

(707) 668-5655

Fax: (707) 668-5916

www.bluelake.ca.gov



CITY OF BLUE LAKE

CALIFORNIA

111 Greenwood Road

P.O. Box 458

Blue Lake City Council Agenda

December 20, 2022 ~ 6:30 p.m. ~Special Meeting

Mad River Grange, 111 Hatchery Road, Blue Lake, CA

Unless Otherwise Noted, All Items on the Agenda are Subject to Action.

1. **Pledge of Allegiance and Establish a Quorum of the Council**
2. **Approve Agenda**
3. **Public Comment** – *The Public is invited to present petitions, make announcements, or provide other information to the City Council that is relevant to the scope of authority of the City of Blue Lake that is not on the Agenda. The Council may provide up to 15 minutes for this public input session. To assure that each individual presentation is heard, the Council may uniformly impose time limitations of 3 minutes to each individual presentation. The public will be given the opportunity to address items that are on the agenda at the time the Council takes up each specific agenda item.*
4. **PUBLIC HEARING: Proposition 218 Majority Protest Process Relative to Proposed Increase to Water Rates**
 - Recommendation: That the Council:
 - Receive a report from staff
 - Conduct a public hearing to receive all written and verbal testimony regarding the proposed wastewater (sewer) rates and consider the results of protest proceedings in accordance with Proposition 218.
 - Adopt one of the following resolutions certifying the protest results:
 - For a **majority** protest – Draft Resolution **1204-A** certifying that the number of valid written protests were received from property owners representing a majority of the parcels subject to the proposed rate increase.
 - OR**
 - For a **non-majority** protest – Draft Resolution **1204-B** certifying that the number of valid written protests were not received from property owners representing a majority of the parcels subject to the proposed rate increase
5. **PUBLIC HEARING: Proposition 218 Majority Protest Process Relative to Proposed Increase to Wastewater Rates**
 - Recommendation: That the Council:
 - Receive a report from staff

- Conduct a public hearing to receive all written and verbal testimony regarding the proposed wastewater (sewer) rates and consider the results of protest proceedings in accordance with Proposition 218.
- Adopt one of the following resolutions certifying the protest results:
 - For a **majority** protest – Draft Resolution **1205-A** certifying that the number of valid written protests were received from property owners representing a majority of the parcels subject to the proposed rate increase.
 - OR**
 - For a **non-majority** protest – Draft Resolution **1205-B** certifying that the number of valid written protests were not received from property owners representing a majority of the parcels subject to the proposed rate increase.

6. Adjourn

A request for disability-related modification or accommodation, including auxiliary aid or services, may be made by a person with a disability who requires a modification or accommodation in order to participate in the public meeting, by contacting City Manager Amanda Mager, 668-5655, at least 24 hours prior to the commencement of the meeting.



CITY OF BLUE LAKE

Post Office Box 458, 111 Greenwood Road, Blue Lake, CA 95525
Phone 707.668.5655 Fax 707.668.5916

AGENDA REPORT

Item #:
Date: December 20, 2022
Item Subject: Water and Wastewater Rate Increase-Public Hearing
Submitted By: Mandy Mager, City Manager

General Information:

The City of Blue Lake has conducted a rate analysis for the City's water and wastewater systems. With technical support from the Rural Community Action Agency, the City's capital improvement, operation, maintenance, and administration needs have been analyzed and tied back to a proposed rate structure.

The City's water and wastewater systems have been losing ground to inflation and large-scale infrastructure improvement needs, along with system breaks that are reflective of aging infrastructure. The rate increases proposed and recommended by staff and our technical advisors will allow the City to make much needed improvements, replace failing equipment and retain critical staffing levels.

On October 25, 2022, City staff, the City Attorney and a representative from the City's technical advisory consultant, presented the rate study, the proposed rate structure and the process mandated by Proposition 218 to initiate the public notice and hearing process. Council took action on October 25, 2022 to initiate the 218 process with a public hearing date scheduled for December 20, 2022.

Staff recommends that the City Council conduct the public hearing as mandated by Proposition 218 and direct staff to collect and tally protest votes. Upon completion of the tallying process, the City Attorney will report the results of the protest vote to determine if sufficient, or insufficient protest votes have been cast.

Council will then consider adoption of Resolution 1204 (A or B) and Resolution 1205 (A or B) dependent upon the vote tally results.

Background Material Provided: Draft Resolution 1204 (A and B) and Draft Resolution 1205 (A and B)

Fiscal Impact: Impacts have been identified in the rate analysis

Recommended Action: Adopt Resolution 1204 (A/B) and Resolution 1205 (A/B) dependant upon the protest vote final tally.

