



**AGENDA**  
RIO DELL CITY COUNCIL  
REGULAR MEETING – 6:30 P.M.  
TUESDAY, JUNE 18, 2013  
CITY COUNCIL CHAMBERS  
675 WILDWOOD AVENUE, RIO DELL

*WELCOME . . . By your presence in the City Council Chambers, you are participating in the process of representative government. Copies of this agenda, staff reports and other material available to the City Council are available at the City Clerk's office in City Hall, 675 Wildwood Avenue. Your City Government welcomes your interest and hopes you will attend and participate in Rio Dell City Council meetings often.*

*In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Office of the City Clerk at (707) 764-3532. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to assure accessibility to this meeting.*

**THE TYPE OF COUNCIL BUSINESS IS IDENTIFIED IMMEDIATELY AFTER EACH TITLE IN BOLD CAPITAL LETTERS**

- A. CALL TO ORDER - 6:30 p.m.
- B. ROLL CALL
- C. PLEDGE OF ALLEGIANCE
- D. CEREMONIAL MATTERS
- E. PUBLIC PRESENTATIONS

*This time is for persons who wish to address the Council on any matter not on this agenda and over which the Council has jurisdiction. As such, a dialogue with the Council or staff is not intended. Items requiring Council action not listed on this agenda may be placed on the next regular agenda for consideration if the Council directs, unless a finding is made by at least 2/3rds of the Council that the item came up after the agenda was posted and is of an urgency nature requiring immediate action. Please limit comments to a maximum of 3 minutes.*

**F. CONSENT CALENDAR**

*The Consent Calendar adopting the printed recommended Council action will be enacted with one vote. The Mayor will first ask the staff, the public, and the Council members if there is anyone who wishes to address any matter on the Consent Calendar. The matters removed from the Consent Calendar will be considered individually in the next section, "SPECIAL CALL ITEMS".*

- 2) 2013/0618.02 - Approve Minutes of the June 4, 2013 Regular Meeting **(ACTION)** 6
- 3) 2013/0618.03 - Approve Minutes of the June 11, 2013 Budget Study Session **(ACTION)** 13
- 4) 2013/0618.04 - Approve Annual Rate Adjustment with Eel River Disposal and Accept as an Amendment to the Solid Waste Franchise Agreement Effective July 1, 2013 **(ACTION)** 24
- 5) 2013/0618.05 - Authorize the City Manager to Work With GHD Engineer to Identify Potential Grant Sources for Water Infiltration Gallery Modifications **(ACTION)** 33
- 6) 2013/0618.06 - Authorize the City Manager to Engage the Auditing Services of R. J. Ricciardi, Inc. to Complete the 2012-2013 FY Audit **(ACTION)** 35
- 7) 2013/0618.07 - Approve Resolution No. 1205-2013 Authorizing the City Manager to Execute the Settlement Agreement and Stipulation for Entry of Order; Administrative Civil Liability Order No. R1-2013-0036 with the North Coast Regional Water Quality Control Board **(ACTION)** 48

#### G. SPECIAL PRESENTATIONS

- 1) 2013/0618.08 - Public Hearing - Draft Supplemental Environmental Impact Report (SEIR) Rio Dell Wastewater Reuse Project - SHN Consulting Engineers, Inc. **(ACTION)** 77
- 2) 2013/0618.09 - Special Presentation by Bartle Wells Re: Wastewater Rate Study Provide Staff Direction on How to Proceed **(ACTION)** 78
- 3) 2013/0618.10 - City Engineer Project Status Report - Merritt Perry

#### H. SPECIAL CALL ITEMS/COMMUNITY AFFAIRS

- 1) "SPECIAL CALL ITEMS" from Consent Calendar

#### I. ORDINANCES/SPECIAL RESOLUTIONS/PUBLIC HEARINGS

- 1) 2013/0618.11- Public Hearing/Second Reading (by title only) and Approval of Ordinance No. 301-2013 Amending the Non-Conforming Regulations, Section 17.30.160 of the Rio Dell Municipal Code **(ACTION)** 104
- 2) 2013/0618.12- Continued Public Hearing/ Approve Resolution No. 1204-2013 Adopting the Circulation Element; or Make Changes and Direct Staff to Bring it Back for Adoption at the July 2, 2013 Regular Meeting **(ACTION)** 114

- 3) 2013/0618.13 - Public Hearing/Introduction and First Reading (by title only) of Ordinance No. 303-2013 Establishing Nuisance Abatement Procedures  
**(ACTION)** 118

J. REPORTS/STAFF COMMUNICATIONS

1. City Manager
2. Chief of Police
3. Finance Director
4. Community Development Director

K. COUNCIL REPORTS/COMMUNICATIONS

L. ANNOUNCEMENT OF ITEMS TO BE DISCUSSED IN CLOSED SESSION AS FOLLOWS: **No Closed Session Items Scheduled**

M. PUBLIC COMMENT REGARDING CLOSED SESSION

N. RECESS INTO CLOSED SESSION

O. RECONVENE INTO OPEN SESSION

P. ORAL ANNOUNCEMENTS

Q. ADJOURNMENT

*The next regular meeting will be on July 2, 2013  
at 6:30 p.m. in City Hall Council Chambers*

**RIO DELL CITY COUNCIL  
SPECIAL MEETING  
JUNE 4, 2013  
MINUTES**

A Special Meeting of the Rio Dell City Council was called to order at 4:00 p.m. by Mayor Thompson.

ROLL CALL: Present: Mayor Thompson, Councilmembers Johnson, Marks, Wilson and Woodall

Others Present: City Manager Stretch, Chief of Police Hill, Community Development Director Caldwell and City Clerk Dunham

Absent: Finance Director Beauchaine, Water/Roadways Superintendent Jensen and Wastewater Superintendent Chicora (excused)

**SPECIAL MEETING MATTERS**

Special Presentation by City Manager with Matson & Vallergera Architects, Inc. Related to City Hall Improvements and Provide Staff Direction on how to Proceed

Mayor Thompson announced that the architect would not be present this evening but would be in attendance at the next regular meeting on June 18, 2013.

City Manager Stretch then provided a staff report and said staff is looking for direction on the level of planning the Council wishes to pursue for City Hall improvements. He said there have been several discussions at the Council level about needed improvements and there seems to be a consensus from the Council on a number of the improvements however those improvements don't address long range plans or allow for expansion to accommodate the current level of staffing.

He presented three possible options for consideration. The first option estimated at \$200,000 included reroofing City Hall, replacing 12 broken/failed windows, and replacing the ADA ramp and entries to City Hall.

The second option estimated at \$600,000 included items listed in Option 1 and expansion of the public waiting area with a new partially covered entry into City Hall, upgrade of the electronic capacity in the building, upgrade of the electrical service, construction of a rear entry with stairs into City Hall from the rear parking lot, an employee lunch/break room at the rear entrance, covered parking for the Police Department, a backup generator, potential solar panel installation, and overall architectural update of the building.

City Manager Stretch commented that he received an estimate of \$138,000 from North Coast Energy Authority (NCEA) for the installation of solar at City Hall and was told that the building

has good potential for the use of solar energy. He said there was an estimated savings of \$210,000 over 25 years.

The third (recommended option) included plans to implement Option 1 during the 2013-2014 fiscal year, and to direct the City Manager and Architect to prepare a site analysis and preliminary plans in 2013-2014 for the relocation of the Police Department to a new building on the existing City Hall site or an alternate site, and to prepare plans for the remodeling of City Hall without the Police Department, into functional space for construction in FY 2015-2016.

Next was discussion of financing options. City Manager Stretch pointed out that the City has a balance of \$1.1 million in Reserves so the \$200,000 for Option 1 could probably be funded from Reserves. Also, there are USDA Community Facilities Loans available with a current interest rate of 3.5%; on a \$500,000 loan, the annual payment would be around \$23,000 which he said is workable.

City Manager Stretch asked the Council for guidance on how to proceed.

Mayor Thompson expressed concern about employees working in the building during construction. He also pointed out that the Professional Building on Wildwood and Berkeley is for sale for \$220,000 which already has three handicap restrooms. He said one suggestion would be to purchase that building and relocate the Police Department or perhaps the Finance Department to that location. Also, the former Wildwood Feed building on Wildwood is unoccupied and may be for sale which would be large enough to accommodate everyone. He said it might be a simpler and more cost effective solution.

Councilmember Wilson asked if he was suggesting the move be temporary or permanent; Mayor Thompson said his idea would be to relocate City Hall to a new location permanently and sell City Hall.

City Manager Stretch said exploration of acquiring any building needs an engineering analysis as with the existing building. He said another option would be to purchase another building to relocate City staff until the remodeling of City Hall is complete, then sell that building.

Mayor Thompson commented that his concern is that the Council could commit to \$400,000-\$600,000 in improvements to the existing building and still not have enough room.

The consensus of the Council was that the reroofing of City Hall be done this summer.

Councilmember Marks said it was her understanding that the quote for the new roof was around \$30,000 and another \$5,000 for the handicap ramp and said if the \$200,000 under Option 1 basically only gets a roof, ramp and new entrance, it doesn't address the problems inside the

building such as ADA bathrooms. She commented that she always thought the Police Department should be located downtown and felt the area around the downtown City parking lot was an excellent spot.

Mayor Thompson said the only practical way to redesign City Hall to provide additional space is to relocate the Police Department. He said he didn't like the handicap walkway on the first architectural drawing and suggested a handicap chair lift at a cost of \$3,000-\$4,000 be considered. He said a decision will need to be made prior to reroofing the building. He said by adjusting walls, the waiting area could be enlarged and stressed the need to have the finance department together.

Councilmember Woodall said basically what is being discussed is Option 3 and that she is in support of this because it allows for the basic improvements now and allows time to explore other options to address the other concerns.

Councilmember Wilson said the City Manager needs direction on how to proceed with regard to the level of planning and said it is certainly worth the cost of an architectural/engineering analysis. He asked if there would be adequate space for city staff with relocation of the Police Department; City Manager said there would be but one issue with the building is that the hallway is too narrow with regard to ADA accessibility and that the architect didn't seem to have a viable solution to the problem.

Councilmember Wilson asked what the threshold is that triggers full ADA compliance; Councilmember Johnson commented that under the old code, if improvements exceeded 50% of the value of the structure, full ADA compliance was required. He said he was not up to date on the current regulations.

Councilmember Johnson commented that in a City where he was formerly employed, all departments including Police, Fire, Administration, Parks and Recreation, and even the EMT's were all located within the same 2-story structure and said having worked under that type of regime he felt it was a tremendous value. He asked how many additional square feet is needed to accommodate the needs of the City for the next 20 years. City Manager Stretch said with the Police Department relocated to a building with approximately 1,800 square feet, the existing building should serve the needs of the City into the next 20-30 years.

Mayor Thompson stated another option would be to add a second story to only a portion of the building to accommodate everyone. City Manager Stretch pointed out that the cost at \$250 per square foot was estimated at \$500,000.

Mayor Thompson said he would like to look into the possibility of purchasing one of the properties he mentioned as a possible alternative.

Mayor Thompson called for public comment on the proposed improvements.

Carol Theuriet asked what the square footage is on the Professional Building downtown; Mayor Thompson responded that the building is 3,300 square feet which equates to \$70.00 per square foot as opposed to \$250.00 for new construction.

Chief of Police Hill commented that the building would require a significant amount of remodeling and in 10 years, the Police Department would be facing the same issues the City is now facing with this building.

Councilmember Wilson referred to Item D. under Option 2 for upgrade of the electrical service in the building for \$6,000; City Manager Stretch said if the Council decides to proceed with major remodeling of the building in 2015-2016 as proposed, the electrical outlets etc. may not be in the right locations so perhaps a better idea would be to only place the wiring for the solar in the attic in the beginning. He pointed out that Option 2 does not address long term planning.

City Manager Stretch thought the best idea would be to work toward keeping everyone on the same property.

Councilmember Marks asked if it would be possible for staff to come back to the Council with the cost of financing the \$200,000 on perhaps a 15 year note under Option 1 rather than using Reserves. City Manager Stretch said it would be very easy to put together and agreed to bring it back before the Council for consideration at the next meeting.

Motion was made by Woodall/Johnson to direct the City Manager to proceed with City Hall improvements under Option 3 as recommended, including the continuation of the engagement with Matson & Vallerga Architects, Inc. for professional services. Motion carried 5-0.

Public Hearing/Review Draft Nuisance Abatement Ordinance and Continue Public Hearing to the June 18, 2013 Regular Meeting

City Manager Stretch stated a study session was held in April on the Draft Nuisance Abatement Ordinance and the area of focus with the Council was on the issue of how the appeal hearings are handled. He said staff was directed to amend the language so the hearing officer was not the City Manager or another employee, and that staff come back to the Council with another option.

Chief of Police Hill stated the City Attorney was consulted and he recommended a three person hearing committee be established consisting of City Council members. He then referred to the revised language under Section 23.04.060(b) where the title was changed from "Hearing Officer" to "City Council Hearing Committee." He said the City Council Hearing Committee will consist of three members of the City Council plus one alternate to accommodate a timely hearing should a conflict occur. He noted the committee will be advised by the City Attorney to ensure proper legal procedures are followed and adhered to. Representatives of the City including the City

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Manager, Chief of Police or other staff members may be present at the hearing to provide testimony.

Councilmember Johnson asked if other communities use this method for hearing appeals; Chief Hill said the County uses this method and pointed out that the City Council has in the past served as the advisory board on committees such as the CDBG Loan Advisory Committee.

Community Development Director Caldwell noted the City Council is also the appeals board for Planning Commission appeals.

Councilmember Woodall asked what the reason is for only having three Councilmembers on the Committee; Chief Hill said it makes it easier to get together within the allowed time frame and that the appeals are not necessarily heard during regular City Council meetings.

