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CITY OF BLUE LAKE

CALIFORNIA

111 Greenwood Road

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Blue Lake City Council Minutes

Tuesday, October 25, 2022 ~ 6:30 p.m. ~Regular Council Meeting
Skinner Store Building-111 Greenwood Road, Blue Lake-Behind City Hall

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

Meeting Called to Order at 6:30PM

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

Council Members Present:

Adelene Jones, Mayor
Chris Curran
Elaine Hogan, Mayor Pro Tem
Benjamin McCreath
Alice Finen

Staff Present:

Amanda Mager, City Manager/City Clerk
Emily Wood, Economic Development Coordinator
Ryan Plotz, City Attorney
Scott Gordon, City Accountant
Mike Foget, City Engineer

Public Present:

Jean Lynch
Bettina Eipper
James Brown
Anna Brown
Beckie Thorton
Ray
Jim Moorehouse
Elise Scafani
Ted Hales
Karen Barnes
Lisa Hoover
Peter Dagget
Elizabeth MacKay
Diana Lynn

Presenters:

Steven Luther HCAOG
Amber Wier (Norcal 4 Health)
Jay Macedo (Norcal 4 Health)

2. Approve Agenda

Motion: To authorize the Mayor to move items on the agenda as appropriate.

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

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. Council Meeting Protocols & Continuation of Zoom Meetings-Presentation/Discussion

Ryan Plotz, City Attorney: Presents

AB 361: Allows Council to conduct meetings via Zoom, if the continued state of emergency that has been declared by the Governor remains in place. The Governor has stated he plans to rescind the emergency declaration in February 2023. The City of Blue Lake has not made the necessary findings on a monthly basis to continue the Zoom option for Council or Commissioners; all Council members and commissioners must attend meetings in person.

AB 2449: Amends the Brown Act, allowing less than a quorum of the council to participate remotely. Council can participate remotely if due to a “just cause” – such as emergency circumstances or health related issues. The act of Zooming in after AB 2449 due to a “just cause” can occur no more than 2 times per year.

Public Comment Best Practices:

- The Council must uniformly apply a time limit for each commenter;
- Public Comment should not become a Q&A session; commenters should make their comments or present their questions without back and forth dialogue from Council or staff;
- If there is a question presented to the Council, the Mayor/Council may direct the question to staff;
- Each speaker is allowed one opportunity to speak per item;
- Public comment is only offered once per item; Council can choose when to offer the opportunity for comment;
- If an individual exceeds their time allotment, the individual should be asked to stop their comment. The meeting can be suspended until the individual leaves the room or agrees to comply. The meeting can be resumed at the Mayor’s discretion the same day or at a later date.
- Robert’s Rules of Order must be followed to ensure equitable opportunities to provide comments or present questions
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4. Public Comment:

Jean Lynch: Requested information regarding the Park & Recreation Commission meetings; states that the last meeting was in January 2020.

5. NorCal 4 Health Presentation:

Amber Weir (Upstream for Health) and Jay Macedo (Health and Social Policy Institute): Make presentation on healthy communities and how policy implementation can shift and shape health impacts in communities. Recommends implementing policies and goals as part of the City’s housing element and facility policies, including smoke/vape free parks and community spaces. Policies can be implemented in affordable housing rules and regulations, and business licensing and conditional use permitting. Improving community conditions with laws, policies, and ordinances help solve the problems before they happen. Healthy communities create economic prosperity.

“3 Behaviors (lack of physical activity, poor diet, tobacco use) create 4 chronic diseases – cancer, stroke, lung diseases, type 2 diabetes that account for 50% of American deaths.”

Recommends that Council consider adopting health and safety policies and ordinances to protect the community, including second hand smoke legislation, flavored vape bans, tobacco ad limits and restrictions.

Public Comment:

Lin Glen: Appreciates the presentation and states that Blue Lake has been very progressive at protecting the community and City Staff with non-smoking and non-vaping ordinances.

6. Public Hearing: City of Blue Lake Unmet Transit Needs

Mayor Jones opens the public hearing; Stevie Luther, Humboldt County Association of Government representative, is in attendance to answer questions and receive comments; provides overview of the hearing process and its purpose. The City of Blue Lake contracts with the Blue Lake Rancheria for transit services; the public hearing process is a yearly process that helps determine and identify transit needs in Blue Lake and the County.

