

**RIO DELL CITY COUNCIL
REGULAR MEETING MINUTES
MAY 16, 2023**

The study session/regular meeting of the Rio Dell City Council was called to order at 5:05 p.m. by Mayor Garnes.

ROLL CALL: Present: Mayor Garnes, Mayor Pro Tem Carter, Councilmembers Wilson and Woodall

Absent: Councilmember Orr (excused)

Others Present: City Manager Knopp, Finance Director Sanborn, Water/Roadways Superintendent Jensen, Wastewater Superintendent Taylor, Senior Fiscal Assistant Maciel and City Clerk Dunham

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

STUDY SESSION – 5:00 P.M.

FY 2023-24 Recommended Budget

Finance Director Sanborn provided councilmembers with supplemental information to the staff report as presented in the packet which included a revised *Draft of FY 2023-24 Budget Projections* and *Earthquake Expense Overview*.

City Manager Knopp began the discussion with review of the revised spreadsheet representing the various funds and their respective beginning fund balances, projected revenues, projected expenditures and the estimated ending fund balances and reserve balances.

Finance Director Sanborn noted that the spreadsheet is the first draft of the budget projections noting that the numbers should not change dramatically between now and the adoption of the final budget.

City Manager Knopp continued with review of each fund beginning with Fund 005, *Admin Fund* which is the fund established for the admin car. With the estimated ending fund balance of \$90,576, he said that the funds would probably be used exclusively for the police department vehicles since the admin car is new and would not need to be replaced for several years.

Fund 008, the *Building Fund*, showed projected expenditures exceeding projected revenues by \$81,086. With that same amount being backfilled by the General Fund, the change in the fund balance was zero.

City Manager Knopp explained that Fund 000 *General Fund* is the fund that the City Council has the most discretion over. With projected revenues of \$1,605,075 and

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projected expenditures of \$1,822,292, the change in fund balance was reduced by \$290,585. He added that the police department is the largest consumer of the General Fund at approximately 65%.

Next was a summary of Capital & Special Projects totaling \$3,631,751; \$198,000 to be funded out the General Fund.

City Manager Knopp said that the projected ending fund balance for the General Fund is \$1,364,353 which is a very healthy fund balance. He noted that that number will probably be even higher since it is likely that not all of the budget will be spent during the fiscal year. He said that one option for not using any reserves would be to hold off on some of the Capital projects as proposed.

No budget was proposed for Fund 044 *Measure Z Fund*. City Manager Knopp said that prior years funds from Measure Z were used to pay for the Records Tech position in the police department however, the City's application request for funding was not approved (for the first time) so that position will need to be backfilled by the General Fund this year.

The overall change (reduction) of the fund balance was \$1,102,478 with an ending fund balance of 10,116.398 for all funds.

City Manager Knopp pointed out that what is proposed is a balanced budget however; on the General Fund side, there is some concern with an estimated 20% decline in sales tax revenue. In addition, there is legislation being proposed that would negate the City's local sales tax.

Councilmember Wilson asked for the rationale behind the proposed legislation.

City Manager Knopp explained that all tax measures would be required to have a sunset date, creating some significant challenges if the legislation passes. He said that it would not go into effect for 2 years.

Councilmember Woodall asked how chemical costs for water and sewer were estimated factoring in the current inflation.

Water/Roadways Superintendent Jensen said that the estimates were based on quotes obtained from the vendors.

City Manager Knopp mentioned potential staffing changes and explained that there is an internship program through Cal Poly Humboldt and posed the idea of retaining an intern to input GIS data. The estimated cost associated with a part-time position was \$22,000.

Other changes included changing the vacant part-time Public Works Utility Worker position to full-time.

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Water/Roadways Superintendent Jensen commented that they are having a hard time recruiting for a part-time worker suggesting the position be upgraded to a full-time position with half of the cost funded out of the water fund. He said that the extra full-time position would help alleviate some of the on-call responsibilities of the current staff.

Finance Director Sanborn said that the increased costs for salary and benefits would be approximately \$56,000; \$21,000 in additional salary and \$35,000 for benefits.

City Manager Knopp referred to the current Organizational Chart which included a full-time Management Analyst position which is currently unfilled. The cost of the position with benefits was estimated at \$151,000.

He noted that one option would be to cut that position and include an additional police officer position. He said that there is value added to have the Management Analyst position filled and said another option would be to make it a part-time position and hire someone versed in Human Resources to work on employee contracts and the employee handbook.

Councilmember Wilson expressed the need to do something to revitalize the downtown, whether it be to hire a Management Analyst with the aim toward economic development or to go after grants. He suggested keeping the position in the budget then deciding how to use the position most efficiently.

Councilmember Orr arrived at this time, 6:05 p.m.

City Manager Knopp said that another option would be to hire two part-time people to fill the Management Analyst position.