Mayor Thompson called for public comment on the proposed ordinance. There being no public comment, the public comment period was closed.

Motion was made by Wilson/Marks to approve the revisions to the draft Nuisance Abatement Ordinance and continue the public hearing to the June 18, 2013 regular meeting. Motion carried 5-0.

**ADJOURNMENT**

There being no further business to discuss, the meeting adjourned at 4:47 p.m. to the June 4, 2013 closed session/regular meeting beginning at 6:00 p.m.

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Jack Thompson, Mayor

Attest:

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Karen Dunham, City Clerk

**RIO DELL CITY COUNCIL  
REGULAR MEETING  
JUNE 4, 2013  
MINUTES**

The closed session/regular meeting of the Rio Dell City Council was called to order at 6:00 p.m. by Mayor Thompson.

**ROLL CALL:** Present: Mayor Thompson, Councilmembers Johnson, Marks, Wilson and Woodall

Others Present: (Closed Session): City Manager Stretch was present during the last portion of Closed Session

(Regular Meeting): City Manager Stretch, Chief of Police Hill, Finance Director Beauchaine, Community Development Director Caldwell, Wastewater Superintendent Chicora and City Clerk Dunham

Absent: Water/Roadways Superintendent Jensen (excused)

**ANNOUNCEMENT OF ITEMS TO BE DISCUSSED IN CLOSED SESSION AS FOLLOWS:**

CLOSED SESSION TO DISCUSS PUBLIC EMPLOYEE PERFORMANCE EVALUATION (Pursuant to Section 54957) Title: City Manager

**PUBLIC COMMENT REGARDING CLOSED SESSION**

There were no members of the public present to comment.

The Council recessed into closed session at 6:00 p.m.

The Council reconvened into open session at 6:30 p.m.

Mayor Thompson announced the City Council in closed session, evaluated the performance of the City Manager and the Council concurred that the City Manager is doing an excellent job for the City of Rio Dell.

**CEREMONIAL MATTERS**

Swearing in of Newly Appointed Planning Commissioner Carol Theuriet

City Clerk Dunham administered the Oath of Office to Carol Theuriet following her appointment to the Planning Commission by the City Council on May 21, 2013.

## PUBLIC PRESENTATIONS

Carol Theuriet addressed the City Council on behalf of Nick Angeloff and said he was unable to attend the meeting as he was coaching the last Little League baseball game for the year at Fireman's Park; he said the baseball field is looking great. He also wanted to inform the Council that Kent Sawatsky, a private funder will be funding the East-West Rail Feasibility Study and that the Humboldt County Board of Supervisors approved the appointment of Richard Marks to the North Coast Railroad Authority Board of Directors.

## CONSENT CALENDAR

Councilmember Wilson asked that Item No. 5 *Approval of Property Tax Administrative Fee Settlement Agreement and Release with the County of Humboldt in the Amount of \$30,554.88* be removed from the consent calendar and placed under *Special Call Items* for separate discussion.

Likewise, Councilmember Johnson asked that Item No. 6 *Approval of Amendment to the GHD Engineering Agreement Designating Merritt Perry of GHD as City Engineer* be removed.

Motion was made by Marks/Wilson to approve the consent calendar including the approval of minutes of the May 21, 2013 regular meeting; approval of Resolution No. 1202-2013 approving and accepting the Correction of the Grant Deed for the Monument Springs (APN 205-051-014) and directing staff to record the Correction Grant Deed and Notice of Acceptance; approving Resolution No. 1203-2013 adopting the Gann Appropriations Limits for the year 2013-2014; and approval of Pay Request No. 15 to Wahlund Construction/Sequoia Construction Specialties in the amount of \$42,826.75 for work related to the Wastewater Treatment Plant Upgrade and Disposal Project. Motion carried 5-0.

## SPECIAL CALL ITEMS

### Approve Property Tax Administrative Fee Settlement Agreement and Release with the County of Humboldt in the Amount of \$30,554.88 and Direct Mayor to Sign the Agreement

Councilmember Wilson asked for clarification that this is money that the County is refunding to the City; City Manager Stretch said that amount reflects a refund to the City ordered by the Court for tax administration fees charged by the County on diverted revenue that should have not been charged according to a recent Supreme Court decision.

Motion was made by Wilson/Johnson to approve the Property Tax Administration Fee Settlement Agreement and Release with the County of Humboldt in the amount of \$30,554.88 and to direct the Mayor to sign the agreement. Motion carried 5-0.

### Approve Amendment of the GHD Engineering Agreement Designating Merritt Perry of GHD as City Engineer

Councilmember Johnson commented that the staff report stated that the amendment to the agreement was attached; however there was no attachment in the packet.

City Manager Stretch explained the attachment should have been included but it did not make it from the City Attorney's office to the City Engineer in time to be included in the Council packet.

Motion was made by Johnson/Wilson to approve the May 22, 2013 amendment to the GHD Engineering Agreement designating Merritt Perry of GHD as City Engineer.

Councilmember Marks asked if this amendment simply extends the existing contract with Merritt Perry or creates a new contract designating him as City Engineer. City Manager Stretch said he was uncertain of previous contracts but staff would like to continue working with Merritt and for the privilege of designating him as City Engineer, the City will be billed \$25.00 per hour less for engineering services.

Motion then carried 5-0.

#### **ORDINANCES/SPECIAL RESOLUTIONS/PUBLIC HEARINGS**

Public Hearing/Introduction and First Reading (by title only) of Ordinance No. 301-2013 Amending the Non-Conforming Regulations, Section 17.30.160 of the Rio Dell Municipal Code  
Councilmember Wilson recused himself from discussion of this item as he is in the process of purchasing property that relates to this matter.

Community Development Director Caldwell provided a staff report and said the proposed amendment to the non-conforming regulations is to allow residential structures in commercial zones the ability to rebuild in the event they are destroyed or damaged by such things as fire, flood or earthquake. He said the current non-conforming regulations only allow the restoration or reconstruction of non-conforming uses so long as the damage does not exceed 60% or more of the current market value of the structure. There is however an exception provision that allows the restoration or reconstruction of owner-occupied single story homes located in the Town Center zone. He estimated there are 25-30 legal non-conforming residential uses throughout the City and this amendment will allow those structures to be restored as with those located within the Town Center zone.

Community Development Director Caldwell then read the proposed amendment under Section 17.30.160(a) of the Rio Dell Municipal Code as follows:

*A non-conforming owner-occupied residence that is destroyed or damaged by any casualty, may be restored within two (2) years after such destruction or damage but shall not be enlarged except as provided in Section 17.30.160(1)(a) of this Code.*

He explained the reason for the 2-year allowance is because it usually takes time to get

the insurance money and to get plans drawn up. He said this provision is consistent with most other jurisdictions.

Community Development Director Caldwell pointed out that although a residential use in a commercial zone may be non-conforming, it does not preclude it from future commercial use.

He said another issue related to non-conforming uses has to do with a property owner's ability to do ordinary repairs and maintenance. The current provisions limit the maintenance and repairs to no more than 25% of the actual value of the structure in any one year. He said the City wants to encourage the maintenance and repair of structures rather than discourage it. He reviewed the new proposed language under Section 17.30.161(5) that reads:

*Ordinary maintenance and repair may be made to a non-conforming structure or a structure in which a non-conforming use is conducted.*

Councilmember Johnson referred to the 2-year provision for reconstruction and asked when the 2-year period begins. Community Development Director Caldwell explained the time begins with the date the casualty occurs and goes to the date the building permit is issued.

Mayor Thompson opened the public hearing to receive public comment on the proposed ordinance amendment.

Debi August, Realtor representing Kent and Suzanne Lende addressed the Council and said she was very much in favor of the amendment to the non-conforming use regulations. She said her clients are in the process of selling their property which is the former Lende Residential Care Home and they need to do some repairs. She said she was present at the last Planning Commission meeting and commented that it was a pleasure to listen to the community development director and planning commissioners and see how they obviously care about citizens.

Mayor Thompson referred to Section 17.30.160(6) where it refers to RDMC 17.30.050 concerning domestic animals appurtenant to residential uses and asked what 17.30.050 pertains to. Community Development Director Caldwell explained that language already exists in the Code and is not being amended at this time.

Motion was made by Woodall/Johnson to introduce Ordinance No. 301-2013 *Amending the Non-Conforming Regulations, Section 17.30.160 of the Rio Dell Municipal Code*. Motion carried 4-0; with Councilmember Wilson abstaining.

Public Hearing/Review Draft Circulation Element and Continue Consideration of the Draft Circulation to the Meeting of June 18, 2013

Community Development Director Caldwell provided a staff report and said the Draft

Circulation Element was presented to the Planning Commission and after some proposed revisions; they are recommending approval by the City Council. He said the intent at this time is to present the draft to Council for review and discussion and bring it back on June 18, 2013 for further discussion and consideration.

Community Development Director Caldwell presented maps of the Circulation Diagram including trails.

Mayor Thompson opened a public hearing to receive public comment on the Draft Circulation Element.

Sharon Wolff asked if she could obtain a copy of the Circulation Diagram; Community Development Director Caldwell said he would provide her a copy.

Mayor Thompson stated that he thought it was an excellent idea to include implementation CE 1-2.c encouraging Caltrans to redesign the Highway 101 southbound off-ramp at Wildwood Avenue to provide for a perpendicular intersection with Wildwood Avenue in order to improve visibility and reduce the number of vehicles that run the stop sign.

Community Development Director Caldwell commented that this was included at the suggestion of the Chief of Police and as recommended by the Traffic Committee. He said he will be drafting a letter to Caltrans asking them to consider the recommendation.

Motion was made by Woodall/Marks to continue consideration of the Draft Circulation Element to the meeting of June 18, 2013. Motion carried 5-0.

## **REPORTS/STAFF COMMUNICATIONS**

City Manager Stretch stated he would like to schedule a Budget Study Session the following week. The Study Session was scheduled for Tuesday, May 11, 2013 at 4:30 p.m.

He then reported that GHD is working on a long term fix for the water infiltration gallery and that they discovered a grant opportunity through California Department of Public Health with an application deadline of July 8, 2013. He said they are working on putting together the application and if necessary will be exploring other grant opportunities for the water infiltration gallery modifications.

He also reported that in regard to the Wastewater Treatment Plant Upgrade and Disposal Project, the City's consultants are pushing Caltrans to issue the permit for tunneling through the river and hopefully it will be secured by the next council meeting. He commented that the project is not on hold and that staff is currently working with the Inspection Engineer working on the WWTP Project to engage his services for the Wildwood Ave. Streetscape Project and the Safe Routes to

School Project. He said he had indicated that he is willing to provide inspection services for those two projects free of charge since he is here for the Wastewater Project anyway. He noted that \$39,000 was budgeted for inspection services on the Wildwood Ave. Streetscape Project and \$13,000 on the Safe Routes to School Project. The extra funds could to be utilized for other project purposes.

Finance Director Beauchaine stated she had nothing to report at this time.

Councilmember Marks asked about the status of the audit; Beauchaine said the audit has been completed and the auditors are scheduled to be here on June 18, 2013.

Chief of Police Hill reported on recent activities in the police department and said Officer Lungi was attending ICI Training and will be back on June 14<sup>th</sup>. He said once he completes the training, his entire department will have completed the training. He said the police department applied for a Homeland Security grant for a radar message trailer and officer protection equipment.

Community Development Director Caldwell reported on recent activities in the community development department and reported he received the first rendering of the proposed Dollar General Store and because of the City's recently adopted Design Review Guidelines, were able to require a better design. He said he will be meeting with Water/Roadways Superintendent Jensen and City Engineer Perry to discuss drainage in regard to the project.

Community Development Director Caldwell also reported that the proposed DANCO Project for construction of 26 cottages as a pocket neighborhood was moving along, he updated the City's Business License Application forms and Encroachment Permit Application to comply with the current code; said he was in contact with Norm Erlich from River's Edge R.V. Park asking that he obtain an Encroachment Permit and sign a Hold Harmless Agreement in regard to signs they have placed on City property.

## **COUNCIL REPORTS/COMMUNICATIONS**

Councilmember Marks asked if DANCO will be required to provide street improvements on Rigby Ave.; Community Development Director Caldwell said they will be doing street improvements and also some storm drain repairs.

Councilmember Johnson commented that he received the mailer the City sent out to residents and wanted to commend City staff for keeping citizens informed on what is going on in the City.

Councilmember Woodall stated she went out with the Community Development Director today and took pictures of properties in need of repair or maintenance and said she was pleasantly surprised to see that overall properties are being maintained much better than in the past. She said she has always been a strong supporter for the adoption of a Rental Inspection Program but

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after taking a closer look she feels that stronger enforcement is all that is needed. She encouraged other councilmembers to go out and take a closer look at properties.

**ADJOURNMENT**

There being no further business to discuss, the meeting adjourned at 7:05 p.m. to the June 11, 2013 Budget Study Session at 4:30 p.m.

\_\_\_\_\_  
Jack Thompson, Mayor

Attest:

\_\_\_\_\_  
Karen Dunham, City Clerk

**RIO DELL CITY COUNCIL  
STUDY SESSION  
JUNE 11, 2013  
MINUTES**

Study Session of the Rio Dell City Council was called to order at 4:30 p.m. by Mayor Thompson.

**ROLL CALL:** Present: Mayor Thompson, Councilmembers Johnson, Marks, Wilson and Woodall

Others Present: City Manager Stretch, Chief of Police Hill, Finance Director Beauchaine, Water/Roadways Superintendent Jensen, Wastewater Superintendent Chicora, Community Development Director Caldwell and City Clerk Dunham

**STUDY SESSION MATTERS**

Preliminary Budget Review – Fiscal Year 2013-2014

City Manager Stretch began by explaining the plan is to go through the entire Draft 2013-2014 Budget this evening, continue the matter to the June 18, 2013 regular meeting for public hearing, and to come back with the final budget and approval at a special meeting during the week of June 21, 2013.

