

**RIO DELL CITY COUNCIL
REGULAR MEETING MINUTES
APRIL 16, 2024**

The regular meeting of the Rio Dell City Council was called to order at 5:00 p.m. by Mayor Pro Tem Carter.

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

Absent: Mayor Garnes (excused)

Others Present: City Manager Knopp, Chief of Police Allen, Finance Director Sanborn, Community Development Director Caldwell, Water/Roadways Superintendent Jensen, Wastewater Superintendent Kelly, Senior Fiscal Assistant Maciel, and City Clerk Dunham

ANNOUNCEMENT OF ITEMS TO BE DISCUSSED IN CLOSED SESSION

Public Employee Performance Evaluation – Title: Chief of Police

Conference with Real Property Negotiation – Property: 325 Second Ave. (APN 053-152-007) Agency Negotiators: Kyle Knopp, City Manager, Kevin Caldwell, Community Development Director, Russell Gans, City Attorney – Negotiating Parties: Rio Dell Church of Christ, a California Non-Profit Corporation, Dale Wohlend – Under Negotiation: Real Property Acquisition, price and/or terms of payment

PUBLIC COMMENT REGARDING CLOSED SESSION

There was no public comment received.

RECESS INTO CLOSED SESSION

The Council recessed into closed session with City Manager Knopp, Community Development Director Caldwell, and City Attorney Gans at 5:00 p.m.

RECONVENE INTO OPEN SESSION

The Council reconvened into open session at 6:00 p.m. Mayor Pro Tem Carter announced that there was nothing to report out of closed session.

PUBLIC PRESENTATIONS

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

CONSENT CALENDAR

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

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

- 1) Minutes of the April 2, 2024 regular meeting;
- 2) Resolution No. 1602-2024 authorizing the City Manager to execute and submit an application to the Humboldt County Tax Collector for the purchase of the Tax Defaulted property identified as APN: 053-152-007;
- 3) Authorizing the Finance Director to sign and submit the City's Annual Transportation Development Act (TDA) Claim for FY 2024-25; and
- 4) To receive and file the Check Register for March

Motion carried 4-0.

REPORTS/STAFF COMMUNICATIONS

City Manager Knopp provided highlights of the staff update beginning with an update on Measure Z. He said that Chief Allen submitted an application requesting approximately \$80,000 of Measure Z funding. While Rio Dell came in very close, it was not included in the committee's recommendation for funding with only \$45,000 in remaining funds available. The committee forwarded their recommendations to the Board of Supervisors for consideration at their May 7, 2024 meeting, with the Board having discretion over the remaining \$45,000. He invited any interested council members to attend the meeting and advocate funding for the City.

He announced that on May 3rd, the City will be hosting the League of California Cities Redwood Empire Division meeting. The business meeting will take place at the Rio Dell Fire Hall followed by a dinner reception at Scotia Lodge and a tour one of the cannabis facilities at the Humboldt-Rio Dell Business Park.

He reported that staff will be working on updating the City's Emergency Operation Plan and possibly hiring a consultant to help with that effort; said that bids for the Water CIP project are due on April 18, 2024; should be getting some bids on the Eel River Trails project in a couple weeks after that; and staff did some research on possible replacement of the City's LED sign with a modernized version that will display more information.

Councilmember Woodall mentioned the Earth Day event occurring at the Rio Dell Fire Hall on Sunday and asked if they had obtained the required permits from the City.

City Manager Knopp explained that since the event will be mostly held on Fire Department property, the City just wanted to be informed of the event. If there are any complications with this year's event, such as traffic concerns involving more coordination with the City, then staff would take a closer look at future events and coordinate with the Fire Department for any necessary permits.

SPECIAL PRESENTATIONS

Presentation – JJA, CPA, Inc. on the City's Audited Financial Statements for FY 2022-23
Finance Director Sanborn provided a staff report and explained that each year an independent auditing firm audits and prepares financial statements for the City of Rio Dell in accordance with Generally Accepted Accounting Principles (GAAP) and the standards for financial audits contained in Government Auditing Standards, issued by the Controller General of the United States. Those standards require that an audit be performed to obtain reasonable assurance about whether the financial statements are free from material misstatement.

He said that the City received an unqualified opinion and no material weaknesses were identified. An unqualified opinion means that the auditor has concluded the financial statements present fairly the results of the City's operations and its financial position according to generally accepted accounting principles. A material weakness is one or more deficiencies in internal control where a reasonable possibility exists that a material misstatement will not be prevented, detected, or corrected in a timely manner. The auditor found no such weakness.

