

# CITY OF CRESCENT CITY

Mayor Blake Inscore  
Council Member Alex Fallman  
Council Member Isaiah Wright

Mayor Pro Tem Heidi Kime  
Council Member Jason Greenough

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

MONDAY

JUNE 17, 2019

6:00 P.M.

## OPEN SESSION

### Call to order

Mayor Inscore called the meeting to order at 6:01 p.m.

### Roll call

Council Members present: Council Member Alex Fallman, Council Member Jason Greenough, Council Member Isaiah Wright, Mayor Pro Tem Heidi Kime, and Mayor Blake Inscore

Staff present: City Manager Eric Wier, Deputy City Attorney Autumn Luna, City Clerk/Administrative Analyst Robin Patch, Human Resources Administrator Sunny Valero, Finance Director Linda Leaver, Public Works Director Jon Olson, Housing Executive Director Megan Miller, Interim Fire Chief Bill Gillespie, and Police Chief Ivan Minsal

### Pledge of Allegiance

led by Mayor Pro Tem Kime

## PUBLIC COMMENT PERIOD

*The following citizens addressed the Council:*

Linda Sutter, County resident: spoke about manicured lawns in the Midwest and hopes for the same here in Crescent City; wants the broken windows at Del Norte Office Supply and Pacific Northwest Physical Therapy fixed.

Doug Dye, County resident: spoke about an issue he has with children swimming with adults during the lap swim time; would like the Council to intervene.

Eileen Cooper: spoke about the trouble with homeless in the area and the debris left in the marsh area of the cemetery. This is a rich birding habitat and hopes for it to be cleaned up.

## CEREMONIAL ITEMS - None

## REPORTS AND PRESENTATIONS - None

## **CONSENT CALENDAR**

### **1. Regular Council Meeting Minutes**

- *Recommendation: Approve the May 21, 2019 Budget Workshop minutes and the June 3, 2019 regular meeting minutes of the City Council. (City Clerk/Administrative Analyst)*

### **2. Warrant Claims List**

- *Recommendation: Receive and file the warrant claims list for the period May 25, 2019 through June 7, 2019. (Finance Director)*

### **3. Payroll Report**

- *Recommendation: Receive and file the biweekly payroll report for the period ending June 8, 2019 paid June 14, 2019. (Finance Director)*

### **4. Budget-to-Actual Financial Report for April 2019**

- *Recommendation: Receive and file the monthly budget-to-actual financial report of the City's major operating funds for the month of April 2019. (Finance Director)*

### **5. Budget-to-Actual Financial Report for May 2019**

- *Recommendation: Receive and file the monthly budget-to-actual financial report of the City's major operating funds for the month of May 2019. (Finance Director)*

### **6. Agreement with Gasquet Fire Department Regarding Emergency Response Vehicle Maintenance**

- *Recommendation: Consider and approve AN AGREEMENT BETWEEN THE CITY OF CRESCENT CITY AND THE GASQUET FIRE DEPARTMENT REGARDING EMERGENCY RESPONSE VEHICLE MAINTENANCE. (City Manager)*

### **7. Conflict of Interest Code Amendment**

- *Recommendation: Approve and adopt Resolution No. 2019-24, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CRESCENT CITY AMENDING THE CONFLICT OF INTEREST CODE FOR THE CITY OF CRESCENT CITY EFFECTIVE JUNE 18, 2019. (City Attorney)*

*On a motion by Council Member Fallman, seconded by Council Member Wright, and carried unanimously on a 5-0 polled vote, the City Council of the City of Crescent City adopted the consent calendar consisting of items 1 – 7 as presented.*

## **PUBLIC HEARINGS**

### **8. Fiscal Year 2019-20 Budget and Appropriations Limit**

- *Recommendation: Open public hearing*
- *Hear staff report*
- *Take public comment*
- *Close public hearing*
- *Adopt Resolution 2019-25 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CRESCENT CITY ADOPTING THE ANNUAL BUDGET FOR THE 2019-20 FISCAL YEAR.*
- *Adopt Resolution No. 2019-26 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CRESCENT CITY SELECTING THE ANNUAL ADJUSTMENT FACTORS*