City Manager Stretch commented that since this was his first time preparing the City's budget, he took the information available and went through every line item and expenditures and took a fairly conservative approach. He said Finance Director Beauchaine went through the revenues and also took a conservative approach.

In reviewing the budget process, City Manager Stretch said budget worksheets were submitted by each department which he reviewed and discussed with each department head. He stated there were no areas of disagreement within the departments.

City Manager Stretch noted the draft budget includes a 3% salary adjustment across the board; predicated on the \$60,000 COPS funding.

City Manager Stretch proceeded with review of the budget contents including the Reserve Balance Narrative, the Projected Reserve Balance Summary, Revenue Narrative, Budget Summary by Department, and Capital Expenditures and Special Projects. He added that there are no changes proposed in the position allocation table, currently at 17.75 positions.

He stated the purpose of the Reserve Balance Summary is to project the beginning reserve balance for each fund and then, based on the budget recommendations, prepare an estimate of the ending reserve balance at the end of the fiscal year.

Councilmember Wilson referred to narrative for Fund 43 *Vehicle Abatement* and asked for clarification on the \$1.00 collected through vehicle registration for vehicle abatement. City Manager Stretch explained this was done in the past and that the County does have a Vehicle Abatement Fund with funds generated from vehicle registration and that the City will be approaching them for a share of that revenue.

Councilmember Wilson said he recalled that the State was required to install new software in order to calculate the funds owed to the various cities and then change back to the old software or something to that effect. He said he understood at the time that each City would have to go after those funds.

Councilmember Wilson then referred to Fund 92 *Animal Care Facilities* and asked if the City had plans to construct a temporary shelter to house animals until such time they are transported. Chief Hill explained it is no longer necessary with the recent contract with the City of Fortuna for animal care services.

Councilmember Woodall asked if the *Spay & Neuter Fund 93* is currently being utilized. City Manager Stretch said it has not been used for at least the last couple of years and said one idea would be to establish a spay/neuter program. Councilmember Woodall asked if the \$500 in Fund 92 could be used for that purpose. City Manager Stretch said the two funds cannot be co-mingled.

Mayor Thompson asked if those funds could be used to pay for veterinary care for injured animals that are taken for treatment. Chief Hill said the intent of the fund is strictly for spaying and neutering of animals. City Manager Stretch said staff will be requesting the balance in Fund 92 (\$500) be transferred to General Fund for the purpose of funding animal control services.

Councilmember Woodall asked if funds in the *Parks & Recreation Fund 15* generated from assessments related to Planned Development projects can be used for maintenance of existing parks. Community Development Director Caldwell said under the Quimby Act, the funds can only be used for park land acquisition and development.

Councilmember Woodall questioned the allowable expenditures under *Recycling Fund 74*. City Manager Stretch said the City sponsors recycling events throughout the year and that there are a number of expenditures that would qualify due to their recycled material content.

Councilmember Johnson asked if the City will be applying for the \$5,000 Department of Conservation grant and if staff anticipated receiving it. City Manager Stretch said the application is on his desk and the \$5,000 is included in the \$6,900 projected revenue.

City Manager Stretch continued with review of the Projected Reserve Balance Summary by Fund and stated under the City Council's policy, the minimum reserve balance is established at 15-30%.

He explained that the projected General Fund reserve balance as of July 1, 2013 will be \$1,181,743; revenues for the year projected at \$818,636 and expenditures projected at \$867,089. Therefore, the projected General Fund Reserve Balance at the end of the year is expected to be reduced to \$1,133,290 which is well within the minimum reserve balance requirement.

City Manager Stretch went on to report that staff was having difficulty meeting the minimum reserve balance for the Water Fund due to much needed capital expenditures. He added that the Water Capital Reserve Fund balance of \$340,659 projected for the beginning of the year is totally inadequate to meet the future infrastructure need of the system and there are a number of capital expenditures recommended that will reduce the Reserve balance for this fund to zero. He indicated the minimum reserve balance in the Water Fund is \$80,002. Finance Director Beauchaine pointed out that the \$80,000 is only if an emergency has been declared; otherwise the minimum reserve balance is \$160,004. City Manager Stretch said there is an emergency that exists in the Water Department which he will explain later on in the discussion.

Gary Chapman, present in the audience, commented that he was pleased to see all positive numbers in the budget.

City Manager Stretch continued with review of the Budget Summary by Department and Fund. He said the projected revenues for the year for all funds totals \$7,239,319 and projected expenditures total \$7,442,209, requiring a transfer from various reserve funds of \$202,889 to balance the budget.

Finance Director Beauchaine proceeded with review of the Revenue Budget. She reported projected Operating revenue of \$2,379,793 and Capital of \$4,859,526 for a total Revenue Budget of \$7,239,319. She reported that the most significant change to this year's revenue budget is the elimination of the Cops Hiring Recovery Program (CHRP) Grant which has partially funded one police officer position for the past three years. She said this amounts to a reduction of approximately \$55,000. Other noted changes included a 22% increase in Gas Tax projections, a slight increase in Building Fees, the annual 3% increase in Water and Sewer fees, and a Property Tax Administration Fee Legal Settlement in the amount of \$30,554 as one-time revenue.

Mayor Thompson asked if the Gas Tax increase was the result of increased gas sales within the City. Finance Director commented that the distribution is actually based on various factors. City Manager Stretch said the distribution is based on population, the number of registered vehicles in Rio Dell, and the number of maintained miles of roads in the City.

**JUNE 11, 2013 MINUTES**  
**Page 4**

Finance Director Beauchaine pointed out that the projected Sales Tax Revenue was down from the previous year but with the proposed construction of the Dollar General, it is expected that the revenue will increase significantly. She said in taking the conservative approach, she did not include the projected revenue since the date for construction has not been determined.

Councilmember Johnson noted that there are no projected revenues for Water Connections (4620) or Sewer Connections (4520). City Manager Stretch said he noticed the amounts were left out and said he will include those amounts with the final budget adjustments.

Councilmember Wilson asked where staff is in regard to the proposed sewer connection fee increase. Finance Director Beauchaine said the item will be on the June 18, 2013 agenda for consideration and that she did not include the increase in the sewer revenue projections. She noted that if the increase is approved as proposed, we will see an over realization at the end of the year. She indicated that staff will most likely come back to the Council later in the year for a budget adjustment once the projects are further along.

Councilmember Marks commented on the increased revenue for *Shut-Off Fees (4635)* and asked if there is a problem with customers' ability to pay their utility bills. Finance Director Beauchaine said as the rates increase the late fee revenue also increases.

Councilmember Johnson asked if *Bad Debt (5610)* is related to water and sewer bills. Finance Director Beauchaine said that it is.

Mayor Thompson suggested some thought be given to reducing the amount of bad debt.

Moving on to Departmental Budgets, City Manager Stretch noted the City Council budget was increased by \$2,463; \$1,595 to cover the share of property and liability insurance, and approximately \$1,000 for Council Member attendance at out of the area meetings.

Councilmember Woodall commented that the amount proposed for Council Member travel is not enough to cover attendance of 2 council members at the League of California Cities Annual Conference. She pointed out that four years ago she and Mayor Thompson attended the Annual Conference in Sacramento and the cost was around \$2,000-\$3,000 then.

Mayor Thompson expressed the desire to support council members attending at least the quarterly League of California Cities (LOCC) meetings and suggested a separate line item be included specifically for the LOCC meetings; perhaps \$3,000. City Manager Stretch agreed to calculate the cost of attending LOCC meetings and bring it back to the Council for further consideration.

Next was review of the City Manager budget. City Manager Stretch reported a significant increase from the prior year primarily due to increasing the City Manager's hours from ½ time to ¾ time; and an increase in hiring costs for the recruitment of the new City Manager. He said he is also proposing an increase in *Contract/Profession Services (5115)* for a total compensation study as a follow-up to the 2010 study. He said with the results of the 2010 study, staff was reduced by 27% thus reducing expenditures. Also the pay scale was increased to 85% of the median total compensation of 8 comparable agencies. He said the follow up report will be essential in informing the Council of the progress in total compensation that has been made over the past 2 years and be valuable information in the contract negotiation process with employees.

Mayor Thompson noted that other jurisdictions would not provide the City with their total compensation figures without the City agreeing to provide them with a copy of the final report. He said if those cities have done recent compensation studies, we may be able to get a copy of their report. City Manager Stretch said he will make an inquiry at the next City Manager meeting.

Councilmember Wilson commented that the City Manager has expressed the need for a full-time City Manager and pointed out that the proposed budget reflects a ¾ time position.

Mayor Thompson pointed out that there is nothing budgeted under *Meetings (5129)*. City Manager Stretch directed the Council's attention to *Training/Conferences (5122)* with a proposed budget amount of \$4,000. Finance Director Beauchaine said the 5129 account has not been used in some time and that it was originally set for meeting costs such as snacks and beverages.

City Manager Stretch stated that the amount in 5122 may need to be increased depending on what amount the City Council agrees to budget for City Council travel since the City Manager may want to attend LOCC meetings with Council members.

City Manager Stretch said another line item the Council may want to take a look at is *Automobile Transportation (5123)* for the City Manager. He said currently the City Manager is provided with a monthly automobile allowance without regard to actual miles traveled. Should the City acquire an administration vehicle as proposed, that allowance could be reduced to perhaps zero.

Next was review of the Planning Department budget. City Manager Stretch noted the net cost to the General Fund for Planning activity is \$137, 414; representing a reduction of \$5,236 from the prior year.

Councilmember Wilson asked if the budget includes funding for the Community Development Director to attend conferences and enough to purchase the software for

planning data. City Manager Stretch noted that \$1,500 was budgeted for *Travel/Conferences (5122)* which is a little less than what was requested. Community Development Director Caldwell commented that he had suggested the City purchase CD data software but since he has a good relationship with the County, he utilizes their services when possible.

Next was review of the Building Department budget. City Manager Stretch stated that as a general rule, building permit and plan check fees totally cover the cost of providing the service however, this is not the case with Rio Dell. He noted that 25% of the City Clerk's salary and benefits are included in the Building Department budget. With 80% of all Building and Plan Check revenue being paid to the contract building inspector, there is a shortfall of approximately \$21,000 which the General Fund has to pick up. He added that revenue projections from one year to the next based on building activity is difficult to predict.

City Manager Stretch asked for Council direction with regard to establishing some kind of building administration fee or some other approach to increase revenue for the building department.

Councilmember Johnson asked what fees are being charged by other jurisdictions that the City is not charging. City Manager Stretch commented that the City's overall building fees are lower than other local jurisdictions. He offered to bring back possible options in attempt to close the gap between revenue and expenditures in the building department. Council concurred.

Moving on to the Finance Department budget, City Manager Stretch reported the proposed budget for the Finance Department is down from the prior year by \$31,980 primarily due to the property tax reduction from the County as a result of the recent court order.

Councilmember Johnson asked if the finance department is currently using Accufund and if the budget documents were produced by that software program. Finance Director Beauchaine said the City's accounting program is Accufund however the budget documents were generated using Excel spreadsheets.

Mayor Thompson asked how overtime salaries are determined. Finance Director Beauchaine said finance department staff is sometimes required to work overtime due to the reduction of 1 staff person but the overtime expense will drop when the vacant position is filled.

Councilmember Wilson asked for a breakdown of the \$4,500 budgeted for *Training/Conferences (5122)*. Finance Director Beauchaine explained that cost will cover her attendance at 6 SCORE meetings, the CSFMO conference, and Accufund training on the report writer module.

Mayor Thompson stated he would like to see a listing of all Accufund modules whether they are currently being used or not. Finance Director Beauchaine pointed out that we only pay for the modules that are being used.

In reviewing the Recycling Department budget, City Manager Stretch said the only noted change is in how the salaries are allocated stating that the City Manager picked up many of the duties of the recycling department until such time a portion of the program administration can be handled by contract.

City Manager Stretch then stated that there are no recommended expenditures under General Government as this department is being phased out.

City Manager Stretch reported the proposed Police Department budget reflects a slight increase from the prior year. He noted that vehicle repairs and fuel are expected to decrease with the purchase of 2 new police vehicles.

Councilmember Marks asked what type of police vehicles are being purchased and if they can be leased rather than purchased. Chief Hill commented that the problem with leasing is that government leased vehicles cannot be turned back in at the end of the lease.

Councilmember Johnson asked the Chief if he has a plan for replacement of the remaining fleet. Chief Hill said the plan is to hopefully purchase 2 more vehicles in 2 years. He said as time goes on, a schedule needs to be established. He said it is cost prohibitive to purchase all new vehicles at once.

Mayor Thompson questioned *Vehicle Abatement (5193)*. Chief Hill stated that he just learned that there are some reimbursements available for vehicle abatement and as a result he will be re-visiting the Vehicle Abatement Program. He pointed out that not every vehicle towed falls under the program.

Councilmember Marks asked what the reason is for the reduction of *Police Booking Fees (5305)*. Chief Hill explained that with the reduction in staff there are fewer arrests.

Mayor Thompson called for a brief recess at this time, 6:18 p.m.

The meeting reconvened at 6:25 p.m.