He introduced Brett Jones from the auditing firm of JJA, CPA, Inc. who was present remotely to provide an update to the to the Council, on the FY 2022-23 audited Financial Statements and accompanying information.

Brett provided a brief presentation to the Council and said that they issued an unmodified opinion on the City's audited financial statements which is the highest opinion they can give. He provided a brief overview of what the auditor's responsibilities are regarding the audit and said that they exercise professional judgment and maintain professional skepticism throughout the audit process. They identify and assess the risks of material misstatement of the financial statements, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. In addition, they obtain an understanding of internal control relevant to the audit and evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial

statements. They conclude whether there are conditions or events that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

He then reviewed the format of the financial statements and provided a brief overview of each section of the financial statement, including the Management's Discussion and Analysis (MD&A) to the City Council providing a general overview of the City's finances.

The City's adopted FY 2023-24 budget reflects a balanced position and although the near-term economic outlook is uncertain, remains relatively stable. The stability stems from a diversified tax base bolstered by the passage of Measure J (1% sales tax) and Measure X (cannabis tax), the absence of significant pension debt, and utility rates sufficient to cover operational and capital expenditures. However, the lingering uncertainties exist regarding the long-term costs associated with the December 2022 earthquake and the potential impact of the upcoming Taxpayer Protection Act on the City's local sales tax revenue.

Brett concluded the presentation and said that overall, the audit process went very well as expected.

Mayor Pro Tem Carter called for questions from the Council on the audit.

Mayor Pro Tem Carter thanked Brett and the auditing team for completing the audit.

Councilmember Woodall thanked Finance Director Sanborn and his staff for all their work.

SPECIAL CALL ITEMS/COMMUNITY AFFAIRS/PUBLIC HEARINGS

Scope of Work Agreement with Engineering Firm of GHD in the Amount of \$210,839 for the Painter Street Wastewater Upsize Project

City Manager Knopp provided a staff report on the Painter Street Wastewater Upsize Project. He explained that completion of the City's wastewater treatment plant was in 2013. The collection system is divided into two main segments, divided by Davis St. 50% of the wastewater collected goes in through the north side of the plant and 50% goes into the south side of the plant. The north side (the Painter St. segment) is particularly problematic and has a number of problems, including the lack of size and appropriate grade (maintains less than 1%) for gravity to move the material to the plant. It also has a number of dips where sections of the pipe are always submerged in water and requires a siphon effect to pull water back up into the plant.

The largest consequence of this underperforming collection line is the occurrence of Sanitary Sewer Overflows (SSO's). SSO's occur at the foot of Painter Street where there is the lowest manhole in the collection system so when the City experiences overflows, that is the common location for that to occur.

The current design is very old and inefficient and needs to be replaced. The complication with this adds to the general need for this pipe to be replaced with a larger pipe.

For a number of years, the City has been aware of the problems in this area and the need to address them. The ultimate cause of the SSO's is Inflow and Infiltration (I & I) which essentially is that water that gets into the pipes beyond what is flushed down toilets, down sinks, or shower drains.

He said that in the State regulations, any material that leaves the sanitary sewer system is considered raw sewage. Practically speaking, the cause of the I & I is just rain water saturating into the pipes through sewer laterals and while technically it is considered an SSO, because of the dilution, you can go down to the site and not smell an odor or see any material due to the level of water coming through the piping system.

The City Council, over the years at the request by the State Water Resources Control Board has instituted a number of policies. One being that Rio Dell was one of the first agencies on the North Coast Region to implement a Sewer Lateral Replacement Policy. Whenever any property is to be sold or transferred, the sewer lateral to the property must be tested for infiltration and all necessary repairs or replacements performed to prevent additional water from entering the system and creating I & I.

He noted that the City has made significant improvements over the years and engaged in over 200 sewer lateral repairs. Prior to the December 2022 earthquake, the system demonstrated vast improvement however, the earthquake set that needle back. There are now additional damages to the collection system that are difficult to identify or locate with some likely being on private property.

Specifically, with the Painter Street upsize project, it has been in the City's radar for a number of years, as a way to alleviate the SSO's. There has been a lot of work over the years to secure planning grants for this project from the State of California Water Resources Control Board to move the project forward. He noted that the earthquake helped to move it forward and expressed appreciation to Senator McGuire for his help in getting this project prioritized.

Despite the State's current financial situation, it is his understanding that this is on the top of their list of projects to be funded. Based on prior conversations with State representatives, the City was hoping to have the project funded during the first quarter of 2024 but was informed that it would likely be June. The problem associated with the June award date is that it then allocates the money for engineering services to get to the final biddable design but if the work doesn't occur until July 1st, it likely would not go out to bid for 2-3 months, going through another wet season without any work getting done.

