

MINUTES OF THE REGULAR MEETING OF THE TRINIDAD CITY COUNCIL
WEDNESDAY, DECEMBER 12, 2007

I. CALL TO ORDER/ROLL CALL

- Mayor Lin called the meeting to order at 7:00PM. Council members in attendance: Binnie, Ratzlaff, Bhardwaj, Fulkerson.
- City Staff in attendance: City Clerk Gabriel Adams; Police Chief Ken Thrailkill; TPW Director Bryan Buckman, TPW Troy Ivie, Assistant City Clerk Robin Fraser. City Attorney Paul Hagen, City Planner, Trever Parker.

II. PLEDGE OF ALLEGIANCE

III. ADJOURNMENT TO CLOSED SESSION

1. Real Estate Negotiations Exception 54956.8
 - a. Trinidad Head lease agreement with Verizon
2. Potential Litigation 54956.9 (b)
 - a. Claim against the city

IV. RECONVENE TO OPEN SESSION

Mayor Lin reported that the Council made the following decisions:

1. Agree to sign letter from Verizon regarding ownership transfer. **4-1, No-Binnie.**
2. Direct the City Attorney to write a cover letter summarizing the Council's opinion about the cellular facility on Trinidad Head.
3. Direct a Councilmember to draft a letter to Verizon officially expressing the Council's opinion about the cellular facility on Trinidad Head. The letter will be brought back to the Council for approval at a future meeting.
4. Agreed to settle claim request for \$168. The Council directed the City Attorney to write the claimant and deny any admission of liability or negligence regarding the claim.

V. APPROVAL OF AGENDA

Motion (Ratzlaff/Bhardwaj) to approve the agenda. Passed unanimously.

VI. APPROVAL OF MINUTES

November 14, 2007 cc

Motion (Binnie/Ratzlaff) to approve the minutes as written. Passed unanimously.

November 28, 2007 cc2

No minutes were submitted.

VII. COMMISSIONERS REPORTS

Binnie - Parks and Recreation, Streets

TPW: Deferred to Director Buckman's report.

Jim Cuthbertson asked Binnie if there was any plan to create a new fee schedule for the rental of the Town Hall. Binnie explained that he would like to see a committee formed to study rates for similar facilities in the area and recommend a fee schedule to the Council. The issue may be brought to the Council at meeting early next year.

Bhardwaj – Health & Human Services, Planning

Health: Announced the upcoming Village Keeper program.

Planning: Announced the upcoming Planning Commission agenda for December 19.

Lin – Water, Town Hall

Town Hall: Nothing to report.

Fulkerson – Public Safety

Deferred to Police Chief's report.

Ratzlaff – Finance – Explained to the Council and audience that City Accountant Deborah Brooks has not submitted any Financial Statements nor monthly statements to the Council for FY 2007-2008. He asked the City Attorney what action should be taken, if any.

City Attorney Hagen recommended first sending a letter to the CPA essentially putting her on notice that she has failed to meet the obligations of her agreement. The Council agreed.

VIII. STAFF REPORTS

City Clerk/IWMC – Adams: Introduced Assistant City Clerk Robin Fraser. Explained that the County is performing a program review of the Trinidad Community Recycling Center and will report to the City when it's complete.

City Attorney – Hagen: Nothing to report.

Police Chief – Thrailkill – Announced arrests, service calls, and statistics. Also announced that the Police Department will transfer its phone system to the new building on December 17, and will hopefully complete the move altogether by the December 31.

TPW Director Buckman - Introduced TPW Maintenance Worker Troy Ivie to the Council and audience. Buckman reported that a Leak Detection consultant was hired by the City in mid-November to investigate the water mains on Ocean, Edwards, and Wagner Streets for leaks. They used various search methods such as sonic and pressure to look for leaks, but no leaks were found. The cost was approximately \$1300.

State law and city ordinance requires that the City ensure all water customers who have multiple water sources on their property have backflow prevention devices installed. They prevent the possibility of someone's private well water from contaminating City water. There are 12 known properties that were tested and the City found 3 that failed. The ordinance states that the costs associated with the testing and repair/installation is the responsibility of the homeowner. The homeowners were notified of the problem and new devices were installed. The city is now in compliance.

A standby generator was rented as a result of the forecasted threat of the recent storm that hit the North Coast last week. The generator was obtained through Peterson Caterpillar, and cost approximately \$2000. The City may want to look into the option to purchase and install a system for the Water Treatment Plant in near future. With the help of the Police Chief, I will research options and report back to the Water Commissioner with recommendations.