Moving on to Public Works, City Manager Stretch explained the Public Works Summary budget combines all of the costs for the year for all public works activities which includes Water, Sewer and Streets. He said the combined recommended budget totals \$868,563. He noted both Water Operations Fund 60 and Water Capital Fund 61 are extremely underfunded which can only be corrected with a water rate adjustment. In 2010 Winzler & Kelly prepared an Assessment Management Plan and Preliminary Capital Improvement Plan for the Water

Department recommending the rates be adjusted by \$28-\$29 per month in order provide \$400,000 per year for capital improvements but that recommendation was not implemented. He said included in *Maintenance and Repair (5135)* line item is \$10,000 for the cleaning of all water tanks, and \$45,000 for maintenance and repair of the water system. Also under *Equipment (5139)*, \$3,500 is budgeted for the purchase of a used air compressor and jack hammer.

Mayor Thompson suggested the Council come up with a creative way to adjust water rates so that customers aren't hit with a big increase all at once.

Councilmember Marks commented that she already hears complaints from citizens about the 3% annual increase.

Councilmember Johnson said he would like to see the water rate structure tied to major purchases. As an example he noted that if the rates are increased \$5.00 per month, with 1,150 customers, it will take approximately five years to buy a vactor truck. Water/Roadways Superintendent Jensen commented that a new clarifier is the most crucial need in the water department at the moment and fixing the infiltration gallery and expanding the clarifier is key to producing enough water to keep up with the demand. City Manager Stretch reiterated the importance of adjusting the rate structure to start capitalizing the water system.

Councilmember Marks asked if the existing clarifier has any value; Water/Roadways Superintendent said the clarifier is outdated and probably has little or no value.

Councilmember Johnson asked when the Council will be reviewing the rate structure; City Manager indicated it will be coming before the Council sometime after adoption of the budget.

Moving on to the Sewer Department budget, City Manager Stretch said there is not much change from the prior year except the *Natural Gas Account (5151)* was increased to \$7,500 to cover the cost to run the new sludge dryer.

City Manager Stretch reported much like the Sewer Department budget, there are no significant changes proposed in the Streets Operations budget. He said \$15,000 was budgeted for street patching and culvert replacement. Also under the *Engineering (5514)* line item, \$35,000 was budgeted for GHD's monthly attendance at the Transportation Advisory Committee and general engineering services related to the street system. He said the Capital Expenditure budget includes approximately \$85,000 for street resurfacing and \$50,000 for striping. He noted that the street reserves will be reduced by \$90,000 but the remaining balance will still fall within the required threshold.

Councilmember Wilson questioned the attendance of the city engineer at the Transportation Advisory Committee meetings; City Manager Stretch said because of his attendance, the City was successful in securing grant funding for street projects.

City Manager Stretch then provided a review of Capital and Special Projects and said projects and expenditures include \$23,640 for acquisition of 1 administrative vehicle to be utilized by any department with the initial cost of the vehicle to be shared among the various funds; and \$62,000 for a Drainage Study for Ogle/Belleview. He stated the City applied for a \$100,000 CDBG grant for the topographic work and a drainage study. The city engineer is estimating it will take between \$40,000-\$62,000 for additional work in order to get the project "shovel ready" for the 2014-2015 grant application period.

Councilmember Wilson asked how much of the \$23,640 for an administrative vehicle will be offset; City Manager Stretch pointed out that the vehicle allowance provided to the City Manager could be eliminated as well as mileage paid to employees for driving their personal vehicle to conferences and meetings. He noted that there will be a charge per mile for the various departments who use the vehicle to cover maintenance and depreciation.

City Manager Stretch reported there was a list of 12 Capital Expenditures proposed for this budget with the expense to be shared between Water, Sewer and Streets. He said 6 of those expenditures are being recommended which include: Riverside Dr. lateral replacement; an equipment building at the corporation yard; a used roller; a Bobcat with attachments; a standby generator for the infiltration gallery; and a used administration car. He noted that with the recommended expenditures, the Water Reserve balance will be reduced to \$39,687 at the end of the fiscal year.

Councilmember Wilson asked where the standby generator will be housed; Water/Roadways Superintendent Jensen said it will be located in the pump control building and will be able to run (1) 30hp pump and (2) 15hp pumps.

Councilmember Johnson then asked for the background regarding the Riverside Lateral Replacement Project. Water/Roadways Superintendent Jensen explained in 2006 the City replaced the water lines and ran out of funding before all of the laterals could be replaced. The previous quote was \$600 per service and the quote now is \$1,000 per service. He said there are approximately 25 laterals that need to be replaced at a total cost of \$35,000-\$38,000.

City Manager Stretch indicated that this amount is within the Public Works Director's authority to proceed.

Discussion continued regarding lease-purchase options; and the feasibility of running a cable to connect the standby generator to additional pumps.

City Manager Stretch reported the Sewer Fund Capital Expenditures is much like the Water Fund with the exception of a used Public Works van for the camera system so it has a permanent home rather than having to lift it in and out of a truck each time it is used.

Councilmember Johnson commented that a van is the perfect vehicle for the camera system and that it protects it from the elements. He then referred to Capital Projects and Programs and pointed out that the 5-yd. dump truck for Public Works was included in the budget and he understood it would not be budgeted for this year.

City Manager Stretch said he was correct and that line item will be removed as intended.

Lastly, City Manager Stretch reported that although there is not a Contributions budget, there is a request from the Rio Dell/Scotia Chamber of Commerce for \$6,250 for a portion of the cash match required in order to receive a \$24,725 grant from the Headwaters Fund for a local business incubator program. He said he had a conversation with a Chamber representative and he suggested they make a presentation to the City Council at their June 18, 2013 regular meeting. Likewise, when the restrooms were constructed at Fireman's Park, the City agreed to allocate \$50.00 per month contribution to the Fire Department for maintenance of the restrooms with the understanding that it was a one-time contribution. The Council did however; approve the same contribution the following year. He reported that these monies are not included in the draft budget as presented and that no request has been made from the Fire Department at this time. He said that he notified the Fire District of the termination of the agreement and informed them they could state their case to the City Council at the June 18, 2013 meeting.

Councilmember Woodall questioned the prior contribution given to the Chamber. Finance Director Beauchaine explained that it was her understanding that Jim Rich terminated the agreement on behalf of the Chamber, when they were asked to provide financial documentation.

Mayor Thompson mentioned the possibility of the City obtaining reserve osmosis and solar grants for the water department. City Manager Stretch commented that he had spoken to 2 consultants who thought it would be a good idea but it will take some time to work out the details. He said under Prop 39 there is a special category that will provide funding to make schools more energy efficient and with the school being one of the emergency response locations the idea is to attach all emergency response locations to the same grid. He indicated the information is very new and requires much more research.

Mayor Thompson announced there will be a Household Hazardous Waste Collection Day in Fortuna on Saturday, June 29<sup>th</sup> from 9:00 – 2:00.

**ADJOURNMENT**

There being no further business to discuss, the meeting adjourned at 7:34 p.m. to the June 18, 2013 regular meeting.

\_\_\_\_\_  
Jack Thompson, Mayor

ATTEST:

\_\_\_\_\_  
Karen Dunham, City Clerk

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675 Wildwood Avenue  
Rio Dell, Ca 95562  
(707) 764-3532



**CITY OF RIO DELL  
STAFF REPORT  
CITY COUNCIL AGENDA  
June 18, 2013**

TO: Mayor and Members of the City Council  
THROUGH: Jim Stretch, City Manager  
FROM: Stephanie Beauchaine, Finance Director  
DATE: June 14, 2013  
SUBJECT: **Annual Adjustment to Eel River Disposal Rates**

**RECOMMENDATIONS**

Approve the proposed rate adjustment with Eel River Disposal and accept it as an amendment to the Solid Waste Franchise Agreement Effective July 1, 2013.

**BACKGROUND AND DISCUSSION**

The Solid Waste Franchise Agreement with Eel River Disposal (ERD) includes a provision for an annual CPI adjustment to the Collection and Disposal rates. As documented in Exhibit A-1, the new disposal rate per ton totals \$111.74, an Increase of \$3. \$0.18 of the disposal increase per ton is attributable to the 75% CPI adjustment from ERD, the other \$3.75 per ton are pass through costs from Humboldt Waste Management Authority. This per ton increase is then applied to the disposal rates listed in Exhibit A. Each of the Rates listed in Exhibit A represent a percentage of the 1 ton rate calculated in Exhibit A-1.

In addition to disposal rate changes, a CPI adjustment has been applied to the collection rate pursuant to contract. The new disposal rates can be found on Exhibit B, along with last year's rates that were increased by 1.6% to create the new rate structure.

Exhibit C details the combined rate which is simply the disposal rate by size plus the collection rate by size. The two added together total the combined rate. (Exhibit A + Exhibit B= Exhibit C).

In addition to the rate schedules, Exhibit E is attached to demonstrate the breakdown of the per ton rate by size as a percentage of 1 ton.

Staff have run the calculations and verified the accuracy of the proposed rate increase.

**BUDGETARY IMPACT**

Cost adjustments are borne by the service user.

**ATTACHMENTS:**

ERD Letter 5/23/2013  
Exhibit A-I Disposal Rate by Ton  
Exhibit A Disposal Rates  
Exhibit B Collection Rate  
Exhibit C Combined Rate  
Exhibit D CPI Table  
Exhibit E Disposal Rate by Size



May 23, 2013

City of Rio Dell  
Mr. Jim Stretch  
675 Wildwood Ave  
Rio Dell, Ca., 95562

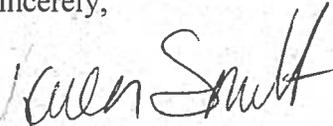
RE: Rate increase to be effective 7-1-13

Dear Jim:

Please find enclosed new rate sheets reflecting our proposed rate change based upon the CPI, this year the change is +1.6 % . There was also an increase in the disposal rate, last year the rate was \$ 107.61 per ton and this year it is \$ 111.73 per ton. The rate change should be effective July 1, 2013.

If you should have any questions I can be reached at 725-5156.

Sincerely,



Karen Smith  
Office Manager

**RIO DELL**

**ERD FEES:**

ERD Labor Cost	\$7.00 75 % of CPI
ERD Operation	\$4.33 75 % of CPI
ERD State Fee	\$0.76 75 % of CPI
ERD Fuel Cost Assistance	-\$10.59 75 % of CPI
ERD Capital Cost	\$5.88 <b>FIXED FEE</b>
ERD Return on Investment	\$6.62 75 % of CPI

14.00 + .18 ton

**HWI FEES:**

Oper	\$28.69
Indir	\$10.53

Pay \$19.22

Cap \$12.77

Trans

Land

Hou \$6.19

Cou \$4.93

Tab \$0.50

Cou \$2.66

Clea \$0.57

Cun \$4.67

Cou \$2.76

Adn \$3.10

Other (includes test fee of 1.15 per ton)

\$1.15  
97.74  
**\$111.74**

**City of Rio Dell**  
**Disposal Rates**  
**EXHIBIT A**

111.73 Per Ton  
 Effective 7-1-13

**Bag Service**                      **1 Bag**  
 Regular                              \$1.88

**Monthly Rate**  
**20-Gallon Can**                      **1 Can**  
 1xWeekly                              \$5.10

**Monthly Rate**  
**32-Gallon Can**                      **1 Can**      **2 Cans**      **3 Cans**      **4 Cans**  
 1xWeekly                              \$8.15      \$16.31      \$24.46      \$32.62  
 2XWeekly                              \$16.31      \$32.62      \$48.93      \$65.23

**Monthly Rate**  
**Bins No Rental**                      **1 Yard**      **1.5 Yard**      **2 Yard**      **3 Yard**      **4 Yard**      **6 Yard**      **8 Yard**  
 1xWeekly                              \$51.47      \$77.21      \$102.95      \$154.42      \$205.90      \$308.85      \$411.79  
 2xWeekly                              \$102.95      \$154.42      \$205.90      \$308.85      \$411.79      \$617.69      \$823.59  
 3XWeekly                              \$154.42      \$231.63      \$308.85      \$463.27      \$617.69      \$926.54      \$1,235.38

# City of Rio Dell

Collection Rate  
EXHIBIT B

Bold numbers  
effective 7-1-13

1.016

<b>Bag Service</b>	<b>1 Bag</b>						
Regular	\$4.35						
	<b>\$4.42</b>						
<b>Monthly Rate</b>							
<b>20-Gallon Can</b>	<b>1 Can</b>						
1xWeekly	\$14.81						
	<b>\$15.05</b>						
<b>Monthly Rate</b>							
<b>32-Gallon Can</b>	<b>1 Can</b>	<b>2 Cans</b>	<b>3 Cans</b>	<b>4 Cans</b>			
1xWeekly	\$16.94	\$23.73	\$32.88	\$38.73			
2XWeekly	\$29.56	\$44.87	\$63.19	\$74.91			
	<b>\$17.21</b>	<b>\$24.11</b>	<b>\$33.41</b>	<b>\$39.35</b>			
	<b>\$30.03</b>	<b>\$45.59</b>	<b>\$64.20</b>	<b>\$76.11</b>			
<b>Monthly Rate</b>							
<b>Bins No Rental</b>	<b>1 Yard</b>	<b>1.5 Yard</b>	<b>2 Yard</b>	<b>3 Yard</b>	<b>4 Yard</b>	<b>6 Yard</b>	<b>8 Yard</b>
1xWeekly	\$28.58	\$42.85	\$57.20	\$85.82	\$114.36	\$171.62	\$229.37
2xWeekly	\$51.00	\$85.17	\$113.68	\$170.43	\$227.57	\$340.95	\$454.64
3XWeekly	\$85.82	\$127.82	\$170.43	\$255.78	\$340.95	\$511.39	\$682.26
	<b>\$29.04</b>	<b>\$43.54</b>	<b>\$58.12</b>	<b>\$87.19</b>	<b>\$116.19</b>	<b>\$174.37</b>	<b>\$233.04</b>
	<b>\$51.82</b>	<b>\$86.53</b>	<b>\$115.50</b>	<b>\$173.16</b>	<b>\$231.21</b>	<b>\$346.41</b>	<b>\$461.91</b>
	<b>\$87.19</b>	<b>\$129.87</b>	<b>\$173.16</b>	<b>\$259.87</b>	<b>\$346.41</b>	<b>\$519.57</b>	<b>\$693.18</b>
<b>Bin Rental</b>	<b>1 Yard</b>	<b>1.5 Yard</b>	<b>2 Yard</b>	<b>3 Yard</b>	<b>4 Yard</b>	<b>6 Yard</b>	<b>8 Yard</b>
	\$19.06	\$21.69	\$24.38	\$29.74	\$34.98	\$46.01	\$53.63
	<b>\$19.36</b>	<b>\$22.04</b>	<b>\$24.77</b>	<b>\$30.22</b>	<b>\$35.54</b>	<b>\$46.75</b>	<b>\$54.49</b>

