

Mayor Thompson commented that the City's attempt to drill new wells in 2000 was unsuccessful. He also stated that when the City was having problems with the pumps failing in the river, he talked to Jerry Renner (Renner Dairy in Metropolitan) and at that time he agreed to help supply the City water in an emergency situation. He said that may be an option to explore as an emergency source of water.

Discussion continued regarding penalties and charges for excess water usage and how it relates to Prop 218 requirements.

City Manager Stretch said that one of the questions he asked the RWQCB is how

Orin from Freshwater Environmental stated there are various options for establishing emergency water rates to drive conservation and one would be to require a 30% reduction across the board which is not really fair to those who are already conserving. His recommendation is that the City takes the top 20% of excess users and charges a 50% penalty on the entire water charge.

City Manager Stretch said staff will be developing some options for emergency water rates and bring it back to the Council for consideration.

City Manager Stretch stated that one of the questions to consider is how does the City pay for maintaining a water system with a 50% reduction in usage thus reduction in revenue.

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Councilmember Wilson expressed concern about the new volume based wastewater rate schedule since the current usage will likely be less than the 3 month winter average the bill will be based on.

Councilmember Marks asked Fire Commissioner Barsanti was asked how this curtailment will affect fire department related activities. Commissioner Barsanti commented that it will obviously affect the upcoming Wildwood Days activities and said they may utilize their portable tank and get water from another agency for the hose relays

Supervisor Estelle Fennell addressed the Council and said the local Office of Emergency Services (OES) is also working with the RWQCB since this is a unique situation and there are no provisions established for Health and Safety exemptions under the water curtailment notice. She said one of the reasons for getting the form out is to see what they are dealing with and encouraged the Council and staff to work with the local OES office, the State Division of Water Rights and the RWQCB because they indicated they will be working with communities to address these issues.

**Michael Chase** stated that there were previous discussions regarding water being piped from Scotia to Rio Dell and asked where Scotia gets their water.

City Manager Stretch responded that Scotia also gets their water from the Eel River although they are a senior water rights holder and not subject to the curtailment. He said the City is talking with Scotia and the various parties involved regarding their water rights and what might be available for the City on a short or long term basis. Frank Basik who is most familiar with the information is on vacation and when he returns staff will be following up.

Councilmember Johnson questioned how many other agencies were issued the same curtailment notice.

City Manager Stretch responded that 129 water rights holders within the 3 water sheds were issued curtailment notices.

**Sharon Wolff** questioned the possibility of utilizing the Monument Springs as an alternate source of water and asked if it is potable water.

Water Superintendent Jensen commented that the water from the springs is not potable and the capacity is very limited.

Councilmember Johnson asked if the out-of-city customers have rights to water service under the current water shortage emergency.

City Manager Stretch said they do and are included in the 50 gallons per person/day curtailment.

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Councilmember Woodall asked if the City has or is selling water to people outside the City.

Staff responded that the City has sold water on occasion but it must come from the metered hydrant at the plant and it must be used in the City or by those customers served by the City such as the Monument users.

Motion was made by Marks/Johnson to direct the implementation of the Stage 3 Water Shortage Contingency Plan effective immediately, including out of city residents with city water continuing until notification by the State Water Resources Control Board; direct staff to prepare the "Human Health and Safety Claims Form" and submit by 7-9-14 as directed, direct staff to prepare direct mailers and door hangers to every business and resident in the City with information about the mandatory water curtailment and fines and penalties in accordance with the RDMC Section 13.05.440, direct staff to communicate with the various media for public service announcements, direct that the enforcement of the water conservation measures be carried out by the Rio Dell Police Department and the City Manager, who shall issue warnings for the first offense and citations thereafter, and direct staff to read water meters every other week as an indicator of compliance with the Stage 3 plan and prepare an emergency water rate schedule with excess use penalties. Motion carried 5-0.

Sharon Wolff asked for clarification on the effective date for the mandatory 50% water reduction.

City Manager Stretch stated that the restriction is effective immediately however most citizens won't know until they hear it through the media or receive the official notification from the City.

Councilmember Marks asked if the provisions under Stage 3 of the City's 2000 Water Shortage Contingency Plan meet the SWRCB's criteria.

City Manager Stretch stated that he sent it to the SWRCB and not heard back yet but it seems to closely reflect what they are requiring.

Councilmember Woodall asked if Stage 3 restrictions will create problems with regard to sewer system maintenance.

Water Superintendent Jensen commented that staff will respond to sewer emergencies as do what is necessary to take care of the problem.

**Billy Joe Long** stated that his family already does everything they can to conserve and because of that, it will be impossible to reduce consumption by an additional 50%. He said provided the current usage does not exceed the 50 gallons per person per/day they should still be in compliance and asked for clarification.



Mayor Thompson explained the 50 gallon restriction computes to 2 units per person per month so Mr. Long's family of 5 would be restricted to 10 units of water per month.

Water Superintendent Jensen pointed out that the City has set a "target" of an average of 2 units per person per month.

**Carol Theuriet** suggested tips and guidelines on ways to conserve be provided to residents.

Water Superintendent Jensen commented that the Annual Water Consumer Confidence Report was put on the City's website including water conservation tips.

Councilmember Wilson noted that there are a lot of senior citizens in town that don't have access to email or a computer and asked if tips on conservation can be provided some other way.

Staff said tips could perhaps be included on the door hangers that will be going out.

City Manager Stretch stated that the door hangers followed by a citywide mailer seems to be a little extreme but feels it is necessary to make sure the message gets out to the community.

Councilmember Johnson questioned the regulations related to irrigating with gray water.

Wastewater Superintendent Chicora stated that under the California Building Code there is an exception that allows the use of gray water from washing machines but to take it a step further to include bathtubs, showers and sinks it would require a plumbing permit and a contractor to install a system. He said the best and easiest way to use gray water is to install a 3-way valve on the line from the washing machine out to the yard.

## **ADJOURNMENT**

There being no further business to discuss, the meeting adjourned at 6:15 p.m. to the July 15, 2014 regular meeting.

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Jack Thompson, Mayor

Attest:

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Karen Dunham, City Clerk

**RIO DELL CITY COUNCIL  
REGULAR MEETING  
JULY 15, 2014  
MINUTES**

The regular meeting of the Rio Dell City Council was called to order at 6:30 p.m. by Mayor Thompson.

**ROLL CALL:** Present: Mayor Thompson, Councilmembers Johnson, Marks, Wilson, and Woodall

Others Present: City Manager Stretch, Finance Director Woodcox, Water/Roadways Superintendent Jensen, Wastewater Superintendent Chicora and City Clerk Dunham

Absent: Chief of Police Hill and Community Development Director Caldwell (excused)

**PUBLIC PRESENTATIONS**

**Carol Theuriet** addressed the Council regarding the City's newly mandated sewer lateral testing requirement for all properties being sold after July 7, 2014 and said her house at 553 Pacific Ave. went on the market on May 21, 2014 and went into escrow on June 27, 2014. She commented that she received a letter from the City dated July 7, 2014 informing her of this requirement but since she had already accepted the offer and was in contract asked that her request for exemption from the requirement be placed on the next agenda for consideration.

Staff responded that a letter had already been sent to the title company to say that the property was exempt from the testing requirement because the sale occurred prior to July 7, 2014.

**Tracy O'Connell** addressed the Council and said she had some ideas related to water conservation that she wanted to share. The first idea was to offer some sort of water rebate as an incentive for conserving water; the second idea was to change shower heads to low flow shower heads; and the third idea was to encourage gray water diversion. She said that she is aware that the City offers a housing rehab program through CDBG and is not sure if new low flow shower heads fits into that program but said perhaps the contractors used on the rehab projects could be utilized to change out shower heads at a reduced cost. She offered her assistance and said she would be willing to do research if needed.

**Dave Griffith** presented his normal bag of cigarette butts; this time to Councilmember Wilson who accepted them and thanked Mr. Griffith for his efforts.

**Stella VanWorth** stated that she moved to Rio Dell about 10 years ago and was always proud of her City but not anymore. She said the City had problems pulling water out of the Eel River before and asked why an alternate water source was not found before now. She pointed out that

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the City found time to plant trees on Wildwood Ave. yet should have spent the time and money to look for another water source. She asked who would buy a house in Rio Dell with the current water crisis. She said if the City lets the State use Rio Dell as an example, they will follow suit across the State. She warned that restricting water will turn the City into a police state with neighbor against neighbor. She commented that she is an old lady and doesn't have any idea how to read her own water meter and asked if a survey had been done to determine what average water usage actually is. She questioned where all the money will be going that is collected for excess water use penalties and said she had spoken to Senator Diane Feinstein today and was told that Rio Dell has some of the highest water rates in the State.

**Steve Saunders** stated that he recently acquired a piece of property in the City and if he knew what was coming down the pipeline he would have reconsidered. He said Rio Dell used to get water from springs and that he talked to a well driller who said for very little money the City could get their former wells re-drilled and asked why that was not being explored.

Mayor Thompson stated for clarification that the City has no wells up the hill as he indicated and that the former wells were located in Metropolitan and when they failed the City did attempt to re-drill them and was not successful. As a result the City declared a state of emergency and based on the engineer's recommendation, a decision was made to install the infiltration gallery and pull water from the river.

**Wally Neibel** addressed the Council regarding the water shortage emergency and said he has lived in Rio Dell for approximately 10 years and as a resident of the Riverside Estates Mobilehome Park he did not receive any notification by the City which is probably the fault of his landlord; not the City. He said that he served his country for 8 years while in the U.S. Navy and knows all about taking Navy showers. He said if people are upset about having a bucket in their shower to capture water they should go to the washing machine and fill the tub with hot water, turn it off and the water for the shower will be instantly hot. Then use the water in the washing machine to wash clothes. He said when you live in an area where the only water you have is the water that hits your roof, you learn to conserve.

**Sylvia Teague** questioned the method for enforcement and said in Los Angeles County they determine the number of persons in a household by the number of bedrooms. She asked what happens when you have extended visitors and asked if it is the responsibility of the citizens to notify the City when household circumstances change.

**Al Petrovich** said that he is not really up to date with the whole water situation but finds it interesting that Rio Dell has licensed water rights whereas Scotia has claimed water rights.

Mayor Thompson explained that all water rights holders who obtained water rights prior to 1914 are classified as senior water rights holders and those after 1914 are classified as junior water rights holders.