Next was review of the *Earthquake Expense Overview* including a list of 17 earthquake related projects, cost estimates and the potential 25% cost share by the City.

Finance Director Sanborn explained that items 16 & 17 were added at the suggestion of GHD to include \$10 million in water and wastewater damages not previously identified. Damage Survey Reports were submitted on Items 1, 4 and 5 totaling \$215,673 with \$164,985 in reimbursements received by the State thus far.

City Manager Knopp said that staff would bring back the recommended budget on June 6th followed by another Study Session if necessary to go over each line item, with final adoption of the budget at the June 20, 2023 regular meeting.

Councilmember Woodall suggested the part-time records clerk position in the police department be upgraded to a full-time position.

Finance Director Sanborn estimated an increased cost in salaries and benefits of \$17,000 to make that position full-time.

The study session ended at 6:18 p.m. and the Council recessed for a short break prior to the start of the regular meeting.

Mayor Garnes was excused and left the meeting at this time.

The Council reconvened into open session with Mayor Pro Tem Carter calling the regular meeting to order at 6:30 p.m.

PUBLIC PRESENTATIONS

Mayor Pro Tem Carter invited public comment on non-agenda matters. No public comment was received.

CONSENT CALENDAR

Mayor Pro Tem Carter asked if any councilmember, staff or member of the public would like to remove any item from the consent calendar for separate discussion. No items were removed.

Motion was made by Woodall/Orr to approve the consent calendar including the following items:

- 1) Minutes of the May 2, 2023 regular meeting;
- 2) Adopting List of City Council Priorities for FY 2023-24;
- 3) Receive & File Request for Proposals (RFP) for the Rio Dell dog Park Project;
- 4) Authorizing City Manager to enter into an agreement with Redwood Community Action Agency (RCAA) in the amount of \$48,452 related to the Eel River Trail and Clean California Grant; and
- 5) Receive & File the Check Register for April

Motion carried 4-0.

REPORTS/STAFF COMMUNICATIONS

City Manager/Staff Update

City Manager Knopp provided highlights of the staff update and began by giving special praise to former Rio Dell Police Officer Nick Carnahan for his actions on April 13 when he helped save the life of an infant who was choking.

He reported that staff met with representatives from FEMA's Hazard Mitigation Grant Program to discuss a solar project at the City's corporation yard that has potential to dramatically extend emergency independent water and wastewater services in the event of an extended power outage.

He also announced that the California Seismic Safety Commission would be holding a hearing at the River Lodge Conference Center on Tuesday, May 23 with the main topic of

discussion being the recent earthquakes. Members of the public were encouraged to attend.

Mayor Pro Tem Carter asked if a date had been set with GHD to look at the contact basin.

Wastewater Superintendent Taylor noted that they would be here tomorrow at 10:00 a.m.

SPECIAL PRESENTATIONS/STUDY SESSIONS

Presentation by Simone Nageon on the Great Redwood Trail

Simone Nageon, one of the Planners working on the Master Plan for the Great Redwood Trail provided a power point presentation on the project.

She began by providing an overview of what the Great Redwood Trail is and said that the idea is to create a 316-mile multi-use rail-trail project connecting San Francisco Bay and Humboldt Bay, following the former inactive North Coast Railroad Authority rail line.

She explained that rail trails support recreation, economic and environmental restoration in towns and rural areas She said that in sharing the Draft Master Plan with the public some of the concerns were:

- Trespassing & Security
- Fire Hazards
- Encampments
- Impacts to working lands

She further explained that the master plan will provide a high-level roadmap on operations and maintenance, trail design, cultural and natural resource protection, project prioritization and funding sources.

A circulation map of Rio Dell was presented with an alternate trail through the center of the City as opposed to the railroad tracks due to geological concerns with the bluffs.

Economic benefits of the complete trail for Mendocino, Trinity and Humboldt were estimated to be \$102,568,000 annually; \$48,099,000 annually to Humboldt County and \$2,429,000 to Rio Dell, mostly in tourism but also in health benefits.

Councilmember Wilson commented that he was glad to see a plan to migrate the trail through Rio Dell rather than along the bluffs.

Councilmember Woodall questioned maintenance of the trail system and asked if the trail would go through the Island Mountain tunnel.

Simone explained that the Island Mountain Tunnel is a one-mile tunnel on the rail line and it is perhaps sensitive bat habitat so they are working with the Wildlands Conservancy who

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is a new landowner to look at rerouting the trail around the tunnel. She said that with regard to long-term maintenance of the trail system, they are looking at ways to fund that. Regarding maintenance, she noted that they are working on a draft maintenance plan however, the envision is to make this more of a back-country trail that is easy to maintain.

Councilmember Woodall asked what the longest distance is between towns before being able to access the trails.