# City of Rio Dell

Combined Rate  
EXHIBIT C

To be effective 7-1-13

**Bag Service**                      **1 Bag**  
Regular                                \$6.30

**Monthly Rate**  
**20-Gallon Can**                      **1 Can**  
1xWeekly                                \$20.14

**Monthly Rate**  
**32-Gallon Can**                      **1 Can**      **2 Cans**      **3 Cans**      **4 Cans**  
1xWeekly                                \$25.37      \$40.42      \$57.87      \$71.97  
2XWeekly                                \$46.34      \$78.21      \$113.13      \$141.34

**Monthly Rate**  
**Bins No Rental**

	1 Yard	1.5 Yard	2 Yard	3 Yard	4 Yard	6 Yard	8 Yard
1xWeekly	\$80.51	\$120.75	\$161.06	\$241.62	\$322.09	\$483.21	\$644.83
2xWeekly	\$154.76	\$240.96	\$321.40	\$482.00	\$643.00	\$964.10	\$1,285.50
3XWeekly	\$241.62	\$361.50	\$482.00	\$723.14	\$964.10	\$1,446.11	\$1,928.56

**Bin Rental**

	1 Yard	1.5 Yard	2 Yard	3 Yard	4 Yard	6 Yard	8 Yard
	\$19.36	\$22.04	\$24.77	\$30.22	\$35.54	\$46.75	\$54.49

Rio Dell

# Databases, Tables & Calculators by Subject

FONT SIZE:

Change Output Options: From:  To:  **GO**

include graphs

[More Formatting Options](#)

Data extracted on: May 21, 2013 (1:49:42 PM)

## Consumer Price Index - All Urban Consumers

Series Id: CUUR0000SAO  
 Not Seasonally Adjusted  
 Area: U.S. city average  
 Item: All items  
 Base Period: 1982-84=100

Download: .xls

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual	HALF1	HALF2
2003	181.7	183.1	184.2	183.8	183.5	183.7	183.9	184.6	185.2	185.0	184.5	184.3	184.0	183.3	184.6
2004	185.2	186.2	187.4	188.0	189.1	189.7	189.4	189.5	189.9	190.9	191.0	190.3	188.9	187.6	190.2
2005	190.7	191.8	193.3	194.6	194.4	194.5	195.4	196.4	198.8	199.2	197.6	196.8	195.3	193.2	197.4
2006	198.3	198.7	199.8	201.5	202.5	202.9	203.5	203.9	202.9	201.8	201.5	201.8	201.6	200.6	202.6
2007	202.416	203.499	205.352	206.686	207.949	208.352	208.299	207.917	208.490	208.936	210.177	210.036	207.342	205.709	208.976
2008	211.080	211.693	213.528	214.823	216.632	218.815	219.964	219.086	218.783	216.573	212.425	210.228	215.303	214.429	216.177
2009	211.143	212.193	212.709	213.240	213.856	215.693	215.351	215.834	215.969	216.177	216.330	215.949	214.537	213.139	215.935
2010	216.687	216.741	217.631	218.009	218.178	217.965	218.011	218.312	218.439	218.711	218.803	219.179	218.056	217.535	218.576
2011	220.223	221.309	223.467	224.906	225.964	225.722	225.922	226.545	226.889	226.421	226.230	225.672	224.939	223.598	226.280
2012	226.665	227.663	229.392	230.085	229.815	229.478	229.104	230.379	231.407	231.317	230.221	229.601	229.594	228.850	230.338
2013	230.280	232.166	232.773	232.531											

## 12-Month Percent Change

Series Id: CUUR0000SAO  
 Not Seasonally Adjusted  
 Area: U.S. city average  
 Item: All items  
 Base Period: 1982-84=100

Download: .xls

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual	HALF1	HALF2
2003	2.6	3.0	3.0	2.2	2.1	2.1	2.1	2.2	2.3	2.0	1.8	1.9	2.3	2.5	2.0
2004	1.9	1.7	1.7	2.3	3.1	3.3	3.0	2.7	2.5	3.2	3.5	3.3	2.7	2.3	3.0
2005	3.0	3.0	3.1	3.5	2.8	2.5	3.2	3.6	4.7	4.3	3.5	3.4	3.4	3.0	3.8
2006	4.0	3.6	3.4	3.5	4.2	4.3	4.1	3.8	2.1	1.3	2.0	2.5	3.2	3.8	2.6
2007	2.1	2.4	2.8	2.6	2.7	2.7	2.4	2.0	2.8	3.5	4.3	4.1	2.8	2.5	3.1
2008	4.3	4.0	4.0	3.9	4.2	5.0	5.6	5.4	4.9	3.7	1.1	0.1	3.8	4.2	3.4
2009	0.0	0.2	-0.4	-0.7	-1.3	-1.4	-2.1	-1.5	-1.3	-0.2	1.8	2.7	-0.4	-0.6	-0.1
2010	2.6	2.1	2.3	2.2	2.0	1.1	1.2	1.1	1.1	1.2	1.1	1.5	1.6	2.1	1.2
2011	1.6	2.1	2.7	3.2	3.6	3.6	3.6	3.8	3.9	3.5	3.4	3.0	3.2	2.8	3.5
2012	2.9	2.9	2.7	2.3	1.7	1.7	1.4	1.7	2.0	2.2	1.8	1.7	2.1	2.3	1.8
2013	1.6	2.0	1.5	1.1											

**TOOLS**  
 Areas at a Glance  
 Industries at a Glance

**CALCULATORS**  
 Inflation  
 Location Quotient

**HELP**  
 Help & Tutorials  
 FAQs

**INFO**  
 What's New  
 Careers @ BLS

**RESOURCES**  
 Inspector General (OIG)  
 Budget and Performance

**EXHIBIT E**

SIZE	TON	RATE	Rate/cont.	Monthly Rate	Rate w/FF	Monthly Rate w/ff
1#/GAL-202#/YD						
20 Gallon	0.01	111.73	1.12	4.84	1.18	5.10
32 Gallon	0.016	111.73	1.79	7.75	1.88	8.15
40 Gallon	0.02	111.73	2.23	9.68	2.35	10.19
64 Gallon	0.032	111.73	3.58	15.49	3.76	16.31
1 Cu Yd	0.101	111.73	11.28	48.90	11.88	51.47
1.5 Cu Yd	0.1515	111.73	16.93	73.35	17.82	77.21
2 Cu Yd	0.202	111.73	22.57	97.80	23.76	102.95
3 Cu Yd	0.303	111.73	33.85	146.70	35.64	154.42
4 Cu Yd	0.404	111.73	45.14	195.60	47.51	205.90
6 Cu Yd	0.606	111.73	67.71	293.40	71.27	308.85
8 Cu Yd	0.808	111.73	90.28	391.20	95.03	411.79



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*Rio Dell City hall  
675 Wildwood Avenue  
Rio Dell, CA 95562  
(707) 764-3532  
riodellcity.com*

June 18, 2013

TO: Honorable Mayor and City Council  
FROM: Jim Stretch, City Manager  
SUBJECT: Grant Application for Infiltration Gallery Modification

IT IS RECOMMENDED THAT THE CITY COUNCIL:

Authorize the City Manager to work with GHD (Engineering) to identify potential grant sources for the modifications of the fresh water infiltration gallery in the Eel River; to be approved by the City Council.

BACKGROUND AND DISCUSSION

GHD is presently working for the City with the various State and Federal agencies to secure the necessary permits and prepare the required CEQA documents for the emergency maintenance of the infiltration gallery this summer. While engaged in this work, and due to very low flow levels in the river this year, it appears to them that a permanent modification of the infiltration gallery may be required for the long term. In that regard, GHD has identified several potential funding sources for the City to approach, beginning now.

For example, the California Department of Public Health, Safe Drinking Water Revolving Fund is a potential grant source with a pre-application filing deadline of July 8, 2013. They have also identified 5 other possibilities; some grants and others loans that should be researched.

The question that arises is whether the City should be pursuing a long term solution for the gallery at the same time that a short term emergency fix is underway. We believe that the answer should be yes and that we should have GHD aggressively pursuing funding options for the City. We can expect a charge for this work up to \$1,200.



RON CHAPMAN, MD, MPH  
Director & State Health Officer

State of California—Health and Human Services Agency  
California Department of Public Health



EDMUND G. BROWN JR.  
Governor

## Notice of Availability 2013 Open Universal Pre-Application Safe Drinking Water State Revolving Fund

The California Department of Public Health (CDPH) is pleased to announce the availability of the **2013 Universal Pre-Application** for the CDPH Drinking Water Program(s). The Universal Pre-Application is the initial step in requesting funding for projects to correct public water system problems through programs administered by CDPH under the Safe Drinking Water State Revolving Fund (SRF) and other State funding programs.

Each pre-application received during the 2013 submission period will be evaluated and ranked by CDPH staff, and incorporated into the project priority list (PPL) for the SRF funding program. The draft PPL will be posted for public review before it is finalized. CDPH anticipates inviting those applicants, in a fundable category, to submit a full application in the fall of 2013.

To learn more about the CDPH Drinking Water Program and the 2013 Universal Pre-Application, please follow the links below.

<http://www.cdph.ca.gov/programs/Pages/DWP.aspx>

<http://www.cdph.ca.gov/certlic/drinkingwater/Pages/UniversalPreapplication.aspx>

The 2013 Universal Pre-Application will be available on-line on May 3, 2013. The link for the site will be as follows:

<http://drinc.des.ucdavis.edu/unipreapp>

**The deadline for submitting your Pre-Application is July 8, 2013.**

Please contact CDPH at (916) 449-5600 if you need assistance with the 2013 Universal Pre-Application.

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Division of Drinking Water and Environmental Management  
P.O. Box 997377, MS 7418, 1616 Capitol Ave, Sacramento, CA 95899-7377  
(916) 449-5600 (916) 449-5656 Fax  
Internet Address: [www.cdph.ca.gov](http://www.cdph.ca.gov)

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675 Wildwood Avenue  
Rio Dell, CA 95562



TO: Mayor and Members of the City Council  
THROUGH: Jim Stretch, City Manager  
FROM: Stephanie Beauchaine, Finance Director  
DATE: June 14, 2013  
SUBJECT: Engagement of auditing services for Fiscal-Year 2012-2013

**RECOMMENDATION**

Authorize the City Manger to engage the auditing services of R.J. Ricciardi to complete the 2012-2013 Fiscal-Year Audit.

**BUDGETARY IMPACT**

None

**BACKGROUND AND DISCUSSION**

Last year the City issued an RFP for Auditing services and selected R.J. Ricciardi, Inc., to complete the 2011-2012 Audit. The original RFP provided that the City Council could extend the contract for up to two additional years.

At this time staff recommends the extension and engagement to include the 2012-2013 fiscal year audit.

June 12, 2013

Ms. Stephanie Beauchaine  
Finance Director  
City of Rio Dell  
675 Wildwood Avenue  
Rio Dell, CA 95562

Dear Stephanie:

We are pleased to confirm our understanding of the services we are to provide City of Rio Dell for the year ended June 30, 2013. We will audit the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information, which collectively comprise the financial statements, of City of Rio Dell as of and for the year ended June 30, 2013. Accounting standards generally accepted in the United States provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), and the statements of revenues, expenditures and changes in fund balance – budget and actual – for the general and major special revenue funds, to accompany City of Rio Dell's financial statements. As part of our engagement, we will apply certain limited procedures to City Rio Dell's RSI. These limited procedures will consist principally of inquiries of management regarding the methods of measurement and presentation, which management is responsible for affirming to us in its representation letter. Unless we encounter problems with the presentation of the RSI or with procedures relating to it, we will disclaim an opinion on it.

Supplementary information other than RSI, such as the schedule of expenditures of federal awards, also accompanies City of Rio Dell's financial statements. We will subject supplementary information to the auditing procedures applied in our audit of the financial statements and will provide an opinion on it in relation to the financial statements. Other supplemental information will be subject to certain limited procedures but will not be audited.

#### **Audit Objectives**

The objective of our audit is the expression of opinions as to whether your financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles and to report on the fairness of the additional information referred to in the first paragraph when considered in relation to the financial statements taken as a whole. The objective also includes reporting on—

- Internal control related to the financial statements and compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.
- Internal control related to major programs and an opinion (or disclaimer of opinion) on compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a direct and material effect on each major program in accordance with the Single Audit Act Amendments of 1996 and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.

The reports on internal control and compliance will each include a statement that the report is intended for the information and use of the audit committee, management, specific legislative or regulatory bodies, federal awarding agencies, and if applicable, pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Our audit will be conducted in accordance with U.S. generally accepted auditing standards; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the Single Audit Act Amendments of 1996; and the provisions of OMB Circular A-133, and will include tests of accounting records, a determination of major program(s) in accordance with Circular A-133, and other procedures we consider necessary to enable us to express such opinions and to render the required reports.