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**Al Petrovich** further stated that Loleta, Fernbridge and Carlotta all have claimed water rights and that perhaps Rio Dell should have said that they also have claimed rights noting there has been a post office here since 1865 and any prior water rights stand. He said he is against any excess use penalties and suggested staff research to find out how Rio Dell became a junior water rights holder and Scotia a senior rights holder. He said if the City finds that the only legal right to water is as a junior rights holder, then running a pipeline across the bridge to Scotia seems to be the best option.

**Holly Hall** stated she would like more information on conservation tips and questioned the \$500.00 penalty for excess usage and how it was established.

**Nick Angeloff** addressed the Council and said he did some research and there seems to be a bit of confusion as what the City should do with the water situation. He said the City sent out information to the public in January, April and again in June including a link to the web site that talks about junior water rights. He said in reviewing that information it seems to be more lax than the notice that the City sent out. He said the public needs clarification on what the State is requiring versus what the City is requiring. On behalf of the Chamber of Commerce he requested an organized meeting be set up with the City Council and the businesses at a mutually agreeable time regarding the water shortage emergency and potential impacts to businesses.

### **CONSENT CALENDAR**

City Manager Stretch requested Item No. 1 *Salary adjustment for Susie Townsend to Step "E", retroactive to May 18, 2014* be removed from the consent calendar and to add an emergency item to approve the extension of personnel. He stated a second emergency item to be added is the approval of a resolution declaring a water shortage emergency because a resolution is required to be adopted by the City in order to qualify for local and state Office of Emergency Services (OES) assistance.

Motion was made by Johnson/Wilson to add an unlisted item to the agenda titled "*Approve extension of the Senior Fiscal Assistant and the Accountant I position through September 30, 2014*" because the need to take action arose subsequent to the agenda having been posted. Motion carried 5-0.

Motion was made by Woodall/Johnson to add an unlisted item to the agenda titled "*Approve Resolution No. 1234-2014 Declaring a Water Shortage Emergency and Implementing Chapter 13.05.440 of the RDMC, and Stage 3 (Serious Water Shortage Mandatory Reduction) of City of 2000 Rio Dell Water Shortage Contingency Plan*". Motion carried 5-0.

Motion was made by Wilson/Johnson to approve the consent calendar including the receipt of AB939 Recycling Activity Report; and approval of the update of account administrators on the City's Bank of America Business Visa account by removing Stephanie Beauchaine and Maria

Knapek as account administrators and adding Brooke Woodcox and Joanne Farley as the new account administrators authorized to make changes or discuss matters related to the account. Motion carried 5-0.

### **SPECIAL CALL ITEMS**

#### **(From Consent Calendar)**

Approve the extension of the Senior Fiscal Assistant and the Accountant I positions through September 30, 2014 and reevaluate the workload in the Finance Department at that time

City Manager Stretch provided a staff report and said the Final Budget for FY 2014-15 included the reduction of the Accountant I position effective August 1, 2014 based on the presumption that the Finance department was over-staffed. As such, the person in that position made the decision to go back to her former position as Senior Fiscal Assistant resulting in the layoff of Susie Townsend. He said based on the current workload with the water emergency as well as implementation of the new wastewater rates and the year-end close-out of the books staff is recommending the Accountant I and Senior Fiscal Assistant positions be extended from August 1<sup>st</sup> to September 30, 2014.

Councilmember Johnson asked what the budgetary impact will be.

City Manager Stretch stated the estimated cost for a 60 day extension is \$9,910 which will be split equally between the General, Water and Sewer Funds.

Councilmember Woodall stated the date for implementation of the new volume based wastewater rates is August 1<sup>st</sup> and there are some citizens who will be charged for more than they are now allowed to use under the water reduction plan. She said she doesn't think it would be fair to implement the new rates under these circumstances and suggested the wastewater rate schedule be put on hold for now.

City Manager Stretch suggested the matter be placed on the July 22, 2014 agenda for consideration and public comment.

Consensus of the Council was to place the matter on the July 22, 2014 agenda for consideration of the implementation date for the wastewater rates.

Motion was made by Wilson/Woodall to approve the extension of the Senior Fiscal Assistant and the Accountant I positions through September 30, 2014 and to reevaluate the workload in the Finance Department at that time. Motion carried 5-0.

Approve Resolution No. 1234-2014 Declaring a Water Shortage Emergency and Implementing Chapter 13.05.440 of the RDMC and Stage 3 (Serious Water Shortage Mandatory Reduction) of the City of Rio Dell 2000 Water Shortage Contingency Plan effective July 8, 2014

City Manager Stretch explained adoption of this resolution is necessary in order to qualify for local and state Office of Emergency Services (OES) assistance.



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Mayor Thompson opened the public hearing to receive public comment on the proposed resolution.

**Al Petrovich** asked if the City is going to declare a serious water shortage emergency without identifying the senior water rights holders potentially affected.

Mayor Thompson responded that the City does not have a lot of options at this point and must adopt the resolution to qualify for funding.

**Al Petrovich** said that it seems the City is always being pushed into emergency actions and projects and this so called emergency is not something that was caused by the residents of Rio Dell but because the State says there is not enough water for the senior water rights holders. He noted that the idea of the City running a pipeline across the bridge to draw water from Scotia when the City can draw its own water from the river is unnecessary.

Councilmember Wilson commented that taking no action in essence is taking action so by the City not responding, won't be able to move ahead. He said the Council must take proactive steps to protect the City's rights.

**Nick Angeloff** stated that as he understands it, users not being able to divert water from the river is based on current water levels in the river and said the wording in the resolution should be clear that the State has created the emergency; not the lack of water in the river that has created the emergency.

Mayor Thompson referred to the first paragraph of the resolution which states that the Governor of the State of California proclaimed a State of Water Emergency and is calling upon state officials to take all necessary actions to prepare for drought conditions.

Councilmember Marks pointed out that the resolution does not refer to a "target" of 50 gallons of water per day per resident as submitted on the exemption form. Also, it states that the City shall "consider" the imposition of excess usage penalties.

**Larry Arsenol** asked when residents should expect to receive their first notice regarding usage and potential penalties.

City Manager Stretch explained that the first full month with water conservation measures in place will be August and the meters will be read around the 26<sup>th</sup> of the month and mailed out on or around September 1<sup>st</sup>. He indicated that excess users will receive a warning first; then if excess usage continues, they will be subject to penalties.

**Alice Millington** asked how residents will be notified of excess usage and how they are going to monitor their own usage.

City Manager Stretch stated a written warning will be issued first followed by a citation if necessary. He said that it has been suggested that citizens be encouraged to read their own meters perhaps on a weekly basis to monitor usage.

Water Superintendent Jensen stated he will prepare a flyer to go out to all residents with instructions on how to read the water meter.

**Todd Treadwell** said that it sounds like the City has simply accepted the water situation as a crisis and that the City Council should take a good look at how it came to this. He expressed general distrust in the system.

**Nick Angeloff** suggested the 5<sup>th</sup> paragraph of the resolution be deleted regarding the City's only source of water being the Eel River which is rapidly approaching a record low flow which could prompt the State Water Resources Control Board to continue the mandatory curtailment of water rights into November or December 2014.

City Manager Stretch stated the draft resolution was reviewed by the City Attorney and he feels the wording is appropriate.

Motion was made by Marks/Johnson to adopt Resolution No. 1234-2014 *Declaring a Water Shortage Emergency and Implementing Chapter 13.05.440 of the Rio Dell Municipal Code, and Stage 3 (Serious Water Shortage Mandated Reduction) of the City of Rio Dell Water Shortage Contingency Plan (September 2000)* as amended to include the word "target" of 50 gallons of water per day per resident. Motion carried 5-0.

## **SPECIAL CALL ITEMS**

### Provide staff direction on Prayer Guidelines for Public Meetings

City Manager Stretch provided a staff report and said as the result of the Supreme Court decision concerning prayer at public meetings, staff was directed to contact Greece, New York and other cities in Humboldt County to gather information as to the guidelines they follow if they in fact do allow prayer at public meetings.

He said he contacted Greece, New York and was directed to their City Attorney who responded that prayer is a custom and practice but that they do not have a written prayer policy. He said of the local cities he contacted and the County of Humboldt, the only city that has prayers or invocations at their City Council meetings is the City of Eureka.

He continued with a brief review of the City of Eureka's policy and noted that their City Council is considering amending their policy as a result of the Supreme Court decision on Greece, New York although it was unknown as to what those amendments might be. He stated the advice of City Attorney Gans was to offer a moment of silence as an alternative.

Councilmember Johnson stated that he would like to wait and see how the City of Eureka amends their policy and bring it back to the Council at a later date. Council concurred.

**ORDINANCES/SPECIAL RESOLUTIONS/PUBLIC HEARINGS**

Adopt Resolution No. 1233-2014 Establishing Water Rate Penalty for Excess Use During Declared Water Shortage Emergency

City Manager Stretch said at the time the staff report was prepared there was no information developed regarding an emergency water rate penalty schedule for excess water usage during a declared water shortage.

He presented a couple of sample policies; one from the City of Shasta Lake and another from the City of Pleasanton as well as a rough draft of options for an excess use rate schedule for Rio Dell. He recommended adoption of the resolution be continued to the July 22, 2014 special meeting to allow the Council adequate time to study the information.

City Manager Stretch provided a brief overview of the actions leading to the declared water shortage emergency and recommended penalty for excess use. He said the July 2, 2014 notice from the State Water Resources Control Board to curtail all water diversion was predicated on not having enough water for the senior water rights holders. He said the City put together an appeal to the SWRCB which was heard by their Board today but no notification was received yet as to whether the appeal or conditions were approved. He pointed out that a total of 129 junior water rights holders received the same notice however; Rio Dell is the only jurisdiction without an alternate source of water.

He said the SWRCB realizes that Rio Dell is a unique situation and because there is no alternate source of water they can't simply cut off water to our residents so they have to come up with another solution. He said our best option is to ask the State for some relief by allowing the City to implement Stage 3 Water Shortage Mandated Reduction measures to allow time for the City to research options. He stated that while waiting for their response, staff is researching water rights on the Eel River and mapping all of the senior water rights holders and identifying options for possibly obtaining some of those senior water rights. Also, staff is talking with the State Department of Public Health with regard to securing grant funding to possibly utilize its treated effluent for irrigation. He assured the public that the City Council and staff is doing everything possible to insure residents will continue to have water.

Discussion continued regarding fines and penalties. Staff explained that the City already has penalties in force and the first offense for excess or illegal water use involves a warning; the second offense is a \$250.00 fine followed by a \$500.00 fine for subsequent offenses.