Review Information:

City Manager Review: Legal Review: Planner Review: Engineer:

RESOLUTION NO. 1204 (A)

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
BLUE LAKE, CALIFORNIA, SETTING FORTH THE RESULTS OF
PROTESTS IN CONNECTION WITH WATER RATE
HEARING CONDUCTED PURSUANT TO THE REQUIREMENTS OF
PROPOSITION 218**

WHEREAS, Article XIID, Section 6 of the California Constitution requires the City Council to consider written protests to certain proposed increases to rates (fees or charges) for utility services; and

WHEREAS, a Water Rate Study was prepared for the City of Blue Lake by RCAC and recommends increases to water rates to meet the on-going operational needs of the enterprise and needed funding for capital infrastructure requirements; and

WHEREAS, the City Council reviewed the Water Rate Study at their regular meeting on October 25, 2022 and directed staff to administer the Proposition 218 majority protest process and send out notice of the proposed increases to all parcel owners subject to the increase and set a Public Hearing for December 20, 2022, to consider proposed water rate increases; and

WHEREAS, notices of the proposed water rates and Public Hearing were mailed to all parcel owners subject to the proposed increases at least 45 days prior to the Public Hearing; and

WHEREAS, the City Council conducted a Public Hearing for proposed water rates on October 25, 2022, to receive public comment and consider the results of protest proceedings in accordance with Proposition 218; and

WHEREAS, the City Clerk has tabulated all valid protests received by the conclusion of the December 20, 2022, Public Hearing and has determined that the number of valid protests received is sufficient to constitute a majority protest (50% plus 1).

NOW, THEREFORE BE IT RESOLVED, by the City Council of the City of Blue Lake:

SECTION 1: Recitals. The above recitals are true and correct and are hereby incorporated by reference.

SECTION 2: Protest Votes. The number of unique parcels eligible to file a protest was 644. The number of valid protests required to prevent adoption of the proposed rate increases is 323. The number of valid protests received by the City at the end of the December 20, 2022 Public Hearing was _____.

SECTION 3: Results of Protests. The tabulation by the City Clerk of the number of valid

protests received on proposed water rates is accepted and sets forth that the protest results conclude that there is a sufficient number of valid protests received to constitute a majority protest to the proposed water rates, whereby disallowing the consideration to adopt proposed water rates.

PASSED AND ADOPTED at a regular meeting of the City Council of the City of Blue Lake held on the 20th day of December, 2022.

On motion by _____ and seconded by _____, the foregoing Resolution is hereby adopted in its entirety on the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

CITY OF BLUE LAKE

Adelene Jones, Mayor

ATTEST:

Amanda Mager, City Manager/Clerk

APPROVED AS TO FORM:

Ryan Plotz, City Attorney

RESOLUTION NO. 1204 (B)

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
BLUE LAKE, CALIFORNIA, SETTING FORTH THE RESULTS OF
PROTESTS IN CONNECTION WITH WATER RATE
HEARING CONDUCTED PURSUANT TO THE REQUIREMENTS OF
PROPOSITION 218**

WHEREAS, Article XIID, Section 6 of the California Constitution requires the City Council to consider written protests to certain proposed increases to rates (fees or charges) for utility services; and

WHEREAS, a Water Rate Study was prepared for the City of Blue Lake by RCAC and recommends increases to water rates to meet the on-going operational needs of the enterprise and needed funding for capital infrastructure requirements; and

WHEREAS, the City Council reviewed the Water Rate Study at their regular meeting on October 25, 2022 and directed staff to administer the Proposition 218 majority protest process and send out notice of the proposed increases to all parcel owners subject to the increase and set a Public Hearing for December 20, 2022, to consider proposed water rate increases; and

WHEREAS, notices of the proposed water rates and Public Hearing were mailed to all parcel owners subject to the proposed increases at least 45 days prior to the Public Hearing; and

WHEREAS, the City Council conducted a Public Hearing for proposed water rates on October 25, 2022, to receive public comment and consider the results of protest proceedings in accordance with Proposition 218; and

WHEREAS, the City Clerk has tabulated all valid protests received by the conclusion of the December 20, 2022, Public Hearing and has determined that the number of valid protests received is insufficient to constitute a majority protest (50% plus 1).

NOW, THEREFORE BE IT RESOLVED, by the City Council of the City of Blue Lake:

SECTION 1: Recitals. The above recitals are true and correct and are hereby incorporated by reference.

SECTION 2: Protest Votes. The number of unique parcels eligible to file a protest was 644. The number of valid protests required to prevent adoption of the proposed rate increases is 323. The number of valid protests received by the City at the end of the December 20, 2022 Public Hearing was _____.

SECTION 3: Results of Protests. The tabulation by the City Clerk of the number of valid

protests received on proposed water rates is accepted and sets forth that the protest results conclude that there is an insufficient number of valid protests received to constitute a majority protest to the proposed water rates, whereby allowing the consideration to adopt proposed water rates.

PASSED AND ADOPTED at a regular meeting of the City Council of the City of Blue Lake held on the 20th day of December, 2022.