*FOR THE CALCULATION OF THE 2019-20 APPROPRIATIONS LIMIT FOR THE  
CITY OF CRESCENT CITY. (Finance Director)*

*Mayor Inscore opened the public hearing at 6:13 p.m.*

City Manager Wier stated that from the Budget Workshop recommendations, Finance Director Leaver drafted the FY 19/20 Budget that is before the Council for adoption. Director Leaver gave a summary of what was proposed and what the Council directed staff to do. She stated that the budget practices are to estimate revenues conservatively, budget for all anticipated expenditures, budget for all authorized positions as well as flex (health) benefits are budgeted midway between actual usage and 100% usage. The Council's direction was: City Hall plan/specs (\$75k, General Fund), additional PERS unfunded liability payment (\$35k all funds), new public restroom downtown (\$16,500 initial plus \$4,600 annual ongoing, General Fund), increase Sister City Budget (\$9,500 General Fund), and to increase the flower basket budget (\$2,200 General Fund). What will be included in the proposed budget for reorganization will be the Recreation Director position, part-time Recreation Lead, Aquatics Supervisor, two part-time Campground Attendants, Community Development / Public Works reorganization and the Assistant City Manager designation. For the Public Safety portion of the budget, there will be an additional School Resource Officer (SRO), new Records Management System (RMS), perishable skills and advanced training for police officers, continued support for the K9 program, new turnouts and wildland gear for the fire department, new fire hoses and fire hose training, recruitment for a permanent Fire Chief and increased Code Enforcement. For Community Support: Comprehensive Economic Development (CEDS) update, cultural diversity project, support for North Coast Rape Crisis Team, support for the Pacific Food Pantry, new speakers/PA system for downtown and a new restroom for downtown. For Customer Service: there will be new software for planning, building inspection, and code enforcement, a new customer service kiosk for City Hall lobby, and an Interactive Voice Response (IVR) for water and sewer payments by phone. For Recreation: there will be new positions, three swim camps, increased marketing of the pool and RV Park, and picnic tables, landscaping, new website and online reservation system for Shoreline RV Park. Additionally, for safety measures, there will be sidewalk grinding to reduce trip and fall incidents, will purchase 4 new AEDs to be placed at City facilities, and playground repairs. Council Member Wright asked if the amount of picnic tables had been decided; City Manager Wier stated that there will be a plan that comes forward; this budget will include 16 concrete picnic tables for the beachfront spaces. He and Mayor Inscore have discussed having students at Del Norte High help build the tables. The Shoreline RV Park ad hoc will discuss details and bring back to the Council.

Finance Director Leaver advised the Council that the budget presented tonight is a "status quo" budget for the WWTP. The item for the decision on contract operations will be discussed later in the meeting, and that decision will affect the General Fund.

Linda Sutter: asked about the increase to the Sister City budget; *Mayor Inscore said we aren't carrying over the budget, this is for next year's budget. We have not raised it at all, it's the same as last year;* she further stated that Kids Town needs to be replaced and the City shouldn't give out free pool passes to RV Park patrons, there should be free swimming for children.

Eileen Cooper: Stated that the budget says the City does not care about the homeless. During First Friday, she goes into the businesses that have their restrooms open to the public.

*Mayor Inscore closed the public hearing at 6:49 p.m.*

Mayor Inscore commended staff for the hard work, the best Budget Workshop we've ever had. Council Member Fallman stated that this budget shows a fundamental switch to how the City is

doing business. Council Member Greenough stated that the budget reflects that we value our businesses and we want to be more customer service minded; we are making investments in our planning.

*On a motion by Council Member Fallman, seconded by Mayor Pro Tem Kime, and carried unanimously on a 5-0 polled vote, the City Council of the City of Crescent City adopted Resolution 2019-25 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CRESCENT CITY ADOPTING THE ANNUAL BUDGET FOR THE 2019-20 FISCAL YEAR.*

*On a motion by Council Member Wright, seconded by Council Member Greenough, and carried unanimously on a 5-0 polled vote, the City Council of the City of Crescent City adopted Resolution No. 2019-26 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CRESCENT CITY SELECTING THE ANNUAL ADJUSTMENT FACTORS FOR THE CALCULATION OF THE 2019-20 APPROPRIATIONS LIMIT FOR THE CITY OF CRESCENT CITY.*

**9. Ordinance No. 811, Amending Section 8-220, Disciplinary Action, of Appendix A, Employer-Employee Relations Rules, to the Crescent City Municipal Code**

- *Recommendation: Open public hearing*
- *Hear staff report*
- *Take public comment*
- *Close public hearing*
- *Waive full reading, read by title only and adopt Ordinance No. 811, AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CRESCENT CITY AMENDING SECTION 8-220, DISCIPLINARY ACTION, OF APPENDIX A, EMPLOYER-EMPLOYEE RELATIONS RULES, TO THE CRESCENT CITY MUNICIPAL CODE (City Attorney)*

*Mayor Inscore opened the public hearing at 6:53 p.m.*

City Manager Wier gave a history of how the ordinance came before the Council at introduction and that each of the Associations agreed to this policy.