If our opinions on the financial statements or the Single Audit compliance opinions are other than unqualified, we will fully discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or to issue a report as a result of this engagement.

### **Management Responsibilities**

Management is responsible for establishing and maintaining internal controls, including monitoring ongoing activities; for the selection and application of accounting principles; for the fair presentation in the financial statements of the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of City of Rio Dell and the respective changes in financial position and, where applicable, cash flows in conformity with U.S. generally accepted accounting principles; and for federal award program compliance with applicable laws and regulations and the provisions of contracts and grant agreements. Management is responsible for the financial statements and all accompanying information as well as all representations contained therein.

You are responsible for management decisions and functions. As part of the audit, we will prepare a draft of your financial statements, schedule of expenditures of federal awards, and related notes. In accordance with *Government Auditing Standards*, you will be required to review and approve those financial statements prior to their issuance and have a responsibility to be in a position in fact and appearance to make an informed judgment on those financial statements. Further, you are required to designate a qualified management-level individual to be responsible and accountable for overseeing our services. Management is responsible for making all financial records and related information available to us, including identifying significant vendor relationships in which the vendor has the responsibility for program compliance and for the accuracy and completeness of that information. Management's responsibilities include adjusting the financial statements to correct material misstatements and for confirming to us in the representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud or illegal acts affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud or illegal acts could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the entity complies with applicable laws, regulations, contracts, agreements, and grants. Additionally, as required by OMB Circular A-133, it is management's responsibility to follow up and take corrective action on reported audit findings and to prepare a summary schedule of prior audit findings and a corrective action plan.

Management is responsible for establishment and maintenance of a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying for us previous audits or other engagements or studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits or other engagements or studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, and the timing and format related thereto.

### **Audit Procedures—General**

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested.

We will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because an audit is designed to provide reasonable, but not absolute assurance and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements or noncompliance may exist and not be detected by us. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements or major programs. However, we will inform you of any material errors and any fraudulent financial reporting or misappropriation of assets that come to our attention. We will also inform you of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. We will include such matters in the reports required for a Single Audit. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will also require certain written representations from you about the financial statements and related matters.

### **Audit Procedures—Internal Controls**

Our audit will include obtaining an understanding of the entity and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

As required by OMB Circular A-133, we will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements that could have a direct and material effect on each major federal award program. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to OMB Circular A-133.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under professional standards, *Government Auditing Standards*, and OMB Circular A-133.

### **Audit Procedures—Compliance**

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of City of Rio Dell's compliance with applicable laws and regulations and the provisions of contracts and agreements, including grant agreements. However, the objective of those procedures will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*. OMB Circular A-133 requires that we also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with applicable laws and regulations and the provisions of contracts and grant agreements applicable to major programs.

Our procedures will consist of test of transactions and other applicable procedures described in the *OMB Circular A-133 Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of City of Rio Dell's major programs. The purpose of those procedures will be to express an opinion on City of Rio Dell's compliance with requirements that could have a direct and material effect on each of its major programs in our report on compliance issued pursuant to OMB Circular A-133.

### **Audit Administration, Fees, and Other**

We understand that your employees will prepare all cash, accounts receivable, and other confirmations we request and will locate any documents selected by us for testing. Further, we understand that your employees will prepare all information we request in our Client Participation List in the format requested and send it to us 30 days prior to scheduling the audit field work. If you have insufficient personnel or time to prepare these items we can assist you in this area and we will discuss with you the additional time required and estimated fee for these services.

At the conclusion of the engagement, we will complete the appropriate sections of and sign the Data Collection Form that summarizes our audit findings. We will provide copies of our reports to the government unit; however, it is management's responsibility to submit the reporting package (including financial statements, schedule of expenditures of federal awards, summary schedule of prior audit findings, auditors' reports, and a corrective action plan) along with the Data Collection Form to the designated federal clearinghouse and, if appropriate, to pass-through entities. The Data Collection Form and the reporting package must be submitted within the earlier of 30 days after receipt of the auditors' reports or nine months after the end of the audit period, unless a longer period is agreed to in advance by the cognizant or oversight agency for audits. At the conclusion of the engagement, we will provide information to management as to where the reporting packages should be submitted and the number to submit.

The audit documentation for this engagement is the property of R.J. Ricciardi, Inc. and constitutes confidential information. However, pursuant to authority given by law or regulation, we may be requested to make certain audit documentation available to regulatory agencies or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of R.J. Ricciardi, Inc. personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release or for any additional period requested by the regulatory agency. If we are aware that a federal awarding agency, pass-through entity, or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

Our estimated fees for these services will be at our standard hourly rates plus out-of-pocket costs (such as report reproduction, word processing, postage, travel, copies, telephone, etc.) except that we agree that our estimated fee, including expenses will be \$14,800 for the audit and \$6,000 for the single audit (total - \$20,800) for June 30, 2013. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation.

In accordance with our firm policies, work may be suspended if your account becomes thirty days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs. You may request that we perform additional services not addressed in this engagement letter. If this occurs, we will communicate with you the scope of the additional services and the estimated fees. We also may issue a separate engagement letter covering the additional services. In the absence of any other written communication from us documenting additional services, our services will continue to be governed by the terms of this engagement letter.

Estimated fees for future years are as follows:

2014	\$14,800 for the audit, \$6,000 for single audit
2015	\$14,800 for the audit, \$6,000 for single audit

In addition to the estimated fees noted above, we reserve the right to invoice the City of Rio Dell at our standard hourly rates time incurred providing information to successor auditors in compliance with SAS. No. 84. Our invoices and related fees for this service will be payable upon presentation.

We reserve the right to suspend or terminate our work if you have failed to fulfill your responsibilities set forth in this engagement letter, and such failure materially interferes with our work. If our work is suspended or terminated because of your failure to fulfill your responsibilities set forth in this engagement letter, you agree that we will not be responsible for your failure to meet government and other deadlines, for any penalties or interest that may be assessed against you resulting from your failure to meet such deadlines, and for any damages (including consequential damages) incurred as a result of the suspension or termination of our work.

*Government Auditing Standards* require that we provide you with a copy of our most recent external peer review report and any letter of comment, and any subsequent peer review reports and letters of comment received during the period of the contract. Our 2010 peer review report accompanies this letter.

We appreciate the opportunity to be of service to City of Rio Dell and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,

*R.J. Ricciardi, Inc.*

R.J. Ricciardi, Inc.  
Certified Public Accountants

RESPONSE:

This letter correctly sets forth the understanding of the City of Rio Dell:

Officer signature: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_



System Review Report

September 17, 2010

To the Owners,  
R.J. Ricciardi, Inc., CPAs  
and the Peer Review Committee of the California Society of CPAs

I have reviewed the system of quality control for the auditing practice of R.J. Ricciardi, Inc., CPAs (the firm) in effect for the year ended May 31, 2010. My review was conducted in accordance with Standards for Performing and Reporting on Peer reviews established by the Peer Review Board of the American Institute of Certified Public Accountants. The firm is responsible for designing a system of quality control and complying with it to provide the firm reasonable assurance of performing and reporting with professional standards in all material respects. My responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on my review. The nature, objectives, scope, limitations of, and procedures performed in a System Review are described in the standards at [www.aicpa.org/prsummary](http://www.aicpa.org/prsummary).

As required by the standards, engagements selected for review included an audit of an employee benefit plan and engagements performed under *Government Auditing Standards*.

In my opinion, the system of quality control for the auditing practice of R.J. Ricciardi, Inc., CPAs in effect for the year ended May 31, 2010, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency* or *fail*. R.J. Ricciardi, Inc., CPAs has received a peer review rating of *pass*.

David E. Vaughn, CPA

June 12, 2013

Ms. Stephanie Beauchaine  
Finance Director  
City of Rio Dell  
675 Wildwood Avenue  
Rio Dell, CA 95562

Dear Stephanie:

We are pleased to confirm our understanding of the services we are to provide City of Rio Dell for the year ended June 30, 2013. We will audit the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information, which collectively comprise the financial statements, of City of Rio Dell as of and for the year ended June 30, 2013. Accounting standards generally accepted in the United States provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), and the statements of revenues, expenditures and changes in fund balance – budget and actual – for the general and major special revenue funds, to accompany City of Rio Dell's financial statements. As part of our engagement, we will apply certain limited procedures to City Rio Dell's RSI. These limited procedures will consist principally of inquiries of management regarding the methods of measurement and presentation, which management is responsible for affirming to us in its representation letter. Unless we encounter problems with the presentation of the RSI or with procedures relating to it, we will disclaim an opinion on it.

Supplementary information other than RSI, such as the schedule of expenditures of federal awards, also accompanies City of Rio Dell's financial statements. We will subject supplementary information to the auditing procedures applied in our audit of the financial statements and will provide an opinion on it in relation to the financial statements. Other supplemental information will be subject to certain limited procedures but will not be audited.

#### **Audit Objectives**

The objective of our audit is the expression of opinions as to whether your financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles and to report on the fairness of the additional information referred to in the first paragraph when considered in relation to the financial statements taken as a whole. The objective also includes reporting on—

- Internal control related to the financial statements and compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.
- Internal control related to major programs and an opinion (or disclaimer of opinion) on compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a direct and material effect on each major program in accordance with the Single Audit Act Amendments of 1996 and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.

The reports on internal control and compliance will each include a statement that the report is intended for the information and use of the audit committee, management, specific legislative or regulatory bodies, federal awarding agencies, and if applicable, pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Our audit will be conducted in accordance with U.S. generally accepted auditing standards; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the Single Audit Act Amendments of 1996; and the provisions of OMB Circular A-133, and will include tests of accounting records, a determination of major program(s) in accordance with Circular A-133, and other procedures we consider necessary to enable us to express such opinions and to render the required reports.

If our opinions on the financial statements or the Single Audit compliance opinions are other than unqualified, we will fully discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or to issue a report as a result of this engagement.

### **Management Responsibilities**

Management is responsible for establishing and maintaining internal controls, including monitoring ongoing activities; for the selection and application of accounting principles; for the fair presentation in the financial statements of the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of City of Rio Dell and the respective changes in financial position and, where applicable, cash flows in conformity with U.S. generally accepted accounting principles; and for federal award program compliance with applicable laws and regulations and the provisions of contracts and grant agreements. Management is responsible for the financial statements and all accompanying information as well as all representations contained therein.

You are responsible for management decisions and functions. As part of the audit, we will prepare a draft of your financial statements, schedule of expenditures of federal awards, and related notes. In accordance with *Government Auditing Standards*, you will be required to review and approve those financial statements prior to their issuance and have a responsibility to be in a position in fact and appearance to make an informed judgment on those financial statements. Further, you are required to designate a qualified management-level individual to be responsible and accountable for overseeing our services. Management is responsible for making all financial records and related information available to us, including identifying significant vendor relationships in which the vendor has the responsibility for program compliance and for the accuracy and completeness of that information. Management's responsibilities include adjusting the financial statements to correct material misstatements and for confirming to us in the representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud or illegal acts affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud or illegal acts could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the entity complies with applicable laws, regulations, contracts, agreements, and grants. Additionally, as required by OMB Circular A-133, it is management's responsibility to follow up and take corrective action on reported audit findings and to prepare a summary schedule of prior audit findings and a corrective action plan.

Management is responsible for establishment and maintenance of a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying for us previous audits or other engagements or studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits or other engagements or studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, and the timing and format related thereto.

### **Audit Procedures—General**

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested.

We will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because an audit is designed to provide reasonable, but not absolute assurance and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements or noncompliance may exist and not be detected by us. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements or major programs. However, we will inform you of any material errors and any fraudulent financial reporting or misappropriation of assets that come to our attention. We will also inform you of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. We will include such matters in the reports required for a Single Audit. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will also require certain written representations from you about the financial statements and related matters.

### **Audit Procedures—Internal Controls**

Our audit will include obtaining an understanding of the entity and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

As required by OMB Circular A-133, we will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements that could have a direct and material effect on each major federal award program. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to OMB Circular A-133.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under professional standards, *Government Auditing Standards*, and OMB Circular A-133.

### **Audit Procedures—Compliance**

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of City of Rio Dell's compliance with applicable laws and regulations and the provisions of contracts and agreements, including grant agreements. However, the objective of those procedures will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*. OMB Circular A-133 requires that we also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with applicable laws and regulations and the provisions of contracts and grant agreements applicable to major programs.

Our procedures will consist of test of transactions and other applicable procedures described in the *OMB Circular A-133 Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of City of Rio Dell's major programs. The purpose of those procedures will be to express an opinion on City of Rio Dell's compliance with requirements that could have a direct and material effect on each of its major programs in our report on compliance issued pursuant to OMB Circular A-133.

### **Audit Administration, Fees, and Other**

We understand that your employees will prepare all cash, accounts receivable, and other confirmations we request and will locate any documents selected by us for testing. Further, we understand that your employees will prepare all information we request in our Client Participation List in the format requested and send it to us 30 days prior to scheduling the audit field work. If you have insufficient personnel or time to prepare these items we can assist you in this area and we will discuss with you the additional time required and estimated fee for these services.

At the conclusion of the engagement, we will complete the appropriate sections of and sign the Data Collection Form that summarizes our audit findings. We will provide copies of our reports to the government unit; however, it is management's responsibility to submit the reporting package (including financial statements, schedule of expenditures of federal awards, summary schedule of prior audit findings, auditors' reports, and a corrective action plan) along with the Data Collection Form to the designated federal clearinghouse and, if appropriate, to pass-through entities. The Data Collection Form and the reporting package must be submitted within the earlier of 30 days after receipt of the auditors' reports or nine months after the end of the audit period, unless a longer period is agreed to in advance by the cognizant or oversight agency for audits. At the conclusion of the engagement, we will provide information to management as to where the reporting packages should be submitted and the number to submit.