Simone said that the idea is to build easy segments and access points in out of the trails, especially in remote areas, and that they are looking for camping options along the trails.

Councilmember Woodall indicated that Rio Dell gets a lot of bicycle traffic along the coast and providing camping opportunities might keep them from continuing on south and asked if there would be water and supplies along the trail heads.

Simone agreed that it would be a good idea to have hydration stations etc. along the way but they are looking more at self-reliance than having high-resourced areas that are hard to keep up with.

Mayor Pro Tem Carter thanked Simone for the presentation and for adding the slides specific to Rio Dell. She said that one of the concerns around town is that the trail is going to go around Rio Dell and there would be no economic benefits from it. She mentioned that Caltrans did say that they would be putting in bike lanes with reconstruction of the bridge.

Mayor Pro Tem Carter called for public comment.

Chelsie Orr asked if there would be signage identifying points of interest along the trail and if the trail would go across the trestle at Founders Grove.

Simone said that they hope to have standardized signage throughout the trails system and that they plan on utilizing as much of the current infrastructure as possible including the Founders Grove trestle.

Sharon Wolfe asked if there would be safety call boxes and referred to the trails in Eugene, Oregon which she said are wonderful. She also indicated that the route from Rio Dell over Blue Slide Rd. to Ferndale is great for bikes.

SPECIAL CALL ITEMS/COMMUNITY AFFAIRS/PUBLIC HEARINGS

Approve proposed Recology Eel River Rate Adjustment and accept it as an amendment to the Solid Waste and Recycling Franchise Agreement effective July 1, 2023

City Manager Knopp provided a staff report and said that this is the annual rate adjustment with Recology Eel River as provided for in the Solid Waste and Recycling Franchise Agreement. Rates for Recology Eel River contain a Consumer Price Index (CPI)

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adjustment as part of the franchise agreement. This year, the CPI rate adjustment was identified as 6.4%, increasing Recology Eel River's cost by \$0.48 per ton. In addition, HWMA's increase relates to an increase of \$31.94 per ton.

City Manager Knopp explained that there are multiple factors related to the rate adjustment including a decline in trucking back-haul services, increased labor costs, a long-term lack of fee increases in prior years, and new regulatory requirements.

He introduced Linda Wise, General Manager of Recology Eel River who was present to answer any questions regarding the proposed rate adjustment.

Councilmember Wilson commented that the rate sheets are somewhat confusing and asked for a breakdown for the typical monthly garbage bill.

Linda Wise explained that approximately 65% of the rate relates to collection and approximately 33% relates to disposal costs. She said the rate last year for a typical residential service was \$30.25/mo. including recycling. This year the new rate will be \$34.60/mo. (\$4.35 increase) with an additional charge of \$3.63 for green waste service for those subscribers.

Mayor Pro Tem Carter called for public comment on the proposed rate adjustment. No public comment was received.

Motion was made by Wilson/Woodall to approve the proposed annual rate adjustment with Recology Eel River and accept it as an amendment to the Solid Waste and Recycling Franchise Agreement effective July 1, 2023. Motion carried 4-0.

COUNCIL REPORTS/COMMUNICATIONS

Councilmember Woodall announced there would be a Nuisance Advisory Committee meeting tomorrow at 3:00 p.m., and a Beautification, Walkability and Pride Committee meeting on May 19th at 9:00 a.m. at City Hall.

Councilmember Orr reported that he would be attending an HCAOG meeting this week.

Councilmember Wilson reported that he attended a HWMA meeting and they approved their budget and also had a RCEA budget meeting. He said that wages are not only going up with those organizations, but going up everywhere. He noted that when it comes to negotiations here, it will probably affect the City's budget as well. He said that there is such a small pool of employees with the skills needed locally, the larger organizations are stealing employees from smaller agencies. He said that anything the Council can do to encourage employees to stay, would be beneficial to the City.

Mayor Pro Tem Carter reported that the Rio Dell-Scotia Chamber of Commerce is gearing up for Wildwood Days and the theme for this year is a Country Western Theme "Back in

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the Saddle Again” encouraging everyone to get out their boots and hats and get ready for this year’s event.

She said that the RREDC meeting scheduled for Monday was cancelled. She reported that over the past weekend, she attended a Cal Cities Redwood Region Division meeting in Ft. Bragg and heard a presentation on the Great Redwood Trail. They also received a presentation on the City of Ft. Bragg’s CARE Unit, hired to handle the homeless population.

She thanked Councilmember Woodall for planting all the flowers throughout the downtown and said that it is something that makes the City look really nice in the summer and something that citizens look forward to.

ADJOURNMENT

Motion was made by Carter/Woodall to adjourn the meeting at 7:25 p.m. to the June 6, 2023 regular meeting. Motion carried 4-0.

Attest:

Amanda Carter, Mayor Pro Tem

Karen Dunham, City Clerk