No comments received; hearing is closed by Mayor Jones.

7. Discussion and review of Water Rate Study and Proposed Water Rates

Mayor Jones reads the staff report; Ryan Plotz, City Attorney, provides an overview of the 218 process and provides recommendations on how to start the 218 process over.

Mayor Jones clarifies that the 218 process is a protest process; only one vote per parcel is allowed; you don’t vote for the increase, you only protest against it. Mayor Jones ask for clarification on how residents will be noticed.

Ryan Plotz explains that the notice will be sent to property owners of record and customers of record, per Council’s direction.

Alice Finen: Will the instructions be written in a way that’s easier for people to understand?

Ryan Plotz: The instructions are standard, required language.

Elaine Hogan: We should make our language easier to understand.

Chris Curran: Can staff provide an estimate of the cost associated with implementing the State's program for the low income water assistance program?

Lizard: Would support raising the rates 1% more to provide a discount to low income rate payers; understands why the rates need to be increased.

Peter Daggett: Need to proofread the document to correct spelling errors; clarify the tiers to label them in 100 cubic feet; 6" meter was left out; is there a reason for this? The ¾" is proposed to increase; why are there different costs per meter size? The capital reserve fee is being removed, but is not included in the study.

Elise Scafani: Would like Jennie Short's comments to be addressed; what caused the system to start going in the red; how are the funds co-mingled to allow for operation and maintenance of capital reserves; what is the target for the capital reserve fee? States there is a great deal of missing information from the water rate study and thought Council would take additional time to examine the study. Suggests a pre-printed protest be included with the notice.

Colleen Farley: How many people did not receive the notice; I pay over \$90/month and I'm disabled and on a fixed income; can we increase over a longer time; it's more doable for people like me.

Comment Period Closed.

Motion: To accept the water rates as recommended by RCAC, reintroduce the rate proposal and set public hearing for December 20th; include notice to property owners and water customers of record; provide informational sheet to the community and set a tentative date of November 29th, 2022 for a community workshop.

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

There were no comments from the Council or public.

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

Motion Summary: Motion Passed

Council requests that notices be looked at for language and ease of readability.

Elaine Hogan:

Can you explain the money in the Capital Improvement Reserves and why it would not be sufficient enough to support our current water/wastewater system?

Manager Mager:

The Capital Improvement reserves are not sufficient to cover the infrastructure improvements needed to maintain and repair the systems. We have enough to leverage resources to bring in larger amounts of money through grants and outside funding. This is an enterprise fund and the City is not allowed to make money off water and wastewater programs. The rates are put in place to build a reserve to maintain and support systems but are not there to collect profit. The water tanks are an example of a capital improvement project; the tanks will cost over \$2 million to replace and the City's current capital reserve fund is not adequate to support the replacement costs; the fund, however, can be used to meet matching requirements for upcoming funding cycles and grant programs.

The City has a pond system that requires regular testing, constant pumping, and full time certified and licensed staff to operate. This rate study factors in inflation and future wage increases to ensure that the City can maintain necessary staffing to support the operation and maintenance of the system. The City has tried to keep the rate increase under \$20 to lessen the overall impact to the rate payer; we understand that costs across the board have increased, but the City has to ensure the integrity and operability of the systems. Many of the City's employees are Blue Lake residents and we will all be impacted by the rate increases.

Alice Finen: Would rate payers outside City limits have their rates decreased?

Manager Mager: Their rates will not be decreased, but the proposal recommends removing the outside City limits rate structure. Recent case law supports equitable rates amongst user groups based upon justifiable cost impacts. The City cannot justify charging more to account holders outside of the City limits as the cost of providing the water does not change from one side of the boulevard to the next. Based upon recent case law and our attorney's recommendation, staff is recommending that we remove this distinction. Water customers outside of the City limits pay more for their infrastructure at the time of hook-up; this is where the City collects the funds to account for the infrastructure impacts.

Alice Finen: Is there Low Income or Senior Assistance?

