

(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, CA 95525

Blue Lake City Council Minutes

October 18, 2022~ 6:30 p.m. Public Hearing
Mad River Grange, Blue Lake, CA

Meeting Called to Order at 6:30PM

1. Pledge of Allegiance and Establish a Quorum of the Council

Council Members Present: Quorum Established

Adelene Jones, Mayor

Chris Curran

Elaine Hogan – Via Zoom

Benjamin McCreath

Alice Finen

Staff Present:

Amanda Mager, City Manager/City Clerk

Emily Wood

Ryan Plotz

Mike Forget

Bridget Harris (RCAC) via Zoom

Public Present:

Elise Scafani

Lisa Hoover

Lorraine Comfort

Jan Neal

John Sawatzky

Teresa Sawatzky

Colleen Farley

Jean Lynch

Becky Thornton

Jeff Landen

Jennie Short

Beckie Fisher

Karen Nessler
Lori Ponte

2. **Approve Agenda**

Motion: To Approve the Agenda, adding Future Agenda Items as Item #6 and moving Adjourn to Item #7

Motion by: Councilmember Curran **Second:** Councilmember Finen

There were no comments from the Council or public.

Vote: Ayes: Jones, Hogan, Curran, McCreath, Finen **Nays:** None **Absent:** None

Motion Summary: Motion Passed

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.*

No Public Comment

4. **PUBLIC HEARING: Proposition 218 Majority Protest Process Relative to Proposed Increase to Wastewater (Sewer) Rates – Discussion/Action**

City Attorney Plotz: Recommends 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 non-majority protest – Draft Resolution 1204-A 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

OR

- For a majority protest – Draft Resolution 1204-B 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.

City Manager Mager provides a staff report:

City Manager Mager: Provides an overview of the current state of the systems, the capital improvements that are necessary to ensure the sustainability and functionality of the systems, as well as the driving factors contributing to the need for the rate increases. This includes increased costs associated with water purchase, electricity costs, wage increases due to minimum wage increases, lack of certified operators across the nation, failing infrastructure and the age of equipment.

Elaine Hogan: How often are these rate studies done?

Bridget Harris: Recommends Blue Lake begins the process in four years from now, based on current inflation. They are recommended to be completed at least every five years.

City Manager Mager: The last study ended in 2016.

Public Comment:

Lori Ponte: I understand that Prop 218 requires a letter be sent to property owners, and that it should have included a ballot.

Attorney Plotz: Under Prop 218, this is a majority protest process. The way to protest one or both of the rates is to submit a written protest. The notices sent included the instructions on what to include and how they are to be submitted.

Attorney Plotz: No, only property owners were given notice as directed by Prop 218 Procedure.

Lorraine Comfort: I appreciate everyone following the rules for commenting, so we can all hear and participate. If renters have signed up through Blue Lake to get water, would they get this notice?

Attorney Plotz: No; the 218 process requires that the parcel owner of record be sent the notice.

John Sawatzky: I understand the need for the increase, but people should have been noticed; this could have been on the water bill

Jeffery Robinson: I believe that we need to invest in our infrastructure and our workers; would like to point out that renters will be impacted the most by increases to utility bill. Suggests there could be a program for those that are low income and hopes Council will consider a way that water won't become unattainable for the average household.

Jan Neal: Over 40 people in the Rousseau Park have not been notified; I'm submitting 31 protest votes from the park; although there is likely not enough notices to satisfy the requirements to defeat 218. I want to know where money from the reserve fund goes to and whether the employees receive any vacation, bonuses, raises, or other perks from this fund.

Lisa Hoover: I understand the need to support facilities and staff, but wants to know if these rate increases will go to Funds 60 and 72? How will these infrastructure repairs compare to upgrades made within the Power Creek District? Hoover is concerned that only landowners were notified of this rate increase and objects against the rate increase at this time.

Hoover states that she may support the water rate increase if greater notice was given to tenants and landowners.

Jennie Short: I'm Protesting this rate increase because I feel that citizens are bearing the cost of this rate increase for infrastructure repairs. Property owners already pay property taxes to support infrastructure; if parcels outside the City limits want to be treated like City parcels with the same rate structure, they should be annexed. RCAC's study is severely deficient; I would support a reasonable and equitable rate increase.

Elise Scafani: The deficit began in 2021; what can be identified as the loss of revenue for 2021? How many protests must be received in order for the water increase to fail? There are multiple parcels that are City owned and I would like to know how those factor into the protest. Article 13 D A2, on page 36, maintains that tenants must be notified in the procedural chart. Equity is the responsibility of the City and staff should treat all Citizens equally. What year was the Barkley lawsuit paid off?