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He said that this item is coming before the Council as a way to continue pushing the item forward regardless of the funding delays and gets the City to a position to possibly be able to bid the project out early enough and potentially get the project constructed before the next rainy season.

There are a couple of different way to do this and right now the State has given the City some assurances that it can use remaining Sanitary Sewer Evaluation Study (SSES) funds, which is a separate grant, to do the remaining work that needs to be done on getting to the final bid arrangement.

He reiterated that this is a very high-priority project and commented that it is stressful to staff to deal with SSO's and embarrassing to the City as well as not being good for the environment. As such, this needs to be addressed as soon as possible and hope that our partners at the State understand that the City cannot do this project without their help.

Staff's recommendation is to move forward with the current scope of services in hopes of getting the construction moving forward before the 2024/25 rainy season. He added that yesterday, the City was served with a Notice of Violation for one of the recent SSO events. With the Notice of Violation, the City potentially faces fines and penalties up to \$10,000/day with this ultimately borne by the ratepayers.

Staff is hopeful the State will understand the overall situation and realize the need for this project to be funded. Staff is working on the Notice of Violation and has a meeting on Friday to go over it with staff and develop a response strategy to the notice. The response will be predicated on the fact that the City has a plan and knows what the solution is, but needs State funding to make it happen.

City Manager Knopp pointed out that the City has avoided these SSO violations in the past because of the enforcement of the Sewer Lateral Replacement Ordinance and has made a number of investments to the collection system on its own including repairs on Ogle Ave., Riverside Dr. and some enhancements on Fern St. as well as some camera work on the system and reduced the number of 90-degree bends in the final segment of the piping system. In addition, the City is undergoing the Sanitary Sewer Evaluation Study (SSES) that will outline the overall strategy for the collection system.

He commented that the wastewater rates in the City are very high and the City simply cannot afford to incur these costs on the backs of the ratepayers. The City has asked the State for debt forgiveness in the past but have not received those assurances but in moving forward, appear to be eligible for 100% grant funding for multiple projects which is great news.

Again, the item before the Council is to fast track this project and have the best opportunity for construction before the next year's rainy season.

He then turned it over to Rebecca Crow from GHD to answer any questions and provide a technical overview of the project.

Rebecca provided a map showing the portion of the Painter St. pipeline that is proposed for replacement. She drew the Council's attention to the manhole and said when there is a lot of rainfall and high ground water, infiltration into the sewer occurs. This project will help to keep the City in compliance with the State and help city staff to better manage their time so they don't have to come out all hours of the day and night to address the problem.

She noted that the majority of the proposed alignment is located within existing easements however, there are some areas that are connected to private property so there is some work there to finalize those permissions.

Leveraging funding from the Sanitary Sewer Evaluation Study (SSES) will allow this project to move forward to the point where they have the environment compliance covered, the conceptual design covered, and completed the easement and property owner analysis. Upsizing the Painter Street pipe will allow more space to get to the treatment plant when the sewer flows hit that manhole.

She noted that until the City has a funding agreement in place, there are no assurances for reimbursement however, the City does have a funding agreement in place for the Sanitary Sewer Evaluation Study (SSES) and have confirmed with the State Water Board that this piece of the study is eligible for reimbursement under the existing executed planning study. The goal is to get ahead of the curve in terms of timing. If the State comes through and the City gets the funding agreement in June or July, we want to be ready to put the project out to bid. She said that this is the best chance the City has in getting the design work completed and getting the project moving forward.

Mayor Pro Tem Carter called for questions from the Council.

Councilmember Orr asked for clarification on whether the design for the project is funded.

Rebecca explained that the design is reimbursable up to 90% through the Sanitary Sewer Evaluation Study (SSES) Planning Agreement.

Councilmember Wilson said that if he understands it correctly, the grant was submitted for the project but funding is needed to get the project done to meet an earlier timeframe. The funding from the SSES grant would pay for the remaining design by GHD.

Rebecca explained that there are two funding processes going on; the first is the planning grant which the City requested a time extension on and has been granted and executed. The other funding pursued is the construction of the Painter Street improvements in which the City does not have a funding agreement in place.

The State was asked if the design work would be reimbursable under the existing grant and they confirmed that it would be reimbursed.

Councilmember Wilson said that this effort has been on the City's radar for several years and he agreed that the City should not miss the opportunity to get this project done before the next rainy season. He thanked staff and GHD for their efforts in getting this project moving forward.

