

**RIO DELL CITY COUNCIL
REGULAR MEETING
JULY 6, 2010
MINUTES**

The Regular Meeting of the Rio Dell City Council was called to order at 6:30 P.M. by Mayor Woodall.

ROLL CALL: Present: Mayor Woodall, Councilmembers Dunker, Marks, and Thompson

Absent: Councilmember Barsanti

Others Present: City Manager Henrickson and City Clerk Dunham

CONSENT CALENDAR

Motion was made by Dunker/Marks to approve the consent calendar including the approval of minutes of the June 15, 2010 regular meeting; approval of minutes of the June 22, 2010 special meeting; approval of minutes of the June 29, 2010 special meeting; approval of amendment #3 to the November 3, 2009 Employment Agreement with James R. Stretch, Local Government Consultant to extend the term of agreement from July 18-31, 2010; and approval of Progress Pay Request No. 7 to K.G. Walters Co., Inc. in the amount of \$94,027.50 for work related to the Solids and Disinfection Management Project. Motion carried 4-0.

ORDINANCES/SPECIAL RESOLUTIONS

Approve Resolution No. 1081-2010 Requesting the County of Humboldt Elections Department to Include Rio Dell in the 2010 General Election

City Manager Henrickson deferred this item to City Clerk Dunham who explained that this is the appropriate time to request the County to administer the November election of the three (3) City council seats up for election.

Alice Millington asked if there is a cost associated with the County administering the elections; City Clerk Dunham stated the cost to the City is estimated at \$1,000 - \$1,500.

Motion was made by Marks/Thompson to approve Resolution No. 1081-2010 *Requesting the County of Humboldt Elections Department to Include Rio Dell in the 2010 General Election*. Motion carried 4-0.

Conduct Public Hearing on Ordinance No. 268-2010 to Contract with CalPERS for Retirement Benefits for both Miscellaneous and Safety Employees; waive second full reading, read ordinance by title only, and move to approve or deny

City Manager Henrickson explained at the request of the employees, the City initiated actuarial valuations for both safety and miscellaneous employees to enter into CalPERS for retirement

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benefits, followed by approval of the required "Anticipated Schedule of Agency Actions" to establish the target dates for entering into CalPERS, adoption of a Resolution of Intent, and the first reading of Ordinance 268-2010 to contract with CalPERS.

Because of recent changes with PERS and uncertainty about future rate increases and financial obligations that may accrue to the city in future years, he said he can not recommend approval of Ordinance 268-2010 to enter into CalPERS at this time. He said he had conversations with both employees groups and they are not willing to assume responsibility for potential rate increases from CalPERS and suggested the City continue to monitor the program and bring it back for consideration in 3 years or so. He said if the City Council makes the decision to deny adoption of the ordinance, he would begin contract negotiations with each of the respective employee groups for multi-year contracts, taking into consideration the results of the classification study.

Mayor Woodall opened the public hearing at 6:38 P.M. to receive public comment on the proposed ordinance.

Bud Leonard commented that the City of Elk Grove was recently forced to drop PERS because of increases in cost.

John Lane stated it would be helpful to have more elaboration on why to expect large increases in the cost of PERS.

City Manager Henrickson said basically because of the drop in the economy, the value of PERS benefits have been reduced which requires re-calculation to pay the benefits of entitlement. A lot of that burden will fall on the Cities which is simply too risky.

There being no further public comment, the public hearing closed at 6:40 P.M.

Councilmember Marks asked the City Manager if the employees fully understood the extent of the risk if the City were to proceed with CalPERS; City Manager Henrickson said the employees were well aware of the potential risk.

Motion was made by Thompson/Marks to deny adoption of Ordinance 268-2010 to contract with CalPERS for retirement benefits for both miscellaneous and safety employees. Motion carried 4-0.

PUBLIC PRESENTATIONS

None

REPORTS/STAFF COMMUNICATIONS

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City Manager Henrickson reported that the Chief of Police, Acting Director of Public Works and Finance Director were excused from attendance at this meeting and had nothing to report at this time.

He went on to report on recent meetings and activities in the city manager department stating that the police department would be conducting a seminar on Internet Safety and Internet Theft on July 7th at City Hall beginning at 7:00 P.M. and encouraged citizens to attend; stated he wanted to alert residents that the Wildwood Ave. Paving Project was scheduled to begin and that notices would be going out to adjacent properties; said there would be an item on the July 20th agenda regarding a change order to the Solids and Disinfection Management Project involving installation of two sodium bisulfate tanks on a 10-inch concrete slab including piping and appurtenances for a cost of approximately \$30,000 which was not budgeted; and stated summer is here and grass needs to be watered and we received a quote of \$9,000 for installation of an underground sprinkler system at City Hall, however he recommended that we not bring the matter forward at this time and continue to water as usual; Council concurred. He also reported that he learned today that the City's contract planner (George Williamson) would not be able to participate in discussions at the upcoming LAFCo meeting due to a potential conflict of interest and said he would be seeking legal counsel to represent the City at the July 21, 2010 LAFCo meeting.

Flo Lane asked for the time and place of the LAFCo meeting; City Manager Henrickson stated the meeting would be held in the County Courthouse beginning at 9:00 A.M.

COUNCIL REPORTS/COMMUNICATIONS

Councilmember Dunker reported he would be attending a League of California Cities Division Meeting in Ukiah at the end of the month.

ADJOURNMENT

There being no further business to discuss, the meeting adjourned at 6:60 P.M. to the July 20, 2010 Regular Meeting.

Julie Woodall, Mayor

Attest:

Karen Dunham, City Clerk