*There were no public comments, Mayor Inscore closed the public hearing at 6:54 p.m.*

*On a motion by Council Member Fallman, seconded by Council Member Wright, and carried unanimously on a 5-0 polled vote, the City Council of the City of Crescent City waived full reading, read by title only and adopted Ordinance No. 811, AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CRESCENT CITY AMENDING SECTION 8-220, DISCIPLINARY ACTION, OF APPENDIX A, EMPLOYER-EMPLOYEE RELATIONS RULES, TO THE CRESCENT CITY MUNICIPAL CODE.*

**CRESCENT CITY HOUSING AUTHORITY**

*No meeting as there are no items to discuss.*

**SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY**

*No meeting as there are no items to discuss.*

**CONTINUING BUSINESS - None**

**NEW BUSINESS**

**10. 2019 Agreement with the Del Norte County Veterans Monument Committee**

- *Recommendation: Hear staff report*
- *Take public comment*

- *Approve the City Manager to sign the 2019 Memorandum of Agreement with the Del Norte County Veterans Memorial Monument Committee. (City Manager)*

City Manager Wier reported that this first came before the Council approximately 12 years ago. Members of the Veterans Monument Committee present at the meeting included Harlan Zeigler, Adam Task and Craig Bradford. There have been changes to original agreement in the maintenance requirements and the overall design. The City will continue to work with the Veterans Monument Committee and the monument will be maintained. The City will provide liability insurance as the Monument Committee does not have the insurance coverage. For the Maintenance Fund, the proceeds from the Memorial Brick Program will be used towards ongoing maintenance. If at any point the Veterans Committee can no longer perform the required maintenance for the Monument site, the City will take over that role. There is an anticipated \$800 a year expense for water and there are adequate funds to cover this. Adam Trask, the Veterans Monument Committee Project Manager, reported that the Committee has \$20k now, and anticipates a few more thousand coming in when the brick sales conclude. He announced that July 13<sup>th</sup> will be the opening ceremony. Mayor Pro Tem Kime asked what the turnaround time was for the bricks; Project Manager Trask stated they wait to send out the order until they build up a few orders, and the turnaround time is usually 3 weeks. Council Member Wright asked how to purchase a brick; Project Manager Trask explained for the public to contact Kelly Schellong at Bicoastal Media. The Council was in agreement that seeing this come to fruition is a great thing for our community.

*On a motion by Council Member Greenough, seconded by Council Member Wright, and carried unanimously on a 5-0 polled vote, the City Council of the City of Crescent City approved the City Manager to sign the 2019 Memorandum of Agreement with the Del Norte County Veterans Memorial Monument Committee.*

#### **11. Contract Operations, Maintenance, and Management for Crescent City's Wastewater Treatment Plant**

- *Recommendation: Hear staff report*
- *Take public comment*
- *Direct the City Manager to negotiate a 5-year contract with Jacobs Engineering for contract operations, maintenance, and management of the City's Wastewater Treatment Plant (WWTP) for execution by the Council at a future meeting.*
- *Direct the City Manager to maintain status quo WWTP Lab operations while evaluating alternative options for ongoing testing needs and uses of the lab facility. (Public Works Director/Finance Director)*

City Manager Wier reported to the Council and reminded them what was discussed at the Workshop. There are several reasons why we are considering contract operations such as increasing regulatory requirements, the WWTP is classified as a Grade IV WWTP, the recruitment of certified operators, the retention of certified operators, and deferred maintenance. There have been a lot of Capital Improvement Projects in the last 5 years, however, the needs outweigh the resources to get them done. There is a large debt service, the current loan balance is approximately \$37 million, and the FY 19/20 payment is \$1.5million, there is a high cost of operations, maintenance and regulatory compliance of a WWTP as well as an inability to raise rates to keep pace with costs; Measure Q failed in November 2016, sewer rates have not increased in 5 years, debt service has increased \$400k a year over that time frame. There have been many steps taken to make sure we are operating this asset as efficiently as possible including grants and increased operational efficiencies. He further reported on how the City has been planning for the future with a rate study in 2015, a 10 year financial plan in 2018 and then in 2019 evaluating contract operations. After seeing how well Brookings is doing after going to contract operations as well as seeing an industry trend, the City decided to evaluate what contract