Manager Mager: The City works individually with every customer to ensure they have service. There is a low Income water assistance program through the State, however, the program only pays for arrearages, and is only a one-time program. During COVID-19, the City experienced a high number of water/wastewater delinquencies; the City could not shut off service and account holders accumulated high balances. The State offered a program to help pay qualified account holder's arrearages; the City incurred substantial costs to participate in the program, due to the accounting requirements of the State. This required a substantial amount of time from our City Accountant and finance staff and the cost to implement was almost more than was recovered.

Chris Curran: Has solar power been considered to help fund the treatment plant?

Manager Mager: Yes, the City is in the process of going out to bid for a solar installation at the treatment plant; we will be using CalOES funds to support the initial installation and hope to use future grants and capital reserve funding to increase the capacity. The City's power bill has steadily increased at the plant and this is an area that we hope to offset by using renewables.

8. Discussion and review of Wastewater Rate Study and Proposed Wastewater Rates

Peter Daggett: Suggests staff clean up the Wastewater Document from typos and outdated charges. States that the "Current Charges" are not accurate. States Adjustable Flow section includes errors. Suggests acronyms be eliminated from the document or better explained. States that the BOD charts are confusing and not accurate; the standard base rates for Industrial users are changed to actual BOD loading; if you expect people to review the document it should be explained better.

Motion: To Accept the Wastewater Rates proposed by Staff and Initiate the 218 Process

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

There were no comments from the Council

Public Comment:

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

Motion Summary: Motion Passed

9. Discuss and provide direction to Staff to re-initiate the Proposition 218 process regarding proposed wastewater rate increases, including setting of public hearing thereon and mailing notice to property owners and wastewater customers of record.

Motion: To Initiate the Prop 218 Process, sending notices out by November 4th with the Public Hearing taking place on December 20th; the notices to be sent to property owners and account holders of record; staff to address clarifications as presented during public comment.

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

Hogan: Fix typos and any acronyms in the informational packets and notices

Public Comment:

Peter Daggett: The rates proposed are incorrect in the packet.

Elise: Does the Council have additional information that the Public does not have? With all of the problems presented by Jennie Short, I'm surprised the Council is going forward without addressing them.

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

Motion Summary: Motion Passed

City Manager Mager: The rate study process is an on-going process; the 218 process will set a ceiling for rate increases; as the City continues to monitor inflation, and grant opportunities it may be possible to adjust rates downward; if there are mistakes that are found through the review process, the City can address them. The rate study process has taken place over a year and a half; some of the data is now being updated as the City has actuals that weren't available at the time the study was started. The model that is being used to determine the proposed rates is fluid and will be used on an on-going basis; data will be fed into the model as numbers become available.

10. Medieval Festival Debriefing – Discussion

Council reviewed the letter submitted by Karen Barnes and Marty Schwartz regarding the Medieval Festival and the impacts to their property. Karen Barnes presents questions to the Council and the event coordinator, Bettina Eipper.

Karen Barnes: Did the School pay for the rental of the arena, basketball courts, serving booth? Was the fire department involved?

Bettina Eipper: Yes, Coastal Grove Charter School paid for the rental in full.

Karen Barnes: Why did the event move from the Christie Ranch:

Bettina Eipper: The ranch is operating with more livestock and the festival presents a big impact to their operation.

Karen Barnes: The event was insane; the setup was insane; the UPS driver was cranky; was the fire department involved?

Bettina Eipper: Yes, the Fire Department was involved and staffed the event. The fire department inspected the event and had to respond to a medical call. The event does get crowded at certain times; when the jousting happens it draws a big crowd all at once.

Lin Glen: We live two houses away, but it was a wonderful event; it was very busy and a bit noisy, but it ran well and the neighbors were very supportive; I hope that Karen's dust issue can be dealt with and that the event comes back next year.

Carlotta: I would like to extend appreciation from all of the groups that benefitted from the event; sorry about the dust at Karen's.

Bettina Eipper: The money raised from the event by the Blue Lake Saddle Club is donated back to the City to support the arena.

Adelene Jones: Was there any other complaints about the event?