City Manager Stretch commented that staff is attempting to collect information from customers regarding the number of permanent residents in the household and inputting it into the billing system to determine usage above the 50 gallons per person per day which equals to 2 units per month per person. He cautioned that if the City cannot show an overall 50% water reduction, there likely will be fines imposed by the SWRCB. He pointed out that 80% of the State is in a water crisis and the State Water Resources Control Board is considering curtailing all outside water use throughout the entire State.

Councilmember Marks asked the City Manager if he foresees the State stepping up enforcement on illegal water diversion by marijuana growers.

City Manager Stretch responded that he assumes they will since some of the illegal diversions are massive.

Discussion ensued regarding water being diverted to the southern part of the State and the need to stand firm to make sure no more water is diverted south.

**Todd Treadwell** asked how much of the water pumped into the Russian River comes back to the Eel River and said it seems to him that this whole water crisis is fabricated because politicians never let a good crisis go to waste.

One resident asked why the City hasn't prepared for a backup source of water before now.

City Manager Stretch explained that Rio Dell and Scotia are co-applicants on a grant application for an emergency water intertie.

**Al Petrovich** said he has been listening to what everyone is saying and trying to apply common sense but in doing so would like to know who the senior water rights holders are that we will supposedly be impacting by continuing to divert water and said he would like to hear from them. He said if staff will provide him the list he will personally call them. He commented that Rio Dell has no impact to water rights

holders up river and also that it doesn't make sense to take grant money to pull water from Scotia when they get their water from the Eel River like Rio Dell does.

**Stella VanWorth** commented that it would have made a big difference if citizens were notified about the water shortage before the situation evolved to "the sky is falling."

Staff responded that when the decision was made to put the infiltration gallery in the river no one imagined the river would go dry and the current drought situation is unusual.

**Virginia Connolly** commented that the City has a lot of nerve asking residents with private wells to help with the watering of the trees on Wildwood Ave. instead of asking for water for the elderly or homeless.

Councilmember Woodall pointed out that the Gateway Project was done with grant money and those funds could not be used for water projects.

City Manager Stretch stated that he appreciates the public's comments and certainly understands the frustration but the reason for placing the resolution on the agenda is to establish emergency water rate penalties for excess use during the declared water shortage emergency.

He continued with review of the three options presented on the draft rate schedule and noted that it may not be an excellent approach but is used by many other jurisdictions.

Councilmember Wilson commented that the Council has been given a lot to consider but to him what is a bigger concern than the emergency rate structure is guidelines on how the City is going to deal with the exceptions such as whether 215 medical grows will be exempt from the restrictions. He said citizens certainly need to continue to conserve every way possible and continue on the same path until the water crisis is over.

City Manager Stretch noted that outside water use including irrigation is strictly prohibited.

Councilmember Wilson questioned how the City will know if water is being used for 215 grows since staff can't encroach on private property to inspect what's going on.

City Manager Stretch stated that staff will be monitoring water usage and citizens with excessive usage will be notified.



Finance Director Woodcox interjected that staff will also be developing a questionnaire for exceptions.

Councilmember Wilson commented that it is apparent that more staff will be needed to handle the additional workload.

Mayor Thompson asked what is going to happen if the City does not reach the SWRCB's goal of 50% water reduction; prohibit all diversion or impose large fines.

City Manager Stretch stated fines can be imposed up to \$10,000/day for unauthorized diversion and the City has not been given approval to divert any water at this time.

Councilmember Marks recommended consideration of the resolution be continued to the special meeting on July 22, 2014 and said she would like to see the rate schedule kept simple. She said she walked out to Old Ranch Road and observed pumping to a holding tank and said she would like to see that stopped stating that if the City can't pump water they shouldn't either. She commented that she would also like to see the sale of surplus water property tabled; Councilmember Wilson agreed. She then asked staff for data on the Belleview well site.

Water Superintendent Jensen stated that there is a well casing but no electricity to the well and said he will look for additional information on that site and report back to the Council.

Councilmember Marks asked that the sale of surplus property be placed on the July 22, 2014 agenda for further discussion.

**Nick Angeloff** stated that it is his understanding that the water from the Belleview well is the best water around but is uncertain about the volume. He commented that Humboldt Bay Community Services District has an abundance of water rights for industrial use and expressed the need to focus on a collaborative effort to keep that water here rather than having it go south.

Motion was made by Mark/Wilson to continue consideration of Resolution No. 1233-2014 establishing a water rate penalty for excess use during the declared water shortage emergency to the July 22, 2014 special meeting. Motion carried 5-0.

**REPORTS/STAFF COMMUNICATIONS**

Water/Roadways Superintendent Jensen reported on recent activities in the water department and said the average amount of water produced in the City is 357,000 gallons per day or 104 gallons per person per day. On July 9<sup>th</sup> that number went down to 84 gallons per person per day and July 14<sup>th</sup> down to 70 gallons which brings the City closer to the 50 gallon target.

Wastewater Superintendent Chicora reported on recent activities in the sewer department and said there seems to be some confusion related to the sewer lateral testing requirement and asked that the item be placed on the next regular agenda for discussion.

Councilmember Wilson questioned the cost for the testing.

Wastewater Superintendent Chicora explained the cost varies depending on whether the property has a sewer cleanout which is required to perform the test. If a cleanout has to be installed the cost for the property owner could be in the \$2,000 range; if a cleanout exists then the process is relatively simple. He said he is in the process of putting together a packet of information that will be available to the public that describes the step by step process.

Councilmember Marks questioned whether smoke testing is part of the requirement. Staff responded that the City is implementing the sewer lateral testing requirement as the first step in getting homeowners in compliance by repairing leaking laterals. He said smoke testing is not currently part of the requirement and although it would be beneficial, the ordinance would need to be amended.

Alice Millington questioned enforcement procedures for real estate sales and commented that banks with foreclosures will likely not comply. She also asked why vacant lots would need to be tested when they may never be developed.

Staff responded that the City has leverage to not turn utilities on until the test is done. With regard to vacant lots, the test is not required until such time the lot is developed.

**COUNCIL REPORTS/COMMUNICATIONS**

Councilmember Wilson stated that during public presentations, Nick Angeloff made a request on behalf of the Chamber of Commerce that a meeting be scheduled with the businesses to discuss potential impacts the water crisis may have on business and asked if the meeting should be in the form of a public study session or private meeting with staff and businesses.

City Manager Stretch commented that staff can certainly make arrangements to meet with businesses and discuss any potential impacts.

Councilmember Wilson also commented that with regard to Councilmember Mark's suggestion to defer moving forward with the sale of recently declared surplus (water department) properties, he agrees with her suggestion and asked if a consensus of the Council is needed or if formal action by the City Council is necessary to perhaps un-declare those properties as surplus.

City Manager Stretch explained the three properties in question are on record to declare them as surplus but the entire process for disposal of the property is quite lengthy. He suggested he leave a note in the file for the new City Manager that the disposition of the 3 properties is on hold at least until the emergency water shortage declaration is over and the Council has the opportunity to revisit the matter. He agreed to place the matter on the July 22, 2014 special meeting agenda for consideration.

**ADJOURNMENT**

There being no further business to discuss, the meeting adjourned at 8:55 p.m. to the July 22, 2014 special meeting.

\_\_\_\_\_  
Jack Thompson, Mayor

Attest:

\_\_\_\_\_  
Karen Dunham, City Clerk

**RIO DELL CITY COUNCIL  
SPECIAL MEETING  
JULY 22, 2014  
MINUTES**

A special meeting of the Rio Dell City Council was called to order at 6:30 p.m. by Mayor Thompson.

**ROLL CALL:** Present: Mayor Thompson, Councilmembers Johnson, Marks, Wilson and Woodall

Others Present: City Manager Stretch, Incoming City Manager Kyle Knopp, Finance Director Woodcox, Water/Roadways Superintendent Jensen and City Clerk Dunham

Absent: Chief of Police Hill, Community Development Director Caldwell and Wastewater Superintendent Chicora (excused)

**CEREMONIAL**

Mayor Thompson stated that the City Council would like to begin the meeting by paying their respects to the family of John Lane who passed away on July 10, 2014 at the age of 92.

He then read a very heartfelt letter presented by the Mayor of Blue Lake, John Shipiro, honoring John for his many contributions to the North Coast Scottish Society and the City of Rio Dell. The letter mentioned that he will be honored at the North Coast Scottish Society's annual frolic to be held in September.

Mayor Thompson then read a proclamation presented by the City Council honoring John for his passion, commitment and relentless service to the community as a public official and citizen of the City stating that he will truly be missed by everyone who knew him.

Councilmember Marks commented that she attended John's 90<sup>th</sup> Birthday gathering at the Rio Dell Library and at that time he was able to reveal that he had worked for the CIA. She said in his younger years he signed a disclosure that he would not talk about his involvement with the CIA for 50 years so no one knew there was someone of that importance in our midst. She thanked his wife Flo for always being by his side.

Mayor Thompson shared that he had many conversations with John and may not have always agreed with everything he said but one thing that always amazed him was that John would sit on the floor for hours working on documents and at age 85 could still bounce right back up. He said he was truly an amazing person and shared many stories of his travels around the world and that he could never figure out what took him to all those places, and wasn't until the statute of

limitations working with the CIA ran out that it all made sense. He said he is going to miss John and extended his sincere condolences to his wife Flo for her loss.

Councilmember Woodall shared her memories and said about 16 years ago, prior to serving on the City Council; she called John because she was upset about the utility users tax that was being proposed. She said John patiently listened and at the end of the conversation he told her it would be nice to see more citizens attend City Council meetings so out of guilt she began attending meetings and it is because of John that she ran for City Council, got elected and is still on the Council today.

Councilmember Wilson said that he didn't have the privilege of knowing John like the other councilmembers but said about a year ago, the City Council honored John with a proclamation for his many years of service to the community and when it was presented to him his response was that he just wished he could do it all over again. He commented that these are the kinds of people that make a city function, especially a small city and said he will be missed.

Flo Lane thanked the Council and said John's service with the CIA allowed him to be privy to what the CIA was doing and although he wasn't directly involved many of the things that were done then have a direct coalition with what is happening in the world today. She said when John was in Japan he knew that the CIA was taking over Iran which relates to what is happening in Iran now so studying our history is worthwhile.

Introduction of new City Manager, Kyle Knopp

Mayor Thompson introduced Kyle Knopp as the new City Manager and said the Council is very pleased to have him on board. He commented that several candidates were interviewed and he scored at the top. He stated that he is young and aggressive and has new ideas and the Council is looking forward to working with him.

Mr. Knopp expressed appreciation for the warm welcome he received from the Mayor and the City Council and said since Monday morning he has been working with City Manager Stretch going over all kinds of topics but mostly water in light of the current water shortage emergency. He commented that it is pretty standard to have one major crisis going on in the community and of course water shortage is definitely one you would rather not have.