The audit documentation for this engagement is the property of R.J. Ricciardi, Inc. and constitutes confidential information. However, pursuant to authority given by law or regulation, we may be requested to make certain audit documentation available to regulatory agencies or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of R.J. Ricciardi, Inc. personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release or for any additional period requested by the regulatory agency. If we are aware that a federal awarding agency, pass-through entity, or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

Our estimated fees for these services will be at our standard hourly rates plus out-of-pocket costs (such as report reproduction, word processing, postage, travel, copies, telephone, etc.) except that we agree that our estimated fee, including expenses will be \$14,800 for the audit and \$6,000 for the single audit (total - \$20,800) for June 30, 2013. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation.

In accordance with our firm policies, work may be suspended if your account becomes thirty days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs. You may request that we perform additional services not addressed in this engagement letter. If this occurs, we will communicate with you the scope of the additional services and the estimated fees. We also may issue a separate engagement letter covering the additional services. In the absence of any other written communication from us documenting additional services, our services will continue to be governed by the terms of this engagement letter.

Estimated fees for future years are as follows:

2014	\$14,800 for the audit, \$6,000 for single audit
2015	\$14,800 for the audit, \$6,000 for single audit

In addition to the estimated fees noted above, we reserve the right to invoice the City of Rio Dell at our standard hourly rates time incurred providing information to successor auditors in compliance with SAS. No. 84. Our invoices and related fees for this service will be payable upon presentation.

We reserve the right to suspend or terminate our work if you have failed to fulfill your responsibilities set forth in this engagement letter, and such failure materially interferes with our work. If our work is suspended or terminated because of your failure to fulfill your responsibilities set forth in this engagement letter, you agree that we will not be responsible for your failure to meet government and other deadlines, for any penalties or interest that may be assessed against you resulting from your failure to meet such deadlines, and for any damages (including consequential damages) incurred as a result of the suspension or termination of our work.

*Government Auditing Standards* require that we provide you with a copy of our most recent external peer review report and any letter of comment, and any subsequent peer review reports and letters of comment received during the period of the contract. Our 2010 peer review report accompanies this letter.

We appreciate the opportunity to be of service to City of Rio Dell and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,

*R.J. Ricciardi, Inc.*

R.J. Ricciardi, Inc.  
Certified Public Accountants

RESPONSE:

This letter correctly sets forth the understanding of the City of Rio Dell:

Officer signature: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_



David E. Vaughn CPA

(209) 957-8806. fax (209) 957-9559

4540 Gnekow Drive, Stockton, Ca. 95212-1307

System Review Report

September 17, 2010

To the Owners,  
R.J. Ricciardi, Inc., CPAs  
and the Peer Review Committee of the California Society of CPAs

I have reviewed the system of quality control for the auditing practice of R.J. Ricciardi, Inc., CPAs (the firm) in effect for the year ended May 31, 2010. My review was conducted in accordance with Standards for Performing and Reporting on Peer reviews established by the Peer Review Board of the American Institute of Certified Public Accountants. The firm is responsible for designing a system of quality control and complying with it to provide the firm reasonable assurance of performing and reporting with professional standards in all material respects. My responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on my review. The nature, objectives, scope, limitations of, and procedures performed in a System Review are described in the standards at [www.aicpa.org/prsummary](http://www.aicpa.org/prsummary).

As required by the standards, engagements selected for review included an audit of an employee benefit plan and engagements performed under *Government Auditing Standards*.

In my opinion, the system of quality control for the auditing practice of R.J. Ricciardi, Inc., CPAs in effect for the year ended May 31, 2010, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency* or *fail*. R.J. Ricciardi, Inc., CPAs has received a peer review rating of *pass*.

David E. Vaughn, CPA

675 Wildwood Avenue  
Rio Dell, Ca 95562  
(707) 764-3532



**CITY OF RIO DELL  
STAFF REPORT  
CITY COUNCIL AGENDA  
May 21, 2013**

TO: Mayor and Members of the City Council

THROUGH:  Jim Stretch, City Manager

FROM: Stephanie Beauchaine, Finance Director 

DATE: May 14, 2013

SUBJECT: **Settlement Agreement and Stipulation for Entry of Order; Administrative Civil Liability Order No. R1-2013-0036**

**RECOMMENDATIONS**

Approve Resolution 1205-2013 Authorizing the City Manager to execute the Settlement Agreement and Stipulation for Entry of Order; Administrative Civil Liability Order No. R1-2013-0036 with the North Coast Regional Water Quality Control Board.

**BACKGROUND AND DISCUSSION**

On June 14, 2012 the City was issued an Administrative Civil Liability Complaint (ACL) Compliant No. R1-2012-0077. The complaint alleged that the City exceeded its wastewater effluent limits for BOD, Total Suspended Solids (TSS), Coliform Bacteria, Dichlorobromomethane, Total Recoverable Copper, Total Coliform Organisms, Coliform Bacteria and Late Self Monitoring Reports set forth in the WDR'. The complaint recommended the imposition of administrative civil liability in the amount of \$366,000 in mandatory penalties for violations alleged in the complaint.

It should be noted that the vast majority of the citations were the result of our old technology plant not meeting the ever changing and more strict State standards.

The Finance Director engaged in settlement negotiations with the Board and tentatively agreed to recommend to the Council to settle the matter without litigation, with the understanding that the fees of \$366,000 not be imposed against the City as a cash requirement. It was agreed that the City could apply the \$366,000 amount against its cost for bringing the WWTF facility into compliance; shorthand for replacing it. So, the City is agreeing in the attached settlement agreement to apply those costs toward its \$6,000,000 in out of pocket expenses for the Wastewater Treatment Plant Project currently under construction.

## **BUDGETARY IMPACT**

Execution of the agreement will save the City from paying fines of \$366,000 out of the Wastewater Fund.

## **ATTACHMENTS:**

North Coast Regional Water Quality Control Board Letter 5/31/2013

North Coast Regional Water Quality Control Board Settlement Agreement and Stipulation of Administrative Civil Liability Order R1-2013-0036

**RESOLUTION NO. 1205-2013**

**A RESOLUTION OF THE CITY COUNCIL  
OF THE CITY OF RIO DELL  
AUTHORIZING THE EXECUTION OF THE  
SETTLEMENT AGREEMENT AND STIPULATION FOR  
ENTRY OF ORDER; ADMINISTRATIVE CIVIL  
LIABILITY ORDER NO. R1-2013-0036 WITH THE  
NORTH COAST REGIONAL WATER QUALITY CONTROL  
BOARD**

**WHEREAS**, the City was issued an Administrative Civil Liability Complaint (ACL) No. R1-2013-0036; and

**WHEREAS**, the complaint alleged violations associated with discharges from its Wastewater Treatment Facility Orders No. R1-2006-0021 AND R1-2011-0054 NPDES Permit No. CA0022748 for which minimum penalties must be assessed; and

**WHEREAS**, the complaint proposed the City be assessed administrative civil liability in the amount of \$366,000 in minimum penalties; and

**WHEREAS**, the City has engaged in settlement negotiations with the North Coast Regional Water Quality Control Board (NCRWQCB) and agreed to settle without administrative or civil litigation. Both parties agree to the imposition of Administrative Civil Liability in the amount of 366,000 in minimum penalties; and

**WHEREAS**, both parties further agree that the minimum penalties shall be applied to the completion of a Compliance Project (CP) in accordance with the terms of the Stipulation and Order; and

**WHEREAS**, the authorized CP is the Wastewater Treatment Plant (WWTP) Project with a total cost of \$12.9 million; with \$6.9 million of the cost borne by the City; and

**WHEREAS**, the \$366,000 in penalties assessed by the NCRWQCB will be applied to the City's \$6.9 million share of cost on the WWTP Project; and

**NOW, THEREFORE BE IT RESOLVED**, that the City Council of the City of Rio Dell hereby authorizes the City Manager to execute the NCRWQCB Settlement Agreement Stipulation for Entry of Order; Administrative Civil Liability Order No. R1-2013-0036, applying the total penalty of \$366,000 to the cost of completion for the WWTP Project currently under construction.

**I HEREBY CERTIFY** that the forgoing Resolution was duly introduced, passed, and adopted at a regular meeting of the City Council of the City of Rio Dell, held on this 18<sup>th</sup> day of June, 2013 by the following vote:

AYES:  
NOES:  
ABSENT:  
ABSTAIN:

---

Jack Thompson, Mayor

ATTEST:

---

Karen Dunham, City Clerk

North Coast Regional Water Quality Control Board

May 31, 2013

Jim Stretch, City Manager  
City of Rio Dell  
675 Wildwood Avenue  
Rio Dell, CA 95562

Dear Mr. Stretch:

Subject: Settlement Agreement and Stipulation for Entry of Order; Administrative  
Civil Liability Order No. R1-2013-0036

File: City of Rio Dell, Wastewater Treatment Plant  
WDR No. 1B83134OHUM; NPDES Permit No. CA002748

On June 14, 2012, the Assistant Executive Officer issued Administrative Civil Liability (ACL) Complaint No. R1-2012-0077 (hereinafter "Complaint") to the City of Rio Dell, for violations associated with discharges from its Wastewater Treatment Facility (hereinafter "Discharger"). The Complaint alleged that the Discharger had incurred violations of Waste Discharge Requirements (hereinafter "WDRs") Orders No. R1-2006-0021 and R1-2011-0054 (NPDES Permit No. CA0022748), for which mandatory minimum penalties must be imposed. The Complaint proposed that the Discharger be assessed administrative civil liability in the amount of \$366,000 in mandatory minimum penalties.

Enclosed is a Settlement Agreement and Stipulation for Entry of Order (hereinafter "Stipulated Order"); Administrative Civil Liability Order for your review. If adopted by the Regional Water Board, this Stipulated Order shall represent a final and binding resolution and settlement of the violations of WDRs Orders No. R1-2006-0021 and R1-2011-0054 (NPDES Permit No. CA0022748), subject to mandatory minimum penalties, as alleged in the Complaint.

The Stipulated Order acknowledges that the total amount of \$366,000 in mandatory minimum penalties shall be suspended pending the completion of a Compliance Project as set forth in the attachments to the Stipulated Order.

If you accept the terms of the Stipulated Order, please have a responsible official that may legally bind the City of Rio Dell sign all three of the enclosed copies of the Stipulated Order, and return them to the Regional Board. Once we receive back all three signed copies, we will publicly notice the Stipulated Order for a period of at least 30 days. After the 30 day period, if no comments are received that would require changes to the agreement, a signed copy will be returned to you and the draft will become final Order.

You may contact Nancy Robinson at (707) 576-2657 or by email at [Nancy.Robinson@waterboards.ca.gov](mailto:Nancy.Robinson@waterboards.ca.gov) if you have any questions regarding the Stipulated Order.

Sincerely,



David F. Leland, P.E.  
Assistant Executive Officer (Acting)

130531\_NKR\_ef\_Rio\_Dell\_Stipulated\_Order\_Transmit

Certified - Return Receipt Requested

Enclosure: Settlement Agreement and Stipulation for Entry of Order; Administrative Civil Liability Order No. R1-2013-0036

cc: Stephanie Beauchaine, Finance Director, City of Rio Dell, 675 Wildwood Avenue, Rio Dell, CA 94462

**CALIFORNIA REGIONAL WATER QUALITY CONTROL BOARD  
NORTH COAST REGION**

In the matter of:

City of Rio Dell  
Wastewater Treatment Plant  
Complaint No. R1-2012-0077 for  
Administrative Civil Liability

1B83134OHUM

)  
) **Order R1-2013-0036**  
)  
) **SETTLEMENT AGREEMENT AND**  
) **STIPULATION FOR ENTRY OF**  
) **ADMINISTRATIVE CIVIL LIABILITY ORDER**  
)  
)  
)

**Section I: Introduction**

This Settlement Agreement and Stipulation for Entry of Administrative Civil Liability Order (Stipulation) is entered into by and between the Assistant Executive Officer of the Regional Water Quality Control Board, North Coast Region (Regional Water Board), on behalf of the Regional Water Board Prosecution Team (Prosecution Team) and the City of Rio Dell (the Discharger) (collectively Parties) and is presented to the Regional Water Board for adoption as an Order, by settlement, pursuant to Government Code section 11415.60.

**Section II: Recitals**

1. The Discharger owns and operates the Rio Dell Waste Water Treatment Plant (WWTP) located at 475 Hilltop Drive, Rio Dell, California. The WWTP serves the city of Rio Dell located in Humboldt County in California. The WWTP discharges secondary treated municipal wastewater into the Lower Eel River, a water of the United States.
2. The Regional Board has determined that the Discharger meets the requirements under California Water Code (CWC) section 13385(k) and the State Water Resources Control Board (State Water Board) Water Quality Enforcement Policy (Enforcement Policy) as a publicly owned treatment works (POTW) serving a small community with a financial hardship.
3. On May 17, 2006, the Regional Water Board adopted Order No. R1-2006-0021 to regulate discharges from the Discharger's WWTP to the Lower Eel River. Order No. R1-2006-0021 became effective on June 16, 2006; it was subsequently revised and became effective on April 1, 2007. On September 29, 2011, the Regional Board adopted Order No. R1-2011-0054, which became effective on December 1, 2011. Order R1-2011-0054 rescinded Order No. R1-2006-0021 upon the effective date of the new Order, except for enforcement purposes.
4. On June 14, 2012, the Prosecution Team issued Administrative Civil Liability (ACL) Complaint No. R1-2012-0077 to the Discharger. The Complaint alleges that the Discharger exceeded the effluent limits for Biochemical Oxygen Demand 5-day @ 20°C (BOD), Total Suspended Solids (TSS), BOD and TSS percent removal, Coliform Bacteria, Dichlorobromomethane, Total Recoverable Copper, Total Coliform

Organisms, Coliform Bacteria and Late Self-Monitoring Reports set forth in WDRs Order No. R1-2006-0021 and Order No. 2011-0054 on one hundred twenty-two (122) occasions, all of which are subject to mandatory minimum penalties. The Complaint recommends the imposition of administrative civil liability in the amount of \$366,000 in mandatory minimum penalties for the violations alleged in the Complaint.