Manager Mager: There was one phone call about traffic concerns and Bettina Eipper took care of the traffic complaint immediately. I was out of town during the event but I monitored my phone, checked in with staff and monitored social media for impacts. I was surprised to receive so much positive response to the event and with some modifications to deal with impacts experienced, and lessons learned, I hope that the event will return next year.

11. Councilmember Representation for Real Property Negotiations - Discussion/Action

Elaine Hogan: I asked to have this item placed on the agenda for discussion; I want to discuss when it's appropriate for a Councilmember to be involved in the discussion and at what point.

Manager Mager: Explained the current process, including an overview of staff's role in working with potential developers. Explained that the Council's role is limited at the beginning stages as this is the point at which a potential developer is working with staff regarding zoning, infrastructure, etc... Staff does not have the authority to obligate City property in any way; Council is brought into the discussion when a potential developer presents interest in moving further into ownership options. Currently, staff has brought three developers to the Council for consideration of a purchase and/or lease agreement. At that time, the Council has consulted with the attorney and designated a Council representative to participate in negotiations.

Lin Glen: I support Council being involved in negotiating and support the development of a monthly report that identifies development interest in City-owned properties.

No Action.

12. Review and Consider for Approval Exclusive Negotiating Agreement with James Brown and Jim Morehouse Regarding City Parcels APNs 025-201-009 and 025-201-019-Discussion/Action

Jim Morehouse and James Brown present a draft plan identifying their proposed development concept. They are proposing multiple "live/work" units, each with an additional apartment. The units would be developed and marketed for sale, or could be developed to suit based upon initial development/purchase interest.

Motion: To Authorize the City Manager, in consultation with the City Attorney, to execute the Exclusive Negotiating Agreement with Jim Morehouse and James Brown with the Mayor as a Council Representative on the negotiating team.

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

Public Comment:

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

Motion Summary: Motion Passed

13. Arts and Heritage Commission Application Review and Appointment Consideration - Discussion/Action

Applications for the Arts and Heritage Commission were received from the following individuals:

Julie Douglas – Commissioner Position

Patricia Sennott - Commissioner Position

Diana Lynn - Commissioner Position

Charis Bowman – Request Advisory Position

Randy Toroni - Commissioner Position

Jeff DeMark – Request Advisory Position

Gina Tuzzi - Commissioner Position

Motion: To Appoint Diana Lynn, Patricia Sennott, Julie Douglas, Gina Tuzzi, and Randy Toroni as Commissioners and appoint Charis Bowman and Jeff DeMark as advisory members.

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

There were no comments from the Council

Public Comment: None

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

Motion Summary: Motion Passed

14. Consent Agenda:

a. Warrants and Disbursements

b. Council Meeting Minutes:

i. August 23, 2022 Draft Minutes

ii. September 27, 2022 Draft Minutes

Motion: To Pass the Consent Agenda as presented

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

There were no comments from the Council

Public Comment: None

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

Motion Summary: Motion Passed

15. Council Correspondance:

Letter from Jan Neal

Letter from Karen Barnes and Marty Schwartz

16. Reports of Council and Staff:

Councilmember Finen: Nothing to report.

Councilmember McCreath: Nothing to report.

Mayor Jones: Attended HCAOG Meeting and an EDC Meeting. Received a report regarding Last Chance Grade and the 101 Corridor. The Chamber meeting was cancelled due to a lack of a quorum.

Councilmember Curran: There will be a PGE press release from PGE on Nov 1st regarding the Southern Humboldt electrical capacity situation

Mayor Pro-Tem Hogan: Nothing to report

City Manager Report:

City Manager Mager provided a written report and highlighted the reopening success of the Blue Lake Roller Rink; provided an update on revenue and overall park facility improvement projects.

17. Future Agenda Items:

- No meeting on November 22nd or 29th due to Thanksgiving holiday. The next meeting will take place on December 13th, 2022.
- Public Hearing for Water Rates on December 20th
- Exploring Staffing costs to implement a Low Income Water Program

18. Adjourn: Meeting Adjourned at 10:15 PM

Motion: To adjourn at 10:15 PM

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

There were no comments from the Council or public.

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

Motion Summary: Motion Passed