Mayor Pro Tem Carter said that she also was looking forward in seeing this completed before the next rainy season. She asked if the design work was done.

Rebecca said that the conceptual design was prepared and funded and the effort before the Council is to take it from the conceptual design to final bid design.

Mayor Pro Tem Carter referred to the final page of the agreement and asked if the rates listed includes every person assigned to work on the project.

Rebecca said that this is a standard GHD rate table and that they have been working with the City to be more consistent and more transparent. She said that typically what you see for these projects is staff listed under the A3-A10 level working on these projects rather than senior engineer staff. She said that GHD also went through a significant process in submitting the on-call engineering services proposal and went through and determined what is a reasonable rate for GHD to be charging its local clients, noting that the numbers actually represent a discounted rate in recognition of the local climate.

Mayor Pro Tem Carter asked how feasible it is to get this project done in 12 months.

Rebecca said that ideally, they would be done in October or November of this year but there was no guarantee. She said that the project could be put out to bid but construction would not be initiated until a funding agreement is in place.

Mayor Pro Tem Carter called for questions from the public. No public comment was received.

Motion was made by Orr/Woodall to approve the Scope of Work Agreement with Engineering Firm of GHD in the Amount of \$210,839 for the Painter Street Wastewater Upsize Project. Motion carried 4-0.

Receive and Discuss a Potential Parks Master Plan

City Manager Knopp provided a staff report and said that Community Development Director Caldwell put together the written staff report covering some discussion items regarding the current inventory of parks in the City, some of which are owned by the City which is a very small segment of the inventory. He noted that the two primary parks are

Fireman's Park, owned by the Rio Dell Fire Protection District and the Davis Street Park which is owned by the Rio Dell School District. These are the two largest traditional park areas in the City.

In the past the City has inquired into acquiring the Davis St. Park for future development and potential access to grant funding and even had a surveyor's map developed but that acquisition never came to fruition. The City has a Joint Use Agreement with the School District but is very poorly written and only requires the City to maintain the turf (grass) area of the park. That agreement will be expiring very soon and the City has issued termination notices to the School regarding that agreement.

The two City owned and maintained parks are Memorial Park and Triangle Park which are considered Pocket Parks based on their size.

City Manager Knopp noted that there are a number of other potential sites for parks expansion however, because there are already two park facilities in the City, there may be some disadvantages in terms of acquiring grants. Most park development grants that become available are looking at park deficit and there is a factor that comes into judging the feasibility of additional parks. He said that the criteria can range between applications but it can be difficult for the City to apply for park grants when there are existing parks in the City.

He said that the development of a Parks Master Plan was brought forth by Mayor Pro Tem Carter and with consensus of the Council is being presented to the Council for consideration. Mayor Pro Tem Carter has been interacting with the Rio Dell School Board and the Fire District to see if there is an interest in coming up with a strategy for community facilities.

He explained that the past practice has not worked very well. What has happened is that various State grant opportunities have come up and the City or the Fire Districts gets grant funding to build a capital project but when it comes to maintaining those facilities it tends to fall by the wayside.

He said that there needs to be a strategic plan and one of the key points of this is to start at a very basic level and build some consensus by conducting an adequate study to find out what the community wants with regard to park facilities. He said coming up with a long-term strategy and getting the City, the Fire District and the School on the same page is important.

Community Development Director Caldwell commented that it is easy to find locations for parks and fairly easy to obtain grants for acquisition of parkland but funding the maintenance for those facilities is the issue. He noted that a lot of the land for parks in

larger cities was land that was gifted to them by wealthy members of those communities which is one thing the City has not had the benefit of.

He pointed out that many of the more progressive communities establish Benefit Assessment Districts but that would be hard to sell in a disadvantaged community such as Rio Dell. He agreed that the first step is to engage the community.

City Manager Knopp suggested starting at the basic level and see where there is a consensus. Primarily from a staff perspective, the most value-added input is from the individual councilmembers and from the public members present. From there, let that drive the conversation and set the time for the next discussion on this subject.

Mayor Pro Tem Carter said that she asked for this item to be on the agenda and thanked the two fire commissioners who were present.

She said that parks are a direct reflection on the quality of life and the health of any given community. She said that the first thing that people look for when moving to a community is what the school is like and what there is for the kids to do. Rio Dell has made leaps and bounds and come a long way in many ways, but this is one area where the City could improve on.