He continued by providing some history about himself and said he was most recently employed by Mendocino County as Assistant CAO and said that coming here is the fulfillment of part of a dream he has had in terms of his career to work in local government, particularly for a small town. He said this was also the perfect opportunity for him to come home and be closer to family and friends stating that he grew up in Kneeland from K-8 grade with a total of 8 or 9 students in the classroom then went on to Eureka High where he graduated and moved away living in Sacramento, Maryland, San Jose, Sonoma County and finally Mendocino County. He said it has been a great place to live but coming here in so many ways is coming full circle for



him and he finds this kind of work to be very exciting dealing with challenges small cities face. He said both the City Council and staff has been wonderful and Jim Stretch has been a huge wealth of knowledge bringing him up to date on everything going on in the City. He said he is looking forward in working to improve the City's condition and to help the community grow and be a better place.

### **PUBLIC PRESENTATIONS**

**Nick Angeloff** provided a quick reminder to everyone that Wildwood Days activities would be starting the following week with the theme being "100 Years of Railroad." He said there are many exciting events planned and encouraged everyone to come out and participate.

**Linda Freitas** addressed the Council regarding the water shortage restrictions and said she owns a 4-plex with 2 people in each unit and asked if the usage exceeds 8 units for the month if she will be penalized.

City Manager Stretch explained the first matter on the agenda for consideration this evening is the adoption of a resolution establishing penalties for excess water use and encouraged her to come into the office and discuss the charges with staff if she has additional questions or concerns.

**Wally Neibel** shared a couple of new water conservation tips he discovered and said residents can buy an extended drain hose for their washing machine and dump the rinse water into a plastic trash can and also a pond pump for about \$20.00 and pump the water back into the washing machine or use that water to water their plants and flowers. He also questioned the un-metered homes and apartments and asked how those are going be handled.

**Benicia Matos** stated that when she first realized how low the river was she began conserving water and said her beautiful garden is gone. She commented that having lived in Puerto Rico she knows how to conserve and said she actually moved her washing machine into another room so she could run a pipe to her yard so she could reuse her wash water. She said she is anxious to get her next water bill to see how she is doing.

### **SPECIAL MEETING MATTERS**

#### Adopt Resolution No. 1233-2014 Establishing Penalty for Excess Water Use During Declared Water Shortage Emergency

City Manager Stretch provided a staff report and said this item was continued from the July 15, 2014 regular meeting to allow the Council time to review the information passed out at the meeting related to excess use rate penalties during water shortage emergencies. He said based on the questions that came up during the last meeting, the Council may need to come back for another special meeting on July 29<sup>th</sup> for August 1, 2014 implementation of the rate schedule.

## JULY 22, 2014 MINUTES

### Page 4

He stated that the reason for the proposed excess use penalty is to have some kind of incentive for those customers that simply won't conserve water. He explained that the City's water rights from the State have been severed and the only reason the City is allowed to continue diverting water from the river is because of implementation of the City's Stage 3 Water Shortage Contingency Plan with restrictions of 50 gallons of water per person per day (2 units per person per month).

He said based on the exemption form filed with the State on July 9<sup>th</sup>, the City has to attempt to meet the target or the State will impose fines which will need to be passed on to the residents in the community who won't do their part to conserve. He said staff is tracking consumption and reading meters every two weeks to identify potential leaks and other excess usage. He said notices went out to all residents as well as door hangers and said as a result of the community's efforts; water usage throughout the City has dropped significantly over the past 2-3 weeks.

He continued with review of the materials presented at the last meeting which included information from the Cities of Shasta City and Pleasanton as well as a draft rate proposal prepared by Freshwater Environmental Services. He said staff analyzed the three rate examples and developed an excess water use schedule that is easier to understand and administer and better fits with the City's Water Shortage Contingency Plan.

In reviewing the proposed penalty schedule, staff explained that it charges an additional penalty to users that have exceeded 2 units per person per month and doesn't require that the number of times the customer exceeds the allowance be tracked. City Manager Stretch explained that initially a 200% penalty would be assessed on water usage of 1-2 units above the allowance; 300% for 2-3 units above; and 400% for 4-5 units above. An example was provided for a 4 member household with a 8 unit per month allowance and the penalties ranged from \$48.99 for usage of 1 unit above the allowance to \$180.81 for 5 units above.

City Manager Stretch pointed out that it came to staff's attention today that there perhaps should be a little wiggle room with the usage since the meters don't read the last two numbers so a customer could essentially be under billed one month and over billed the next. As a result of that element, staff created a revised rate schedule which was presented to the Council for consideration with the penalty beginning with 2 units above the allowance rather than 1 unit. Using the same family size example the penalties ranged from \$48.99 for 2-3 units above to \$192.09 for 6 units above.

He noted that usage of 14 units per month for a family of 4 is huge so it would be obvious that something other than normal domestic use was going on.

Councilmember Marks asked how the number of people in a household will be determined.

Finance Director Woodcox explained staff will be mailing out questionnaires and inputting the information into the billing system.

City Manager Stretch stated that in order to be fair, staff must have the demographics of each customer. If the data is not provided, staff will assume there are three persons in the household. He noted that the form can also be used to provide data for medical exceptions or elderly or day care.

He said there may be the feeling that the form is too intrusive but there's no other way to get the information. He commented that staff already had a situation where a customer used 25 units of water and when they were told they were allowed 2 units per person per month, they immediately claimed they have 12 people in the household. Another customer with excessive use claimed he had livestock which turned out to be a pot garden.

Discussion continued regarding various types of exceptions.

Councilmember Wilson pointed out that the variance request form talks about licensed day care facilities but questioned whether the exception would extend to someone who simply cares for their grandchildren so the parents can work. He also pointed out that his household varies between 3-12 people and when people have extended visitors it becomes complicated. He said another thing to consider is 215 medical marijuana cards; if they are considered a legitimate medical need, then it may encourage people to get a card just to get more water.

Councilmember Woodall asked what the current average water usage is and if staff feels the City can maintain at that level without imposing penalties.

Water Superintendent Jensen reported that the average number of gallons used per person per day varies from 67 gallons down to 47 and actually fell yesterday, below the target of 50% reduction.

City Manager Stretch stated that there are already penalty provisions in place that impose a warning for the first offense for illegal outdoor use of water followed by a \$250.00 fine for the second offense and \$500.00 fine for the third offense. He said he feels there needs to be some kind of excess use penalty rate schedule so staff can enforce conservation measures and recommended both penalty provisions be implemented.

Mayor Thompson stated that he feels there needs to be some sort of penalty rate schedule in effect although hopes staff will not have to use it.

Mayor Thompson called for public comment on the proposed resolution establishing excess use penalties.

**Steve Saunders** asked what will happen if a senior who can't get out and read their own meter has a leak and doesn't realize it until the next water bill goes out and said he doesn't feel someone should be penalized for those types of situations. He commented that he was concerned about the theft of utilities and said what's to stop someone from filling a water tank from your garden hose while you are at work. He also asked why the Rio Dell Apartment complex on Rigby has the only green lawn in the City.

Councilmember Marks pointed out that for \$9.00 residents can put a lock on their hose bib.

**Sharon Wolff** asked what recourse the City has when someone claims they have 12 people in the household to simply get more water and avoid the penalty.

City Manager Stretch stated the variance request form indicates that for households requesting an increase in occupancy of more than 3 permanent residents, the City can request verification such as a rental agreement or school records.

**Al Petrovich** said he doesn't think there should be a penalty rate schedule and that the City should ask for voluntary compliance. He also questioned how the State can dictate how citizens are to use water. He said people have various lifestyles and if the goal under voluntary compliance is to reduce consumption by 50%, each household should be able to decide how they want to accomplish that so if someone wants to take a shorter shower in order to water their yard then so be it. He said he is not fond of dumping soapy gray water in his yard and asked what the purpose is of having brown lawns. He said the goal should be to bring the community together on the basis of voluntary compliance.

Mayor Thompson stated for clarification that the State has curtailed all outdoor water use.

Councilmember Wilson stated that Mr. Petrovich has a valid point in that as long as citizens adhere to the 50 gallon restriction agreed they should be able to use that 50 gallons anyway they choose.

Councilmember Marks asked if the current water usage includes the water used to backwash the system. Water Superintendent Jensen stated it does include that water so the usage would be even less.

Councilmember Marks expressed concern that if there isn't a mechanism to keep people in check, they won't be as likely to conserve.

**Nick Angeloff** recommended on behalf of the Chamber of Commerce that some sort of regulations be adopted for businesses. He agreed that as long as the City is headed in the right direction and meeting the 50% reduction goal, then proceed as usual; if not then introduce penalties for excess usage.

City Manager Stretch pointed out that if there are penalty provisions in place and citizens are following conservation measures they won't have to worry about being penalized. He said the plan is not for those than comply; only for those that don't. He said with regard to businesses voluntary compliance will be impressed upon and said the intent is not to negatively affect businesses.

Mayor Thompson stated that there were a couple of customers with leaks and asked if the City is going to have the ability to shut them off if they don't repair the leaks.

City Manager Stretch said that he sent a letter to the owner of Riverside Estates indicating that they have a major leak and under the current water shortage emergency plan they would be subject to fines after the initial warning. As such, he said the owner made arrangements with a leak detection company to identify the leak tomorrow and has a contractor on standby to do the necessary repairs.

Water Superintendent Jensen indicated that the loss is approximately 220,000 gallons a month. He also reported that a number of other water leaks have been identified with customers reading their own meters.

**Michael Chase** commented that his water meter is located on Rigby Ave. and he lives on Edwards Dr. He said there are 2 meter boxes with only 1 meter and questioned what property the other meter box went to.

Water Superintendent Jensen said public works staff will look into it.

Councilmember Marks asked if the City's complaint form is on the web site. Staff responded that they will make sure that it is.

Councilmember Woodall questioned the status of the landscaping at the Dollar General. City Manager Stretch stated that they hydro-seeded and as instructed by staff will complete the landscaping once the water shortage emergency is over.

**Ruth Allen** stated last winter she received an \$80.00 water bill so she crawled under her house to find a leak and it wasn't until a friend of hers who works for a public works department helped her identify it and get it repaired. She said if the City could somehow educate residents on how to read their meters it would help to identify leaks sooner. She said that she is hauling water from Fortuna to water her tomato plants yet she observed her neighbor across the street washing his truck and letting the hose run.

City Manager Stretch said staff is developing a flyer that will go out to all residents explaining the water restrictions.