IX. ITEMS FROM THE FLOOR

(Three (3) minute limit per Speaker unless Council approves request for extended time.)

Jim Cuthbertson – Trinidad

Criticized the Council for allowing the Water Department to spend more than the allowed amount of \$750 dollars without Council approval. Mayor Lin responded, stating that the expenditures were within the budget provided to the department and did not need additional Council approval.

Jan Brown – Westhaven/Trinidad

Just over 4 years ago, the City stated it needed to increase the sales tax rate 1% for 4-years to rebuild the depleted reserves. At that time I threatened to sue the City for taxing without representing the neighboring County residents. It's a hassle to get refunds for overpaid taxes from the BOE. It's an undue burden. The City should find a way to tax itself to gain financial stability, not on the backs of its neighbors in Westhaven, Patrick's Point, or Big Lagoon.

Cindy Lindgren – Trinidad

Noticed new equipment being installed at Chevron. She noted that only certain items could be installed, and that a number of design elements of the project currently under review.

Mike Pinske – Trinidad

Reported to the Council on alternative street lighting options. He suggested that if the City was considering upgrading its street lights, it should consider bundle the project with the under-grounding project currently being discussed. He also provided the Council with useful websites that feature alternative lighting options.

X. CONSENT AGENDA

1. Cancellation of the December 26th Council meeting.

Motion (Binnie/Bhardwaj) to approve the Consent Agenda. Passed unanimously.

XI. AGENDA ITEMS

1. Review and discussion regarding the impact of the increased sales tax rate on the City's finances. (Lin)
Mayor Lin explained that the 1% sales tax increase implemented in October of 2004 will expire at the end of September 2008. The Council will soon have to decide whether to extend the 1% increase, reduce the increase to a lower rate (maybe 0.5%), or terminate the increase entirely. It is time for the Council to review the financial situation of the past few years and evaluate the impact of the sales tax increase on the City's finances, specifically on the General Fund before and after the sales tax increase was instituted.

Mayor Lin presented a Table showing General Fund balance sheets from 2004 (before sales tax increase), through 2007. He also included in Table 1 the budget for the current fiscal year (07-08). The budget included a number of new major expenditures, which were listed in Table 2. Some of these were one-time expenditures and some may be repeated in the future. This comparison was intended to provide the basis for discussion. An example of the projected income versus expenditures is presented in Table 3 for discussion as well.

Public comment included:

Cindy Lindgren – Trinidad

I'm support continuing the tax. I don't get to vote in Trinidad's election, but I feel represented.

Mark Chester – Patrick's Point

I believe the City could do a better job notifying the 2500 residents who live outside the city on how to obtain tax refunds for overpayment. I don't mind paying small amounts of tax to the City, in fact, I directly support the library and school. Would it be possible to find out how much of the tax is being collected from outside the city in 95570?

John Spyropolous – Trinidad

I don't support taxation without representation either, but think the City should use some of its reserves to buy a stand-by generator for the Water Plant

Jim Cuthbertson - Trinidad

If the goals of the tax have been met, why continue the tax? The City should tighten its belt.

Mike Morgan – Trinidad

Let's call this a "new" tax, not a continuation of the "old" tax.

Asst. Clerk Fraser – The City provides services to everyone who comes into town, not just the residents.

Council comments included:

Bhardwaj: A budget deficit would be the result if the sales tax increase were allowed to sunset? Would the City survive off its reserves? What would happen if there were a disaster or emergency situation that required immediate funding? I'm confident that anyone visiting Trinidad or living around it benefits from the City. The Library, playgroup, beaches, trails, school, Chamber of Commerce, Police Department are just a few examples of such services to the community.

Fulkerson: I calculated that the additional tax costs me approximately extra \$12 per year. That seems extremely reasonable for the level of services I receive. Improving street lighting, supporting the library, and increasing public safety are just a few of the city's priority projects that could use additional funding. I paid close

to 12% sales tax while visiting parts of Canada. It didn't keep me from going there. Let's also keep in mind that our employees are modestly compensated for their services to the city, both paid staff and volunteers.

Binnie: The majority of our sales tax revenue is paid by tourists. Maybe we could reimburse anyone who overpaid the tax directly through City Hall?

No decision was made. The issue will be brought back to future meetings.

XII. COUNCIL REQUEST FOR FUTURE AGENDA ITEMS

XIII. ADJOURNMENT

- **Council meeting ended at 9:20pm.**

Submitted by:

Approved by:

Gabriel Adams
City Clerk

Chi-Wei Lin
Mayor