operations would mean for the City of Crescent City. The selection panel consisted of: Del Norte County CAO, Assistant County CAO, former CAO/former Interim City Manager, General Manager of Pacific Power, Local Engineer/former Interim City Manager, current City Manager, Public Works Director and the Finance Director. Dennis Burrell of Jacob's Engineering addressed the Council and went over what their company can do for the City as outlined in the Workshop. The City does not give up control, still owns the Plant, Jacobs offers a service to run the plant and the liability that comes along with that. All City employees will be retained. Director Olson went over what status quo operations will look like and stated that if the City were to mirror Jacob's operational approach, it would be the City Optimal option. It would cost the City \$150k to implement in the first year and there would also be an increase in parts and supplies for increased maintenance. With this option, the proposed wages do not fit well in the City organization. Finance Director Leaver went over the cost comparison between City Status Quo – budget as it was presented tonight, City Optimal - \$4.9 this fiscal year and \$4.97 in the following year, and Jacob's Engineering contract service - \$4.6 this year and \$4.8 the year after. City Manager Wier asked for the Council's direction on which choice would be appropriate for the City to take; staff recommendation is to go with Contract Operations. Discussion regarding the viability of biosolids was held at a Council level. Council Member Wright asked for the time frame of recruiting people for a status quo operations choice; City Manager Wier answered that it would be tough, 4-6 weeks is typical recruitment period, however, can only get OITs. It would take about 10 weeks to get someone on board, current status quo will not make it easy to replace the CPO. The Council concurred that what Jacobs Engineering offers for contract operations is the most viable fit for the City.

*On a motion by Council Member Greenough, seconded by Council Member Fallman, and carried unanimously on a 5-0 polled vote, the City Council of the City of Crescent City directed the City Manager to negotiate a 5-year contract with Jacobs Engineering for contract operations, maintenance, and management of the City's Wastewater Treatment Plant (WWTP) for execution by the Council at a future meeting.*

*Mayor Inscore asked about the timing of negotiations and impending resignations of operational staff before the poll was taken; City Manager Wier stated that the 2<sup>nd</sup> meeting of July the contract will be on the Council agenda, will try to expedite to 30-60 days thereafter for transition.*

City Manager Wier stated that in regards to the Lab, Jacobs saw it as a possible benefit. Staff recommendation to leave the Lab status quo and give staff direction to evaluate alternative options. Mayor Inscore spoke in favor of evaluating alternatives, says can be evaluated more when Jacobs comes online. City Manager Wier stated that with the resignation of Tara Wood, Lab Director, it changes the scenario. We are currently looking at options, still working through issues; ideal staffing for the lab is 2 ½ positions.

*There was unanimous consensus from the Council for staff to continue working on resolutions for the Lab.*

**12. Professional Services Agreement with Operations Management International, Inc., (Jacobs Engineering) to Provide Wastewater Operators to Fill Short-Term On-Call City Needs**

- *Recommendation: Hear staff report*
- *Take public comment*
- *Authorize the City Manager to sign a Professional Services Agreement with Operations Management International, Inc. in the not-to-exceed amount of \$50,000 for on-call as-needed wastewater treatment operations staff. (Public Works Director)*

Public Works Director Olson reiterated what was spoken of this evening of the short staff issues we are dealing with; having adequate staffing is imperative. Jacobs has proposed to temporarily help us with this staffing issue with backfilling positions for us within 6 weeks. Mayor Inscore asked if the "not to exceed amount of \$50k" will get us to the Jacobs takeover; Director Olson answered that it will get us through the end of this fiscal year; City Manager Wier further stated it will get us into July; the \$50k meets the immediate need as we did not know what direction the Council would go with contract operations.

*On a motion by Council Member Greenough, seconded by Mayor Pro Tem Kime, and carried unanimously on a 5-0 polled vote, the City Council of the City of Crescent City authorized the City Manager to sign a Professional Services Agreement with Operations Management International, Inc. in the not-to-exceed amount of \$50,000 for on-call as-needed wastewater treatment operations staff.*

**13. Agreement with Applied Development Economics, Inc for the 2011-2016 Comprehensive Economic Development Strategy (CEDS) Update**

- Recommendation: Hear staff report
- Take public comment
- Approve and authorize the City Manager to sign an Agreement with Applied Development Economics, Inc. to update the 2011-2016 Comprehensive Economic Development Strategy (CEDS) Update. (City Manager)

City Manager Wier reported that the top two firms were interviewed, and it was decided to offer a contract to Applied Development Economics, Inc. as they can meet our grant schedule and has the knowledge base that fits the City's needs. Mayor Pro Tem Kime asked what the in-kind services would be; City Manager Wier stated that the City is committed to \$15k in kind services, the County, \$15k, and the Harbor, \$10k. The following would constitute as "in kind services" from the City end: staff time, public meetings, and rental of the Cultural Center. This document will allow us to be eligible for future grants.