Discussion continued regarding excess use penalties and the legal authority to enforce penalties; riparian water rights; State regulatory requirements related to water restrictions; additional water storage options; and potential affects from the water shortage on future growth of the City.

Councilmember Johnson stated that he is in favor of some sort of motivation to restrict excess usage by flagrant violators and said fines and penalties may be the only way to stop abuse.

Councilmember Wilson agreed and said he is fine with adoption of either of the proposed excess use rate schedules but as Mr. Petrovich said we need to work together as a community. He said the residents have already shown their commitment by reducing consumption by 42% during the first 2 weeks of the water emergency. He said he would like to scale the penalties so that those who go slightly over get a slight penalty and those that blatantly abuse the water get a large penalty. He suggested that perhaps the restrictions under the Stage 3 water emergency should be modified to reflect a more long term plan. He said most other Stage 3 curtailments are not as strict.

Mayor Thompson agreed that there needs to be a long term solution because the drought could go on for several months. He said there also should be some flexibility with regard to occasional visitors. He said if a customer stays within their allowed usage then has 1 month where they use an extra unit of water because of extra people in the house they should not be penalized.

City Manager Stretch pointed out that the SWRCB is restricting the City to no more than 175,500 gallons per day.

City Manager Stretch stated that the suggestion is to keep the penalty rate schedule simple and that the City Council has the discretion to develop any method they feel is appropriate, perhaps with a 50% penalty on the first tier of excess use.

Councilmember Johnson said he likes the simplicity of the penalty schedule developed by staff and doesn't feel the highest tier of excessive users should be reduced.

Councilmember Marks commented that the draft penalty schedule created by Freshwater Environmental suggests no penalty for consumption between 1-7.9 units and penalties on all consumption over 8 units. She suggested penalties be gradual since the situation seems to be changing every day. She said she would also like to gradually step into allowing some outside watering if that can be accomplished without modifying the resolution. She said that staff also needs to be consistent with the meter readings and suggested that data on the number of people in the household not be collected.

Mayor Thompson pointed out that if the SWRCB decides to move from a notice to an order, the City will have serious problems. He said he doesn't like imposing penalties or controlling lives

but the City has to have something in effect to encourage compliance and hopes that it isn't needed.

**Michael Chase** questioned the timeframe with regard to the State imposing fines and said if the City can't afford to pay fines there really is no choice but to adopt penalties.

City Manager Stretch explained fines can be imposed whenever a water rights holder is found to be in violation but what the Deputy Director told him was that because the City's 2000 Stage 3 Water Conservation Plan almost mirrors what they drafted, they have shifted their focus for the time being however; the City must continue to demonstrate compliance with the mandated reduction. He said we are not threatened at the moment but should the usage increase could be subject to serious fines.

The Council adjourned for a 5 minute recess.

The meeting reconvened and discussion continued regarding the various excess use penalty rate schedules.

Councilmember Marks stated that she doesn't feel comfortable sending out the information request form without approval by the City Attorney.

Finance Director Woodcox noted that staff has been asking for data when customers call or come in to pay their bills and most residents don't seem to have a problem with providing information such as the number of persons in the household.

Councilmember Marks commented that she doesn't feel the situation is at the point where the data needs to be collected.

Councilmember Woodall asked if the excess water rate penalty schedule drafted by staff (pink sheet) could be implemented without obtaining the customer data. She said she would support the rate schedule as proposed with a lower penalty from 100% to 50% on the first tier. Councilmember Johnson concurred. It was noted that without having household data to base the usage on, it would be assumed there are 3 persons in the household which would allow each household 6 units of water without penalties being assessed.

City Clerk Dunham pointed out that it seems staff would be burdened with complaints and billing adjustments because of the various circumstances.

Finance Director Woodcox stated the easiest method would be to get the household data into the system.

Joanne Farley commented that the information form could allow exceptions but perhaps there could be a provision that allows a one-time adjustment for special events or circumstances.

Motion was made by Johnson/Woodall to direct staff to draft a resolution establishing an excess water usage penalty schedule applicable during a declared water shortage emergency based on the proposed draft prepared by staff with the revision to reduce the penalty from 100% to 50% on the first tier for water usage 2-3 ccf above the allowance. Motion carried 4-0; 1 abstain (Marks).

Discussion continued regarding the Variance/Adjustment Claim Form.

Councilmember Woodall said rather than allow exceptions for special circumstances such as having out of town guests, customers should either put their guests up in a hotel or be willing to pay the penalty for excess usage.

Finance Director Woodcox stated that the information on the form would be put into the system under the notes section and if a customer exceeds their allowed usage, staff will refer to the note to monitor special circumstances.

Councilmember Marks said she would like the average occupancy increased from 3 to 4 people. Councilmember Wilson concurred; Mayor Thompson and Councilmembers Johnson and Woodall concurred that it remain at 3 people.

Councilmember Wilson stated that customers who have legitimate leaks should not be penalized.

City Clerk Dunham reviewed the current water bill claim adjustment policy and suggested that if a customer qualifies for adjustment because of a legitimate leak, then adjustment of the excess use penalty could also be considered.

Motion was made by Wilson/Marks that legitimate water leaks be exempt from the excess water use penalty in accordance with the current water claim adjustment policy. Motion carried 5-0.

Adopt Resolution No. 1235-2014 Amending Resolution No. 1222-2004 and Suspending the Implementation of Wastewater Rates from August 1, 2014 to January 1, 2015 after the Water Shortage Contingency Stage 3 Emergency has Passed

City Manager Stretch provided a staff report and said Councilmember Woodall requested this item be placed on the agenda for consideration.

Councilmember Woodall stated that due to the recent 50% mandatory water reduction she doesn't think it is fair to implement the new wastewater rates since the reduction may cause residents to overpay under the new volume based wastewater rate schedule and recommended implementation of the new rates be suspended until such time the water shortage emergency is over.

Councilmember Wilson commented that the wastewater rates are based on average usage for the months of December-February and if a customer uses 7 units and their 3 month average is 7 then the bill will be the same. He said based on the calculations, 80% of the rate payers will see a reduction in their bill and as such would like to see the rates implemented August 1<sup>st</sup> as scheduled.

Councilmember Marks pointed out that customers will only be paying rates based on the currently established average for 5 months because new averages are calculated each year using the same winter months. She said basically what that means is that rate payers had 7 months of free wear and tear on the sewer plant. She said the rate schedule is already set up to implement August 1, 2014 and the goal was to make the rates more equitable and that the percentage of excess charges is probably very small.

Councilmember Woodall said she agrees with the wastewater rate schedule but not during the water shortage emergency and if we are going to fair we need to be fair to everyone.

Councilmember Johnson commented that the residents are doing a great job reducing consumption and based on that, the amount of revenue generated for the water fund will also be reduced. If the provisions under Resolution No. 1222-2014 is implemented the wastewater system will continue to be under- capitalized.

Councilmember Woodall cautioned that the rates will not be revenue neutral as proposed.

City Manager Stretch stated that if the economy continues with residents conserving water and saving money and flows are greatly diminished it is likely the City will have to go back through the through the Prop 218 process and adjust wastewater rates.

Mayor Thompson stated that the more he studies the wastewater rate schedule the more he dislikes it. He said that he doesn't like the idea of connecting water usage with wastewater rates and once implemented thinks that 50% of the rate payers will have an increase rather than the 20% as projected.

Councilmember Marks stated another factor to consider is that services that were not being charged were discovered and as we found out with regard to water, we can't give away sewer either. Now that we know about services not being charged, if we don't charge we are potentially opening the City up to litigation.

Mayor Thompson noted that if the new wastewater rate schedule is deferred there will be approximately 245 inactive accounts that will not be paying the standby sewer charge next month which amounts to approximately \$100,000/year.

Nick Angeloff stated that the City is going to be monitoring water usage pretty closely and with no outside water going into the sewer the rates could be enacted with an amendment to reduce

the charges to the base rate which seems logical. He said the problem though as Councilmember Johnson pointed out is that the revenue won't be sufficient to capitalize the system.

City Manager Stretch commented that amending the rate schedule would require going through the Prop 218 process again including all the noticing.

Motion was made by Woodall/Thompson to adopt Resolution No. 1235-2014 suspending the implementation date for the Wastewater Rate Resolution 1222-2014 from August 1 to January 1, 2015 after the Water Shortage Contingency Stage 3 Emergency has passed and is rescinded by the City Council. Motion failed 3-2.

Suspending Disposition of (4) Real Properties Declared Surplus and Explore Feasibility of Using Wells/Springs for Potable or Non-Potable Uses During Water Shortage Emergency

Councilmember Marks stated she requested this item be placed on the agenda because we don't really know whether any of the (4) parcels have wells or springs that may be able to be developed. She said because of the current water shortage emergency the State may allow the use of the water from these potential sources for potable and/or non-potable uses.

Councilmember Johnson asked if the idea is to find out the quality and quantity of each source and hire a well driller to take samples so they can be analyzed.

City Manager Stretch referred the Council to recommendation #2 of the staff report which includes that as part of the recommendation.

Motion was made by Marks/Woodall to direct the City Manager to suspend all work on processing (4) Water Fund real properties declared surplus by the Council on September 17, 2013 and February 18, 2014, until otherwise directed by the City Council; and to direct the City Manager/Public Works Director to utilize the services of the City Engineer, water well specialist and others as may be required to review each of the water wells or springs on the (4) parcels and report to the Council on the feasibility of using the wells/springs for potable and/or non-potable uses (omitting recommendation #3). Motion carried 4-1.

**ADJOURNMENT**

There being no further business to discuss, the meeting adjourned at 9:50 p.m. to the July 29, 2014 special meeting.

\_\_\_\_\_  
Jack Thompson, Mayor

Attest:

\_\_\_\_\_  
Karen Dunham, City Clerk



*Rio Dell City hall  
675 Wildwood Avenue  
Rio Dell, CA 95562  
(707) 764-3532  
riodellcity.com*



September 2, 2014

TO: Rio Dell City Council

FROM: Kyle Knopp, City Manager

SUBJECT: Adoption of a Resolution Adopting the North Coast Integrated Regional Water Management Plan (NCIRWMP) Phase III.

IT IS RECOMMENDED THAT THE CITY COUNCIL:

Adopt the resolution adopting NCIRWMP Phase III.

BACKGROUND AND DISCUSSION

Staff has reviewed Phase III of the NCIRWMP. It has been requested by the North Coast Resource Partnership (NCRP) that the city adopt the attached resolution in support of this new phase. Adoption of this resolution is necessary to access future water related grant funding, including funds to complete the intertie project with Scotia.