She commented that a Parks Master Plan is not something that is going to happen overnight and although she is optimistic, she is also realistic. She said that with the Joint Use Agreement with the school expiring, if anything is going to happen, there needs to be a plan. Community engagement is the most important thing and she would like to do a statistically valid survey to gauge what types of amenities they would like to see so that when and if the City gets the opportunity, everyone is ready. Even if the Parks Master Plan sits on a shelf for a while, it will be there when it is needed.

She indicated that she has someone on board that is willing to do the statistics part of the survey and felt that it is very important to work collaboratively with the fire department, the school, and the community in generating the survey so it reflects what the whole community would like to see.

She suggested the formation of an Adhoc committee that encompasses City Council, the Fire District Board of Directors, and the Rio Dell School Board and begin by generating a survey.

She said that she was in full support of establishing a Parks Master Plan and either developing new parks or rehabilitating the existing parks. She added that there are park features that do not require a lot of maintenance.

Councilmember Woodall agreed that it is important to have community parks and that the first thing would be to get input from the community as well as getting the school kids involved.

Councilmember Orr pointed out that the City is likely not going to get anyone gifting property to the City for a park but when they are approached for possible purchase of the property, they need to have clarity on exactly what the property is going to be used for. He mentioned a property owner that was approached by the City in the past in attempt to acquire property for a park and it was around the same time that the Danco Project at 355 Center St. was being constructed and they were afraid that the property would be used for the same purpose (supportive housing).

He expressed the need for maintenance at the Davis St. Park and said that he would be afraid to let his kids play there in its current condition. He said that Fireman's Park is great as long as it is maintained and the problem with grants is that they need to be used for "usable" parks.

Councilmember Wilson said that it would be nice to see a formal plan come together. He noted that in almost every community there is a Fireman's Park usually put together by the volunteer firemen of that community. He expressed thanks for the Rio Dell Volunteer Fire Department for developing Fireman's Park and for working together with the City and the community where in the past that was not always the case, noting that the earthquake brought everyone together. He supported moving forward with the development of the Parks Master Plan.

Mayor Pro Tem Carter called for public comment on the development of a Parks Master Plan.

Fire Commissioners Joe Timmerman and Mickey Barsanti were present on behalf of the Rio Dell Fire District. Joe said that as a board member of the Fire District, he is always grateful with anything the City or the school can do to help and thanked the City for the generous donation of \$2,500 toward new playground equipment. He said that Mayor Pro Tem Carter attended their last board meeting and gave them a presentation on the Parks Master Plan and that the Fire District is on board with it. Like the City, the goal of the Fire District is to develop facilities for kids and the entire community.

Mickey Barsanti volunteered to be on the Adhoc committee for the Parks Master Plan.

Councilmember Woodall also volunteered to serve on the Adhoc committee.

City Manager Knopp agreed to add the appointment of the Adhoc committee on the agenda for the next regular meeting on the May 7, 2024.

COUNCIL REPORTS/COMMUNICATIONS

Councilmember Orr reported that he would be attending an HCAOG meeting tomorrow and said that he spent some time with Amy at the Community Resource Center and reminded the public that there are still opportunities available for citizens who experienced damages to their homes as a result of the earthquake and need assistance.

Councilmember Wilson reported on the last HWMA meeting and said that they are still talking about SB 1383 and although Rio Dell received an extension on the compliance because of the size of the City, it will still need to be compliant. He said that the State regulations are still somewhat vague and suggested the City Council receive a presentation from HWMA staff at some point to clarify what the City needs to do.

He said that he would be attending the RCEA meeting next week and said that bio-mass is still a big topic of discussion and there is a group that is very much against bio-mass, particularly the Scotia power plant and anytime the subject is discussed they have protestors show up.

Mayor Pro Tem Carter reported that she would be attending a RREDC meeting on Monday, she attended a Chamber of Commerce Sub-Committee meeting, a Fire District meeting, and a Rio Dell School board meeting.

She requested a study session be scheduled to discuss Second Ave. improvements and possible funding sources.

City Manager Knopp said that one of the items coming before the Council soon is related to Project Study Reports (PSR's) and doing some pre-work for future projects. The plan is to have conversations about Second Ave., the remainder of Ogle Ave., Pacific Ave. and Davis St. as a way of being able to jump on funding opportunities more aggressively by having projects in the queue. Budget meetings would be occurring soon so perhaps the study session could be included with one of the budget meetings.

Consensus of the Council was to schedule a study session as requested.

ADJOURNMENT

A motion was made by Woodall/Orr to adjourn the meeting at 7:13 p.m. to the May 7, 2024, regular meeting. The motion carried 4-0.

Debra Garnes, Mayor

Attest:

Karen Dunham, City Clerk