*On a motion by Council Member Fallman, seconded by Council Member Wright, and carried unanimously on a 5-0 polled vote, the City Council of the City of Crescent City authorized the City Manager to sign an Agreement with Applied Development Economics, Inc. to update the 2011-2016 Comprehensive Economic Development Strategy (CEDS) Update.*

**CITY COUNCIL ITEMS**

- **Legislative Matters – None**
- **City Manager Report and City Council Directives –** City Manager Wier gave the following updates to the Council:
  - Appointments for a Shoreline RV Park ad hoc committee
    - City Manager Wier asked the Council if they approve creating an ad hoc committee for Shoreline RV Park. The Council was in unanimous consensus to create an ad hoc and Council Members Greenough, Wright, Fallman, and Mayor Pro Tem Kime volunteered to serve on the ad hoc. Mayor Inscore appointed Council Member Wright and Mayor Pro Tem Kime; the Council was in unanimous consensus of these appointments.
  - Fire Department Master Plan Update
    - Interim Fire Chief Bill Gillespie reported to the Council about the Master Plan. PlanWest ran into a few things that stretched this on longer than they expected. Collette Metz of PlanWest is working through final

recommendations now and will bring it forward in the beginning of July at a meeting with the 2x2 committee. After the 2x2 meets, there will be a Joint Council/Fire Board meeting for a presentation. City Manager Wier stated that there will be some costs associated with this and for the Council to anticipate a budget amendment.

- Announcement of Recreation and Events Director
  - City Manager Wier stated that at the July 1<sup>st</sup> Council meeting, an Employment Agreement will be before the Council for Holly Wendt for our new Recreation and Events Director and she is ready to start July 2<sup>nd</sup>.

City Manager Wier asked Chief Minsal to come forward for another announcement. Chief Minsal announced to the Council that he intends to retire after 38 years on September 8<sup>th</sup>. City Manager Wier stated that Chief Minsal has changed the PD for the better.

➤ **Reports, Concerns, Referrals, Council travel and training reports –**

**Council Member Fallman:** attended the following meetings: WWTP Contract Operations Workshop, Local Transportation Commission (LTCO) teleconference with Congressman Huffman, and Keith Jones' Celebration of Life.

**Council Member Wright:** no Yurok word of the day, however, was wearing a traditional Yurok necklace given to him from one of his students' parents.

**Council Member Greenough:** attended the WWTP Contract Operations Workshop.

**Mayor Pro Tem Kime:** attended the following meetings: WWTP Contract Operations and Border Coast Regional Airport Authority (BCRAA)

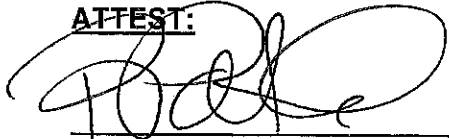
**Mayor Inscore:** attended the following meetings/events: BUILD Grant meetings, interviewed on KFUG, Annual Fire Dinner, facilitated a meeting with a local developer and City staff, WWTP Contract Operations Workshop, Pelican Bay State Prison Citizens Advisory meeting, and had a phone interview with NBC Sports regarding the Sister City story for the upcoming Olympics.

City Manager Wier reported to the Council that the flower baskets are up around town; the Girl Scout Mural on the WWTP will go up either this afternoon or tomorrow morning. He also asked Mayor Inscore to give an update on the Sister City grant. Mayor Inscore reported that the Embassy asked us to resubmit the application and ask for more money. The School District resubmitted the application for \$142k and we just received word it has been fully funded. This will provide money for 30-35 people to come over from Rikuzentakata in September or October as well as news coverage of the event.

**ADJOURNMENT**

There being no further business to come before the Council, Mayor Inscore adjourned the meeting at 8:57 p.m. to the regular meeting of the City Council of the City of Crescent City scheduled for Monday, July 1, 2019 at 6:00 p.m. at the Flynn Center, 981 H Street, Crescent City, CA 95531.

**ATTEST:**



Robin Patch  
City Clerk/Administrative Analyst