The NCRP is a collaborative association of local governments, tribes, watershed groups, and other stakeholders focused on integrated resource planning and local project implementation and advocacy for California's North Coast region. The NCRP was initiated in 2005 and engages in various planning tasks, including the development and regular updating of the NCIRWMP. The overarching themes that have guided development, implementation, and evaluation of the NCIRWMP are beneficial uses of water, salmonid enhancement, energy independence, climate adaptation/mitigation, economic vitality, local autonomy, intraregional cooperation, and adaptive management. The NCIRWMP focuses on areas of common interest and concern to North Coast stakeholders and on attracting funding to the North Coast Region, and recognizes unique local solutions in different parts of the Region.

Failure to adopt the attached resolution before September 9, 2014 will put current and future grant funding opportunities in jeopardy, particularly funding for the Rio Dell – Scotia intertie project.

The NCIRWMP Phase III document can be found here:

[http://www.northcoastirwmp.net/Content/10319/North\\_Coast\\_Integrated\\_Regional\\_Water\\_Management\\_Plan.html](http://www.northcoastirwmp.net/Content/10319/North_Coast_Integrated_Regional_Water_Management_Plan.html)

## RESOLUTION 1240-2014

### A RESOLUTION OF THE CITY OF RIO DELL ADOPTING THE INTEGRATED REGIONAL WATER MANAGEMENT PLAN PHASE III

**WHEREAS**, in the past 12 years, the California electorate approved three general obligation bonds including Propositions 50, 84 and 1E that have provided more than \$12 billion for water-related projects in California for projects that are included in Integrated Regional Water Management (IRWM) Plans; and

**WHEREAS**, the development of a regional coalition to organize and promote local and regional projects for funding has proven to be effective in obtaining funding from these bond measures directing more than \$46 million to water related projects located in the North Coast Region over the past 10 years; and

**WHEREAS**, a concerted effort by North Coast IRWM Plan participants and interested stakeholders has resulted in the completion of Phase I & II of the North Coast IRWM Plan that have been adopted by seven partner counties in 2005 and 2007; and

**WHEREAS**, the North Coast Integrated Regional Water Management Plan has identified \$435 million funding in needs for capital projects that will improve water supply reliability, protect and improve water quality, increase water use efficiency and reuse, and protect and restore threatened and endangered aquatic species; and

**WHEREAS**, local and regional water suppliers across California face significant financial challenges due to efforts to replace aging water infrastructure, meet increasingly difficult regulatory compliance standards, adapt to climate change, and increase water reuse and improve groundwater management; and

**WHEREAS**, projects to implement Drought-related efforts throughout the North Coast Region are eligible for grant funding from the Proposition 84 IRWM Program; and

**WHEREAS**, projects that complement the North Coast IRWM Plan have been reviewed and ranked by the North Coast Technical Peer Review Committee and approved by the North Coast Policy Review Panel; and

**WHEREAS**, the City Council of the City of Rio Dell declares its intent to adopt and implement Phase III of the North Coast IRWM Plan, September 2, 2014; and

**WHEREAS**, all persons desiring to be heard and provide comment at the North Coast Policy Review Panel meetings and via the North Coast IRWM Planning website were given the opportunity to present their views and all written communications regarding the plan were publically presented.

**NOW, THEREFORE, BE IT RESOLVED** that the City Council of the City of Rio Dell hereby find, determine and declare as follows:

1. All of the above recitals are true and correct.
2. Phase III of the North Coast Integrated Regional Water Management Plan, September 2, 2014, is adopted.

PASSED AND ADOPTED by the City Council of the City of Rio Dell, State of California, on September 2, 2014, by the following vote:

AYES:		NOES:	None
ABSENT:	None		
ABSTAIN:	None		

\_\_\_\_\_  
Jack Thompson, Mayor

Attest:

I, Karen Dunham, City Clerk for the City of Rio Dell, State of California, hereby certify the above to be a full, true and correct copy of Resolution No. 1240-2014 adopted by the City Council of the City of Rio Dell on September 2, 2014.

\_\_\_\_\_  
Karen Dunham, City Clerk

**CITY OF RIO DELL  
STAFF REPORT  
CITY COUNCIL AGENDA**

**TO:** Mayor and Members of the City Council

**FROM:** Karen Dunham, City Clerk

**THROUGH:** Kyle Knopp, City Manager

**DATE:** September 2, 2014

**SUBJECT:** Memorial Plaque Honoring John M. Lane

**RECOMMENDATION**

Direct staff to facilitate the placement of a plaque at Memorial Park in honor of John M. Lane for his commitment and relentless service to the community as a public official and devoted citizen of the City.

**BUDGETARY IMPACT**

The cost to have the sign made is \$85.00 - \$90.00.

**BACKGROUND AND DISCUSSION**

As you are aware, the Council has honored past public officials and certain citizens of the community with the placement of a plaque at Memorial Park. I'm sure you will all agree that John Lane is undeniably worthy of that honor for his service and devotion to the community for the past 3 decades.

**ATTACHMENTS:** Application for Memorial Park Sign

City of Rio Dell  
675 Wildwood Avenue  
Rio Dell, CA 95562  
(707) 764-3532

### APPLICATION FOR MEMORIAL PARK SIGN

REQUESTED BY: FLORENCE R. "FLO" LANE

MAILING ADDRESS: 1249 RIVERSIDE DRIVE

TELEPHONE (Home) (707) 764-5004 Work \_\_\_\_\_

NAME ON SIGN (Please print or type the name exactly as you would like it to read)

JOHN M. LANE

5-29-1922  
Date of Birth

7-10-2014  
Date Deceased

The cost per sign will be \$90.00 and must be paid when order is placed.



---

*675 Wildwood Avenue  
Rio Dell, CA 95562*



TO: Mayor and Members of the City Council

THROUGH: Kyle Knopp, City Manager

FROM: Karen Dunham, City Clerk

DATE: September 2, 2014

SUBJECT: Appointment for Vacancies on the Rio Dell Planning Commission

**RECOMMENDATION**

Approve the appointment of R.L. "Bud" Leonard and Jared Wilson to the Rio Dell Planning Commission for the remainder of unexpired terms ending December 31, 2015 and December 31, 2016.

**BUDGETARY IMPACT**

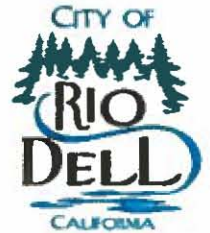
None

**BACKGROUND AND DISCUSSION**

There are currently two (2) vacancies on the Rio Dell Planning Commission as the result of the resignations from Gary Chapman and Carol Theuriet. The Notice of Vacancy was posted on August 4, 2014 with the last day for submittal of applications being August 22, 2014.

Provided there are no objections or questions from the Council, staff is requesting the Council simply forgo balloting and approve the appointment of the two applicants since there have been no other applicants wishing to be considered for appointment at this time. The Commissioners will be sworn in and seated at the next regular Planning Commission meeting on September 25, 2014.

ATTACHMENT: (2) Applications for Commission Appointment



**CITY OF RIO DELL  
APPLICATION FOR  
PLANNING COMMISSION APPOINTMENT**

Thank you for expressing your interest in serving the community as an appointed member of the Rio Dell Planning Commission. All applicants must permanently reside within the City of Rio Dell at the time of application. The appointed Planning Commissioner will be required to file a Fair Political Practices Commission (FPPC) Statement of Economic Interest Form 700 required by California Government Code §87200 et seq. and the City of Rio Dell Conflict of Interest Code.

This application is considered a public record pursuant to the California Public Records Act (Government Code §6520 et seq.) and may be made available to any member of the public upon request.

**PERSONAL DATA:**

Name: RICHARD L. (BOB) LEONARD

Address Where you Reside: 300 WOODLAND AVE

Mailing Address (if different): -

Home Phone: 764-1947 Cell Phone: 845-0026

Email Address: LENCOM3@SBCGLOBAL.NET

**EDUCATIONAL DATA:**

High School: WATSONVILLE, CA 1940

College/University: SALINAS J.R. COLLEGE, OKLAHOMA BA BISTITUTIO.

**EMPLOYMENT DATA:**

Current Employer/Occupation When Employed: RETIRED

CITY OF RIO DELL

AUG 25 2014

RECEIVED

**GENERAL INFORMATION:**

Do you currently serve on a City Board or Commission?  Yes  No

If yes, please list: RIODELL PC 95/96 CL 96-2008, 2011-2013

Please list any past or present community involvement: \_\_\_\_\_

ACCESS HUMBOLDT BOARD

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Please explain why you are interested in the appointment and what you, as a City Planning Commissioner, would offer to the Planning Commission and the community: \_\_\_\_\_

EXPERIENCE AND KNOWLEDGE.

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Do you or any member of your immediate family residing in your household, hold a position (paid or unpaid) with any person or entity, or have a contract with or any obligation to any person or entity, that might appear to constitute a conflict of interest for a City Planning Commissioner? For purposes of this question, "entity" specifically includes, but is not limited to, the City of Rio Dell and any entity which receives funds from the City.  Yes  No

If yes, please explain:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**CERTIFICATE OF APPLICANT:**

I certify that: 1) I permanently reside within the City limits of the City of Rio Dell; and 2) all statements made in this application are true and complete. I understand that any false statement or omission of material facts will subject me to disqualification or dismissal.

DATE: 8/14/14 SIGNATURE: Richard J. Leonard

**RETURN COMPLETED APPLICATION TO:**

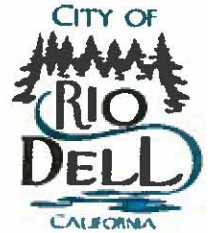
Karen Dunham, City Clerk  
675 Wildwood Avenue  
Rio Dell, CA 95562  
Phone: 764-3532  
admin1@riodellcity.com





RECEIVED

8-22-14 (Ka)



**CITY OF RIO DELL  
APPLICATION FOR  
PLANNING COMMISSION APPOINTMENT**

Thank you for expressing your interest in serving the community as an appointed member of the Rio Dell Planning Commission. All applicants must permanently reside within the City of Rio Dell at the time of application. The appointed Planning Commissioner will be required to file a Fair Political Practices Commission (FPPC) Statement of Economic Interest Form 700 required by California Government Code §87200 et seq. and the City of Rio Dell Conflict of Interest Code.

This application is considered a public record pursuant to the California Public Records Act (Government Code §6520 et seq.) and may be made available to any member of the public upon request.