Colleen Farley: Would like to know why she did not receive a notice for this, and states that she spoke with 30 other people who did not receive notices. The City has collected money monthly since 1913 and wants to know where the money has gone.

Jeff Landen: The fact the city is not required to notify tenants and chose not to either, creates the illusion that the City doesn't care about it's renters and should take additional time

Jennifer Kramer: If landlords received the notice, shouldn't they have an obligation to tell their tenants about it? I Support the wastewater increase.

Lori Ponte: I know of a landowner who received 2 notices although his tenants pay the water bill. I think that there should be a pause in the Resolution until all account owners are notified of the increase that receive a water bill.

Aaron: Why is the City letting a contractor take water from the fire hydrant; I watch the contractor fill his water tank up and he's not paying for it.

Becky Fisher: I believe that if landlords received notice that tenants wouldn't be notified of the process, more landlords would let their tenants know.

Barbara Todd: I have a concern about inside versus outside City water rates. I feel that the City should help low income users sign up for programs and offer greater support to low income families.

Jeff Landen: I don't think anybody wants to get a rate increase without proper notice and say in the matter. I feel that everybody's name who is on a water bill should have gotten a notice.

Donna Acosta: The City should make sure that they understand the case law.

Terry Kramer: I feel the rate is reasonable in comparison to what we get in return. It's pretty cheap when you compare it to what it costs to buy water.

Robert Rousseau: I have one water meter that represents an entire apartment complex, and feel that the public did not have enough information to be informed about this rate increase and a lack of transparency may have contributed to the outcome of this resolution being postponed.

Sandy Bennett: I would like assistance to be available to those in need, such as low income or senior discounts for water customers.

Public Comment Closed

Mayor Jones: States that she was the Mayor when the Barkley lawsuit was signed. Would like to postpone the Waste Water (sewer) Hearing

Alice Finen: Would like to look into assistance programs to help seniors and/or low-income households? Would like to make the Waste Water (Sewer) Notice more available to tenants.

Elaine Hogan: Can Bridget discuss the methodology for rate increases for properties inside versus outside the City. Agrees that it's best practice to notify those who pay for Water Service. Would like Council to table Rate Increases for a future meeting

Bridget: The Enterprise fund owes the Capital Reserve fund and the General Fund is not being used to subsidize the system.

Chris Curran: Would like to re-notice property owners

Benjamin McCreath: Would like to re-notice property owners

Attorney Plotz: It's up to the council on whether they'd like to restart the process, although they must notice the parcel owners at least 45 days in advance and set a new Public Hearing. Until a Resolution is adopted, the Council has discretion to direct staff as needed.

Option 1: Continue the current public hearing and have Council make a motion to adopt or veto Resolution 1204 A/B

Option 2: This item can be placed on the upcoming Agenda for discussion/action conduct a second public hearing after it has been renoticed

Motion: To postpone the Proposition 218 Process and revisit the item at the next regular Council Meeting, October 25th, 2022; direct staff to provide the necessary documentation to reinitiate the 218 process.

Motion by: Councilmember Curran , **Second:** Councilmember Finen

There were no comments from the Council

Vote: Ayes: Jones, Hogan, Curran, Finen, McCreath **Nays: Absent:** None

Motion Summary: Motion Passed

5. PUBLIC HEARING: Proposition 218 Majority Protest Process Relative to Proposed Increase to Water Rates – Discussion/Action

Motion to: Postpone the Proposition 218 Process and revisit the Item at the next regular Council Meeting, October 25th, 2022, directing staff to provide the necessary documentation to reinitiate the 218 process.

Motion by: Councilmember Curran , **Second:** Councilmember McCreath

Vote: Ayes: Jones, Hogan, Curran, Finen, McCreath **Nays: Absent:** None

There were no comments from the Council

Public Comment:

Kent: Can each parcel vote? Would like to know the number of parcels needed to oppose the rates.

Manager Mager: Yes each parcel can vote.

6. Discuss Future Agenda Items

Alice Finen: Discussion on low-income household water assistance programs; staff to provide an update on similar programs that the City is eligible to participate in; ask Bridget Harris to attend the next meeting.

7. Adjourn

Motion to: Adjourn at 8:05PM

Motion by: Councilmember Finen, **Second:** Councilmember Curran

Vote: Ayes: Jones, Hogan, Curran, Finen, McCreath **Nays: Absent:** None

There were no comments from the Council

Public Comment: None