On motion by _____ and seconded by _____, the foregoing Resolution is hereby adopted in its entirety on the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

CITY OF BLUE LAKE

Adelene Jones, Mayor

ATTEST:

Amanda Mager, City Manager/Clerk

APPROVED AS TO FORM:

Ryan Plotz, City Attorney

RESOLUTION 1205 (A)

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BLUE LAKE, CALIFORNIA, SETTING FORTH THE RESULTS OF PROTESTS IN CONNECTION WITH WASTEWATER (SEWER) RATE HEARING CONDUCTED PURSUANT TO THE REQUIREMENTS OF PROPOSITION 218

WHEREAS, Article XIID, Section 6 of the California Constitution requires the City Council to consider written protests to certain proposed increases to rates (fees or charges) for utility services; and

WHEREAS, a Wastewater Rate Study was prepared for the City of Blue Lake by RCAC and recommends increases to wastewater rates to meet the on-going operational needs of the enterprise and needed funding for capital infrastructure requirements; and

WHEREAS, the City Council reviewed the Wastewater Rate Study at their regular meeting on October 25, 2022 and directed staff to administer the Proposition 218 majority protest process and send out notice of the proposed increases to all parcel owners subject to the increase and set a Public Hearing for December 20, 2022, to consider proposed wastewater rate increases; and

WHEREAS, notices of the proposed wastewater rates and Public Hearing were mailed to all parcel owners subject to the proposed increases at least 45 days prior to the Public Hearing; and

WHEREAS, the City Council conducted a Public Hearing for proposed water rates on December 20, 2022, to receive public comment and consider the results of protest proceedings in accordance with Proposition 218; and

WHEREAS, the City Clerk has tabulated all valid protests received by the conclusion of the December 20, 2022, Public Hearing and has determined that the number of valid protests received is sufficient to constitute a majority protest (50% plus 1).

NOW, THEREFORE BE IT RESOLVED, by the City Council of the City of Blue Lake:

SECTION 1: Recitals. The above recitals are true and correct and are hereby incorporated by reference.

SECTION 2: Protest Votes. The number of unique parcels eligible to file a protest was 644. The number of valid protests required to prevent adoption of the proposed rate increases is 323. The number of valid protests received by the City at the end of the December 20, 2022 Public Hearing was _____.

SECTION 3: Results of Protests. The tabulation by the City Clerk of the number of valid

protests received on proposed wastewater rates is accepted and sets forth that the protest results conclude that there is a sufficient number of valid protests received to constitute a majority protest to the proposed water rates, whereby disallowing the consideration to adopt proposed wastewater rates.

PASSED AND ADOPTED at a regular meeting of the City Council of the City of Blue Lake held on the 20th day of December, 2022.

On motion by _____ and seconded by _____, the foregoing Resolution is hereby adopted in its entirety on the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

CITY OF BLUE LAKE

Adelene Jones, Mayor

ATTEST:

Amanda Mager, City Manager/Clerk

APPROVED AS TO FORM:

Ryan Plotz, City Attorney

RESOLUTION 1205(B)

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BLUE LAKE, CALIFORNIA, SETTING FORTH THE RESULTS OF PROTESTS IN CONNECTION WITH WASTEWATER (SEWER) RATE HEARING CONDUCTED PURSUANT TO THE REQUIREMENTS OF PROPOSITION 218

WHEREAS, Article XIID, Section 6 of the California Constitution requires the City Council to consider written protests to certain proposed increases to rates (fees or charges) for utility services; and

WHEREAS, a Wastewater Rate Study was prepared for the City of Blue Lake by RCAC and recommends increases to wastewater rates to meet the on-going operational needs of the enterprise and needed funding for capital infrastructure requirements; and

WHEREAS, the City Council reviewed the Wastewater Rate Study at their regular meeting on October 25, 2022 and directed staff to administer the Proposition 218 majority protest process and send out notice of the proposed increases to all parcel owners subject to the increase and set a Public Hearing for December 20, 2022, to consider proposed wastewater rate increases; and

WHEREAS, notices of the proposed wastewater rates and Public Hearing were mailed to all parcel owners subject to the proposed increases at least 45 days prior to the Public Hearing; and

WHEREAS, the City Council conducted a Public Hearing for proposed water rates on December 20, 2022, to receive public comment and consider the results of protest proceedings in accordance with Proposition 218; and

WHEREAS, the City Clerk has tabulated all valid protests received by the conclusion of the December 20, 2022, Public Hearing and has determined that the number of valid protests received is sufficient to constitute a majority protest (50% plus 1).

NOW, THEREFORE BE IT RESOLVED, by the City Council of the City of Blue Lake:

SECTION 1: Recitals. The above recitals are true and correct and are hereby incorporated by reference.

SECTION 2: Protest Votes. The number of unique parcels eligible to file a protest was 644. The number of valid protests required to prevent adoption of the proposed rate increases is 323. The number of valid protests received by the City at the end of the December 20, 2022 Public Hearing was _____.

SECTION 3: Results of Protests. The tabulation by the City Clerk of the number of valid

protests received on proposed wastewater rates is accepted and sets forth that the protest results conclude that there is an insufficient number of valid protests received to constitute a majority protest to the proposed water rates, whereby allowing the consideration to adopt proposed wastewater rates.

PASSED AND ADOPTED at a regular meeting of the City Council of the City of Blue Lake held on the 20th day of December, 2022.

On motion by _____ and seconded by _____, the foregoing Resolution is hereby adopted in its entirety on the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

CITY OF BLUE LAKE

Adelene Jones, Mayor

ATTEST:

Amanda Mager, City Manager/Clerk

APPROVED AS TO FORM:

Ryan Plotz, City Attorney