**PERSONAL DATA:**

Name: JARED COLE WILSON

Address Where you Reside: 1108 TYME CT, RIO DELL CA, 95562

Mailing Address (if different): \_\_\_\_\_

Home Phone: (707) 496-1193 Cell Phone: (707) 496-1193

Email Address: PEROTW@AOL.COM

**EDUCATIONAL DATA:**

High School: FORTUNA UNION HIGH SCHOOL (GRADUATED)

College/University: N/A

**EMPLOYMENT DATA:**

Current Employer/Occupation When Employed: SELF EMPLOYED  
WILSON CONSTRUCTION



**GENERAL INFORMATION:**

Do you currently serve on a City Board or Commission? \_\_\_\_\_ Yes  No

If yes, please list: \_\_\_\_\_

Please list any past or present community involvement: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Please explain why you are interested in the appointment and what you, as a City Planning Commissioner, would offer to the Planning Commission and the community: \_\_\_\_\_

I would like to serve my community and share knowledge of what it takes to be on the planning commission, also I have been doing construction for 12 years.

Do you or any member of your immediate family residing in your household, hold a position (paid or unpaid) with any person or entity, or have a contract with or any obligation to any person or entity, that might appear to constitute a conflict of interest for a City Planning Commissioner? For purposes of this question, "entity" specifically includes, but is not limited to, the City of Rio Dell and any entity which receives funds from the City. \_\_\_\_\_ Yes  No

If yes, please explain:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**CERTIFICATE OF APPLICANT:**

I certify that: 1) I permanently reside within the City limits of the City of Rio Dell; and 2) all statements made in this application are true and complete. I understand that any false statement or omission of material facts will subject me to disqualification or dismissal.

DATE: 8-21-2014 SIGNATURE: 

**RETURN COMPLETED APPLICATION TO:**

Karen Dunham, City Clerk  
675 Wildwood Avenue  
Rio Dell, CA 95562  
Phone: 764-3532  
admin1@riodellcity.com



---

*Rio Dell City hall  
675 Wildwood Avenue  
Rio Dell, CA 95562  
(707) 764-3532  
riodellcity.com*

September 2, 2014

TO: Rio Dell City Council

FROM: Kyle Knopp, City Manager

A handwritten signature in black ink, appearing to be "K. Knopp", written over the name "Kyle Knopp" in the "FROM:" line.

SUBJECT: Informational Presentation on East-West Rail.

IT IS RECOMMENDED THAT THE CITY COUNCIL:

Receive the presentation on East-West rail.

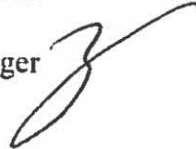
BACKGROUND AND DISCUSSION

It is requested that the Council receive a presentation from Nick Angeloff, David Hull, and Pete Oringer on the status and future of East-West rail in Humboldt County and what it could mean for the City of Rio Dell.

---

675 Wildwood Avenue  
Rio Dell, CA 95562



**TO:** Mayor and Members of the City Council  
**FROM:** Karen Dunham, City Clerk  
**THROUGH:** Kyle Knopp, City Manager   
**DATE:** September 2, 2014  
**SUBJECT:** Unmet Transit Needs Public Hearing

#### **RECOMMENDATION**

Open public hearing and receive input on any unmet transit needs in the community. Close the public hearing and make a motion to direct staff to send a letter to Humboldt County Association of Governments (HCAOG) relaying the comments made during the public hearing regarding unmet transit needs.

#### **BACKGROUND AND DISCUSSION**

Each year the Humboldt County Association of Governments (HCOAG), as the Regional Transportation Planning Agency (RTPA) conducts a citizen participation process to assess unmet transit needs within Humboldt County. This annual "unmet transit needs" process helps HCOAG properly apply funds provided by the Transportation Development Act. HCOAG will hold a public hearing for community members to express any unmet needs they have for specific public transit and paratransit service.

In addition to the County unmet transit needs hearing, HCOAG recommends each entity conduct a separate hearing to receive comments specific to their jurisdiction. Any public comments made at the local meeting will be sent to HCOAG and included in the Unmet Transit Needs Report of Findings.

Provided there are no unmet transit needs identified, all of the funds will be allocated for street improvements.



## NOTICE OF PUBLIC HEARING

Notice is hereby given that the Rio Dell City Council will hold a Public Hearing on **Tuesday, September 2, 2014 at 6:30 p.m.** or soon thereafter, in the City Hall Council Chambers at Rio Dell City Hall, 675 Wildwood Avenue, Rio Dell, California.

THE PURPOSE OF THE PUBLIC HEARING WILL BE TO DISUCSS:

### 1) UNMET TRANSIT NEEDS

The Public Hearing will give citizens the opportunity to make their comments known. If you are unable to attend the Public Hearing, you may direct your written comments to the City Clerk, City of Rio Dell, 675 Wildwood Avenue, Rio Dell, CA 95562 or you may call City Hall staff at (707) 764-3532.

All members of the community are encouraged to attend.

A handwritten signature in blue ink that reads "Karen Dunham". The signature is written over a horizontal line.

Karen Dunham, CMC

City Clerk

Posted 8-19-14





1910 California Street • Eureka, CA 95501 • (707)443-9747 • Fax (707)443-3498

*Supporting seniors in maintaining health, dignity and self-determination.*

August 7, 2014

Dear Ms. Farley:

Enclosed here is the Transportation status report for Fiscal year 13/14. Also included here is our Budget for Fiscal year 14/15. I apologize for the delay in sending both.

If I can answer any questions I'm happy to help.

Sincerely,

A handwritten signature in blue ink, appearing to read "A. Giarrizzo".

ALLYSON P. GIARRIZZO

Senior Accounting Specialist

Humboldt Senior Resource Center

COUNTY OF HUMBOLDT  
 Department of Public Works  
 ATTN: JOSIELYN N. GILBAUGH  
 1106 Second Street, Eureka, CA 95501  
 707.268.2689, FAX 707.445.7409

FINANCIAL AND SERVICE STATUS REPORT  
 TRANSPORTATION DEVELOPMENT ACT FUNDS

AGENCY: Humboldt Senior Resource Center, Inc.  
 Adult Day Health & Alzheimer's Services  
 ADDRESS: 1910 California St, Eureka, CA 95501  
 707.443.9747 FAX 707.443.3498

Period Covered by this report :

07/01/2013 to 06/30/2014

Program Service Area	Eureka	Eureka	Fortuna	Fortuna	Rio Dell	Rio Dell	Total	Total	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	
Number of clients enrolled									
Total	44	59	29	22	9	5	82	86	
County	55	50	6	6	----	----	61	56	
Number of Round Trips (Budgeted reflects 6 mo. period only)									
Total	4,280.5	4,840.0	3,287.5	2,543.0	923.5	691.0	8,491.5	8,074.0	
County	6,838.0	4,899.0	500.5	649.0	----	----	7,338.5	5,548.0	
Average Daily Attendance									
Total	72.17	67.76	----	----	----	----	72.17	67.76	
County	----	----	----	----	----	----	----	----	
Program Costs									
Total	\$14,2870	\$61,158	\$69,149	\$46,969	\$36,332	\$13,194	\$9,872	\$121,318	\$115,353
County (Out of City Limits)	\$6.34	\$43,353	\$31,060	\$3,173	\$4,115	----	----	\$46,526	\$35,174

I certify to the best of my knowledge and belief that the information contained herein is current, complete and accurate.

ALLYSON P. GIARRIZZO Senior Accounting Specialist

Report Prepared by



JOANNE CONZELMANN Director Health Services  
 Authorized Signature

**From:** Humboldt Senior Resource Center  
**Re:** Adult Day Health & Alzheimer's Services  
 1910 California Street  
 Eureka, Ca. 95501  
 707.443.9747 x1248  
 agiarrizzo@humsenior.org

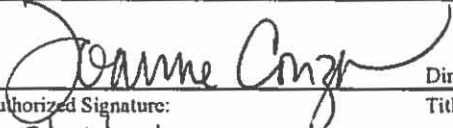
**To:** City of Rio Dell  
**Attn:** Joanne Farley  
**Accountant**  
 675 Wildwood Avenue  
 Rio Dell, CA 95562  
 707  
Jfarley@riodellcity.com

RIO DELL SHARE OF COST PLAN FOR  
 ADULT DAY HEALTH & ALZHEIMER'S SERVICES TRANSPORTATION COSTS  
 UNINCORPORATED SERVICE AREA

PERIOD 7/1/14-6/30/15

	FY 14/15
<b><u>Calculation of Cost Per Ride</u></b>	
Total budgeted expenditures	210,802
Total projected round trip rides	13,622
Total Cost Per Ride	15.475
<b><u>Calculation of Unfunded Costs for County Residents</u></b>	
Round trip rides for Rio Dell residents	988
Percentage of Rio Dell Round Trip to Total Round Trips	7.25%
Total Cost for Rio Dell Residents	15,289
<b><u>Less Revenue from Other Sources</u></b>	
Medi-Cal	3,771
Private Pay	916
Veterans	1,754
AAA	0
Fundraising	1,672
Other Income	0
Total Revenue from Other Sources	8,113
Balance Unfunded	7,176
Average Cost per round trip Ride	7.26
Requested Contract Amount for FY 14/15	6,500

Budget prepared by: Allyson P. Giarrizzo Title: Senior Accounting Specialist

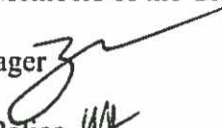

  
 Authorized Signature: \_\_\_\_\_ Title: Director Health Services

8/4/14  
 Date: \_\_\_\_\_

---

675 Wildwood Avenue  
Rio Dell, CA 95562  
(707) 764-3532



To: Honorable Mayor and Members of the City Council  
Through: Kyle Knopp, City Manager   
From: Graham Hill, Chief of Police   
Date: September 2, 2014  
Subject: Budget Amendment for the Police Department Fund 46 for fiscal year 2014-2015

**Action**

Approve amending the fiscal year 2014-2015 Police Department Budget by moving the remaining \$10,399.00 of the AB 109 (Fund 46 restricted funds) Law Enforcement Funding from Reserves to a contingency fund for the Police Department to facilitate the potential purchase of equipment and operations. Use of contingency funds will be approved by the City Manager prior to any expenditures.

**Summary**

The state passed AB 109 which in essence put the burden of the supervision and incarceration of certain convicted criminals on California Counties. This in turn put additional burdens on municipalities as a result due to additional persons under supervision living and in some cases committing crimes locally. In an effort to assist local governments in dealing with this additional burden money was provided from the state. Local chiefs agreed on an equitable dispersal of the funds allotted to local municipal police departments. We received our first portion of funding this fiscal year in the amount of \$20,000.00. The money is to be used to assist law enforcement with the increased burden placed on our community. At the beginning of the fiscal year \$9,601.00 was allocated to pay for part time assistance at our front counter of the police department to assist us in being more efficient and spending additional time in the field. The remaining \$10,399.00 was not included in the 2014-2015 budget, but was placed in reserve.

The police department needs to update certain equipment and add additional equipment. Rather than requesting the funding one piece at a time throughout the year it is recommended that the entire remaining amount be moved to a contingency for the operation of the police department for the 2014-2015 fiscal year. Each purchase from the contingency is made only on the approval of the City Manager. To give you an idea on how some of the money is intended to be spent we are considering the following:

- The installation of three radar units we anticipate acquiring from the City of Fortuna in the near future when they upgrade their radar units via a grant.
- We need to replace two computers that are using an obsolete operating system.
- We would like to add a winch to one of our patrol units (likely the truck) to assist with our river bar patrol which has become a department priority.

### **Budgetary Impact**

This will reduce the reserve funds by \$10,399.00, however it should be noted this funding is restricted to law enforcement use only. It should also be noted this money is not intended to be used to supplant current staffing, but can be used to supplement current staffing.

(While it is likely we will be receiving additional funding it is not currently know exactly when or how much).

### **Recommendation**

Approve budget adjustment as recommended to assist with the operations of the Police Department for the fiscal year 2014-2015.



**RESOLUTION NO. 1239-2014  
A RESOLUTION OF THE CITY COUNCIL  
OF THE CITY OF RIO DELL  
AMENDING THE POLICE DEPARTMENT OPERATING  
BUDGET FOR THE FISCAL-YEAR 2014-2015**

**WHEREAS**, the City of Rio Dell Police Department received \$20,000.00 to support law enforcement activity and operations based on increased demand for services as a result of AB 109 (the early release of, and local supervision of state prisoners); and

**WHEREAS**, \$9,601.00 has been allocated to support part time employment of a records technician at the police department front counter to allow uniformed patrol to be more responsive and available for crimes in progress, and

**WHEREAS**, the Police Department requires additional equipment (including two new computers, and the installation of radar units acquired from the City of Fortuna), the Police Department requests that the remaining funds (\$10,300.00) be allocated to the Police Department's operating budget as a contingency fund for operating/equipment costs for the 2014-2015 fiscal year.

**NOW THEREFORE BE IT RESOLVED**, that the City of Rio Dell City Council does hereby amend the City of Rio Dell 2014-2015 Operating and Capital Budget increasing the operating budget in the amount of \$10,399:

<u>FUND</u>	<u>REVENUE AMOUNT</u>
46	\$ 10,399

**PASSED AND ADOPTED** by the City Council of the Rio Dell on this 2nd day of August 2014, by the following vote:

Ayes:  
Noes:  
Abstain:  
Absent:

\_\_\_\_\_  
Jack Thompson, Mayor

ATTEST:



\_\_\_\_\_  
Karen Dunham, City Clerk

---

675 Wildwood Avenue  
Rio Dell, CA 95562  
(707) 764-3532



For Meeting of: September 2, 2014

To: City Council  
From: Kevin Caldwell, Community Development Director   
Through: Kyle Knopp, City Manager   
Date: August 25, 2014  
Subject: Subdivision Regulations, Sections 16.15.130(2)(a) and (e) of the Rio Dell Municipal Code (RDMC)

---

**Recommendation:**

That the City Council:

1. Receive staff's report regarding amending Sections 16.15.130(2)(a) and (e) of the City's Subdivision Regulations to be consistent with the Subdivision Map Act, Section 66410 of the California Government Code (CGC); and;
2. Open the public hearing, receive public input and deliberate; and
3. Introduce Ordinance No. 327-2014 amending Sections 16.15.130(2)(a) and (e) of the City's Subdivision Regulations to be consistent with the Subdivision Map Act; and
4. Continue consideration, approval and adoption of the proposed Ordinance to your meeting of September 16, 2014 for the second reading and adoption.

**Background and Discussion**

During the recent review of the Teasley subdivision extension application, staff discovered that two of our local provisions regarding extensions are not consistent with the Subdivision Map Act, Section 66410 et seq. of the California Government Code (CGC).

Section 16.15.130(2)(a) of the Rio Dell Municipal Code (RDMC) requires that the application be submitted not less than 45 days prior to the expiration date. Section 66452.6(e) of the Government Code (Subdivision Map Act) identifies the provisions for discretionary approval of

extensions of tentative maps. The Map Act requires that the application be submitted *prior to the expiration date*. Once an application for an extension is timely filed (prior to the expiration date), the map is automatically extended for sixty (60) days or until the City acts on the extension, whichever occurs first.

The second local provision not consistent with State law is Section 16.15.160(2)(e) of the RDMC, which requires that any appeals of the Planning Commission action be filed within ten (10) days of the Planning Commission's action. The Map Act allows the subdivider fifteen (15) days to appeal the Planning Commission action to the City Council.

Accordingly, staff is recommending that Sections 16.15.130(2)(a) and 16.15.130(2)(e) of the RDMC be amended as follows:

**16.15.130 Expiration and Extensions.**

(2) Extensions.

(a) Request by Subdivider. The subdivider or his engineer may request an extension of the expiration date of the approved or conditionally approved tentative parcel map by written application to the Planning Department. The application shall be filed ~~not less than 45 days~~ prior to the expiration date and shall state the reasons for requesting the extension.

(e) Appeal Conditions of Extensions. The subdivider may appeal any action of the Planning Commission on the extension to the City Council within ~~10~~ **fifteen (15)** days of such action in conformance to RDMC Section 16.10.090(1).

Most "projects" are subject to the California Environmental Quality Act (CEQA). Pursuant to Section 15378 of the CEQA Guidelines, Title 14, Chapter 3 of the California Code of Regulations a "Project" is defined as whole of an action, which has a potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment. There is no evidence to suggest that the proposed minor text amendments to the subdivision extension provisions of the RDMC has the potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment. Therefore, staff believes the text amendments are not a *project* as defined by Section 15378 of the CEQA Guidelines and therefore not subject to CEQA.

The Planning Commission reviewed staff's recommendation at their meeting of August 28, 2014 and unanimously recommends that the City Council adopt Ordinance No. 327-2014 amending Sections 16.15.130(2)(a) and (e) of the City's Subdivision Regulations to be consistent with the Subdivision Map Act, Section 66410 et seq of the California Government Code (CGC).

**Attachments**

Attachment 1: Ordinance No. 327-2014 amending Section 16.15.130(2)(a) and Section 16.15.130(2)(e) of the Rio Dell Municipal Code (RDMC).



**ORDINANCE NO. 327 – 2014**



**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF RIO DELL  
AMENDING SECTION 16.15.130(2)(a) AND SECTION 16.15.130(2)(e) OF THE RIO  
DELL MUNICIPAL CODE (RDMC) TO BE CONSISTENT WITH SECTION 66452.(e)  
OF THE SUBDIVISION MAP ACT, SECTION 66410 *et seq* OF THE CALIFORNIA  
GOVERNMENT CODE**

**THE CITY COUNCIL OF THE CITY OF RIO DELL ORDAINS AS FOLLOWS:**

**WHEREAS** during the recent review of a subdivision extension application, staff discovered that two of our local provisions regarding extensions are not consistent with the Subdivision Map Act, Section 66410 *et seq.* of the California Government Code (CGC); and

**WHEREAS** Section 16.15.130(2) of the Rio Dell Municipal Code identifies the process for approving extensions, including application submittal, the required Planning Commission action, time limits of extensions, conditions of approval, potential appeals and cost recovery; and

**WHEREAS** Section 16.15.130(2)(a) of the Rio Dell Municipal Code (RDMC) requires that an application for a subdivision approval extension be submitted not less than 45 days prior to the expiration date; and

**WHEREAS** Section 66452.6(e) of the Government Code (Subdivision Map Act) identifies the provisions for discretionary approval of extensions of tentative maps; and

**WHEREAS** the Map Act requires that the application be submitted *prior to the expiration date*; and

**WHEREAS** pursuant to the Map Act, once an application for an extension is timely filed (prior to the expiration date), the map is automatically extended for sixty (60) days or until the City acts on the extension, whichever occurs first; and

**WHEREAS** Section 16.15.160(2)(e) of the RDMC requires that any appeals of the Planning Commission action on the subdivision extension approval be filed within ten (10) days of the Planning Commission's action; and

**WHEREAS** The Map Act allows the subdivider fifteen (15) days to appeal the Planning Commission action to the City Council; and

**WHEREAS** the text amendments are not a "project" as defined by Section 15378 of the CEQA Guidelines and therefore not subject to CEQA.

**NOW, THEREFORE, BE IT RESOLVED** that the City Council of the City of Rio Dell does hereby ordain as follows:

### **Section 1.**

#### **Section 16.15.130 Expiration and Extensions.**

##### **(2) Extensions.**

(a) Request by Subdivider. The subdivider or his engineer may request an extension of the expiration date of the approved or conditionally approved tentative parcel map by written application to the Planning Department. The application shall be filed **not less than 45 days** prior to the expiration date and shall state the reasons for requesting the extension.

(e) Appeal Conditions of Extensions. The subdivider may appeal any action of the Planning Commission on the extension to the City Council within **10 fifteen (15)** days of such action in conformance to RDMC Section 16.10.090(1).

### **Section 2. Severability**

If any provision of the ordinance is invalidated by any court of competent jurisdiction, the remaining provisions shall not be affected and shall continue in full force and effect.

### **Section 3. Limitation of Actions**

Any action to challenge the validity or legality of any provision of this ordinance on any grounds shall be brought by court action commenced within ninety (90) days of the date of adoption of this ordinance.

### **Section 4. Effective Date**

This ordinance becomes effective thirty (30) days after the date of its approval and adoption.



**I HEREBY CERTIFY** that the forgoing Ordinance was duly introduced at a regular meeting of the City Council of the City of Rio Dell on September 2, 2014 and furthermore the forgoing Ordinance was passed, approved and adopted at a regular meeting of the City Council of the City of Rio Dell, held on the September 16, 2014 by the following vote:

AYES:  
NOES:  
ABSENT:  
ABSTAIN:

\_\_\_\_\_  
Jack Thompson, Mayor

ATTEST:

I, Karen Dunham, City Clerk for the City of Rio Dell, State of California, hereby certify the above and foregoing to be a full, true and correct copy of Ordinance No. 327-2014 which was passed, approved and adopted at a regular meeting of the City Council of the City of Rio Dell, held on the September 16, 2014.

\_\_\_\_\_  
Karen Dunham, City Clerk, City of Rio Dell