5. The Parties have engaged in settlement negotiations and agree to settle the matter without administrative or civil litigation and by presenting this Stipulation to the Regional Water Board for adoption as an Order pursuant to Government Code section 11415.60. To resolve by consent and without further administrative proceedings all alleged violations of CWC section 13385 set forth in the Complaint, the Parties have agreed to the imposition of administrative civil liability in the amount of \$366,000 in mandatory minimum penalties against the Discharger. The \$366,000 in mandatory minimum penalties shall be suspended upon completion of the Compliance Project (CP) set forth in this Stipulation and Order. The Discharger shall expend, at a minimum, \$366,000 to complete the CP in accordance with the terms of this Stipulation and Order.
6. The Prosecution Team believes that the resolution of the alleged violations is fair and reasonable and fulfills its enforcement objectives and meets the requirements under CWC section 13385(k) and the Enforcement Policy, that no further action is warranted concerning the specific violations alleged in the Complaint except as provided in this Stipulation, and that this Stipulation is in the best interest of the public.

### **Section III: Stipulations**

The Parties stipulate to the following:

7. **Jurisdiction:** The Parties agree that the Regional Water Board has subject matter jurisdiction over the matters alleged in this action and personal jurisdiction over the Parties to this Stipulation.
8. **Administrative Civil Liability:** The Discharger shall be subject to administrative civil liability in the amount of \$366,000 in mandatory minimum penalties, the total of which shall be suspended pending completion of a CP (CP Amount), as set forth herein and in Exhibit "A" attached hereto and incorporated by this reference.
9. **Compliance with Applicable Laws:** The Discharger understands that payment of administrative civil liability in accordance with the terms of this Order or compliance with the terms of this Order is not a substitute for compliance with applicable laws, and that continuing violations of the type alleged in the Complaint may subject it to further enforcement, including additional administrative civil liability.
10. **CP Description:** The CP consists of the construction of a new treatment facility. This will include a larger clarifier (which should help to reduce and/or eliminate suspended solids violations), elimination of the existing rotating biological contactor

and replacement with an Aeromod System (which should help to reduce and/or eliminate biochemical oxygen demand violations), and a new chlorination system (which should help to reduce and/or eliminate coliform bacteria violations).

In addition, based on the results of a discharge-specific Water Effect Ratio study, the Regional Water Board has adjusted the copper limits in the Discharger's WDRs to account for site-specific water characteristics on pollutant bioavailability and toxicity to aquatic life. This adjustment will likely have the effect of reducing or altogether eliminating the accrual of further copper violations.

The implementation schedule for completion of the CP is as follows:

MILESTONE	DEADLINES
Bid Preparation and Posting of Bid	*8/16/11
Bid Awarded and Contract Signed	*4/4/12
Construction started	*4/4/12
Submit Progress Letter	7/15/13
Submit Progress Letter	9/15/13
Complete CP	11/30/13
Submit Report of Completion including a detailed list of expenditures	3/31/14

\*Milestone has already been completed.

11. **CP Costs:** The cost is estimated to be approximately \$13,600,000 to construct a new wastewater treatment facility. The amount of the liability to be suspended upon completion of the CP is \$366,000 in mandatory minimum penalties, as expressly authorized by CWC section 13385(k). No additional liability above and beyond the \$366,000 shall be suspended for costs incurred to complete the CP.
12. **Representation of the Discharger:** As a material consideration for the Regional Water Board's acceptance of this Stipulation, the Discharger represents that it will utilize the funds as described in Attachment B to implement the CP in accordance with the implementation schedule set forth above. The Discharger understands that its promise to implement the CP, in its entirety and in accordance with the schedule for implementation, is a material condition of this settlement of liability between the Discharger and the Regional Water Board.
13. **Agreement of Discharger to Implement CP:** The Discharger represents that: 1) it will spend the CP amount as described in this Stipulation; 2) it will provide certified, written reports to the Regional Water Board consistent with the terms of this Stipulation and Order detailing the implementation of the CP; and 3) it will guarantee implementation of the CP by remaining liable for \$366,000 of suspended

administrative liability until the CP is completed and accepted by the Regional Water Board in accordance with the terms of this Stipulation. The Discharger agrees that the Regional Water Board has the right to require an audit of the funds expended by it to implement the CP. The Discharger shall permit inspection of the CP by the Regional Water Board staff at any time without notice.

14. **Certification of Completion of CP:** On or before December 15, 2013, the Discharger shall provide a certified statement of completion of the CP (Certification of Completion). The Certification shall be submitted by a responsible official under penalty of perjury under the laws of the state of California, to Regional Water Board staff. The Certification of Completion shall include the following:
  - a. Certification that the CP has been completed in accordance with the terms of this Stipulation and Order. Such documentation may include photographs, invoices, receipts, certifications, and other materials reasonably necessary for the Regional Water Board to evaluate the completion of the CP and the costs incurred by the Discharger.
  - b. Certification documenting the expenditures by the Discharger during the completion period for the CP. Expenditures may include, but are not limited to, payments to outside vendors or contractors implementing the CP. The Discharger shall provide any additional information requested by the Regional Water Board staff that is reasonably necessary to verify CP expenditures.
  - c. Certification that the Discharger followed all applicable environmental laws and regulations in the implementation of the CP including but not limited to the California Environmental Quality Act (CEQA), the federal Clean Water Act, and the Porter-Cologne Act.
15. **Third Party Financial Audit of CP:** At the written request of Regional Water Board staff, the Discharger, at its sole cost, shall submit a report prepared by an independent third party(ies) acceptable to the Regional Water Board staff providing such party's(ies') professional opinion that the Discharger has expended money in the amounts claimed by the Discharger. The written request shall specify the reasons why the audit is being requested. The audit report shall be provided to Regional Water Board staff within three (3) months of notice from Regional Water Board staff to the Discharger of the need for an independent third party audit. The audit need not address any costs incurred by the Regional Water Board for oversight.
16. **Failure to Expend the Entire Suspended Liability on the Approved CP:** In the event that the Discharger is not able to demonstrate to the reasonable satisfaction of the Regional Water Board staff that the entire suspended liability of \$366,000 has been spent for the completed CP, the Discharger shall pay the difference between the suspended liability of \$366,000 and the amount the Discharger can demonstrate was actually spent on the CP, as administrative civil liability. The Discharger shall be liable to pay the State Water Board Cleanup and Abatement Account the additional administrative civil liability within 30 days of receipt of notice of the Regional Water

Board staff's determination that the Discharger failed to demonstrate that the entire CP Amount was spent to complete the CP.

17. **Extension of the Implementation Schedule Deadlines:** If, given written justification from the Discharger and the Regional Water Board, staff determines that a delay in the CP implementation schedule is beyond the reasonable control of the Discharger, the Executive Officer may revise the implementation schedule as appropriate. Written justification must be received by the Designated Regional Water Board Representative before the specific due date occurs, must describe circumstances causing the delay, and must state when each task of the CP will be completed. If any extension of the implementation schedule is granted, the Regional Water Board staff shall provide the Discharger a new implementation schedule in writing, which shall include the date the CP will be completed (Revised Completion Date).
18. **Failure to Complete CP:** If the Discharger fails to complete the CP by October 30, 2013, as required by this Stipulation and Order, the Regional Water Board staff shall issue a Notice of Violation (NOV). As a consequence, the Discharger shall be liable to pay the State Water Board Cleanup and Abatement Account the Suspended Liability of \$366,000 within 30 days of receipt of the NOV.
19. **Completion of the CP to the Regional Water Board Staff's Satisfaction:** Upon the Discharger's satisfaction of its CP obligations under this Stipulation and completion of the CP and any audit requested by the Regional Water Board, Regional Water Board staff shall send the Discharger a letter recognizing satisfactory completion of its obligations under the CP. Receipt of this letter shall terminate any further CP obligations of the Discharger and result in the dismissal of the Suspended Liability.
20. **Party Contacts for Communications related to Stipulation/Order:**

<p><b>For the Regional Water Board:</b></p> <p>Nancy Robinson Sanitary Engineering Associate North Coast Regional Water Quality Control Board 5550 Skylane Boulevard, Suite A Santa Rosa, CA 95403 <a href="mailto:Nancy.Robinson@waterboards.ca.gov">Nancy.Robinson@waterboards.ca.gov</a> (707) 576-2657</p>	<p><b>For the Discharger:</b></p> <p>Jim Stretch, City Manager City of Rio Dell 675 Wildwood Avenue Rio Dell, CA 95562 <a href="mailto:finance1@riodellcity.com">finance1@riodellcity.com</a> (707) 764-3532</p>
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21. **Attorney's Fees and Costs:** Each Party shall bear all attorneys' fees and costs arising from the Party's own counsel in connection with the matters set forth herein.
22. **Matters Addressed by Stipulation:** Upon the Regional Water Board's adoption of the Order incorporating the terms of this Stipulation, this Stipulation represents a

final and binding resolution and settlement of the violations alleged in the Complaint (Covered Matters). The provisions of this Paragraph are expressly conditioned on the full payment of the administrative civil liability by the deadline specified in Paragraph 8 and the Discharger's full satisfaction of the CP obligations described herein.

23. **Public Notice:** Federal law mandates that any settlement will not become final until after 30-day public notice and comment period expires, (40 CFR 123.27). On July 25, 2012 the Assistant Executive Officer issued the Complaint and provided notice to the public that the violations alleged in the Complaint could be resolved by settlement, including, but not limited to performance of a CP. Thus, the terms of this Stipulation and Order have been properly noticed and the required public comment period expired January 4, 2013 without comment.
24. **Addressing Objections Raised During Public Comment Period:** The Parties agree that the procedure contemplated for adopting the Order by the Regional Water Board and review of this Stipulation by the public is lawful and adequate. In the event procedural objections are raised prior to the Order becoming effective, the Parties agree to meet and confer concerning any such objections, and may agree to revise or adjust the procedure as necessary or advisable under the circumstances.
25. **Interpretation:** This Stipulation and Order shall be construed as if the Parties prepared it jointly. Any uncertainty or ambiguity shall not be interpreted against any one Party.
26. **Modification:** This Stipulation and Order shall not be modified by any of the Parties by oral representation made before or after its execution. All modifications must be in writing, signed by all Parties, and approved by the Regional Water Board or its delegee.
27. **If Order Does Not Take Effect:** In the event that this Order does not take effect because it is not approved by the Regional Water Board or is vacated in whole or in part by the State Water Board or a court, the Parties acknowledge that they expect to proceed to a contested evidentiary hearing before the Regional Water Board to determine whether to assess administrative civil liabilities for the underlying alleged violations, unless the Parties agree otherwise. The Parties agree that all oral and written statements and agreements made during the course of settlement discussions will not be admissible as evidence in the hearing. The Parties agree to waive any and all objections based on settlement communications in this matter, including, but not limited to:
  - a. Objections related to prejudice or bias of any of the Regional Water Board members or their advisors and any other objections that are premised in whole or in part on the fact that the Regional Water Board members or their advisors were exposed to some of the material facts and the Parties' settlement positions as a consequence of reviewing the Stipulation and/or the Order, and therefore may have formed impressions or conclusions prior to any contested evidentiary hearing on the Complaint in this matter; or

- b. Laches or delay or other equitable defenses based on the time period for administrative or judicial review to the extent this period has been extended by these settlement proceedings.
28. **Waiver of Hearing:** The Discharger has been informed of the rights provided by CWC section 13323, subdivision (b), and hereby waives its right to a hearing before the Regional Water Board prior to the adoption of the Order.
29. **Waiver of Right to Petition:** The Discharger hereby waives its right to petition the Regional Water Board's adoption of the Order for review by the State Water Board, and further waives its rights, if any, to appeal the same to a California Superior Court and/or any California appellate level court.
30. **Regional Water Board is Not Liable:** Neither the Regional Water Board members nor the Regional or State Water Board staff, attorneys, or representatives shall be liable for any injury or damage to persons or property resulting from acts or omissions by the Discharger its directors, officers, employees, agents, representatives or contractors in carrying out activities pursuant to this Stipulation and/or Order nor shall the Regional Water Board, its members or staff be held as parties to or guarantors of any contract entered into by the Discharger, its directors, officers, employees, agents, representatives, or contractors in carrying out activities pursuant to this Stipulation and Order.
31. **Covenant Not to Sue:** The Discharger covenants not to sue or pursue any administrative or civil claim(s) against any State Agency or the State of California, their officers, Board Members, employees, representatives, agents, or attorneys arising out of or relating to any Covered Matter.
32. **Necessity for Written Approvals:** All approvals and decisions of the Regional Water Board under the terms of this Order shall be communicated to the Discharger in writing. No oral advice, guidance, suggestions, or comments by employees or officials of the Regional Water Board regarding submissions or notices shall be construed to relieve the Discharger of its obligation to obtain any final written approval required by this Order.
33. **Authority to Bind:** Each person executing this Stipulation in a representative capacity represents and warrants that he or she is authorized to execute this Stipulation on behalf of and to bind the entity on whose behalf he or she executes the Stipulation.
34. **Counterpart Signatures:** This Stipulation may be executed and delivered in any number of counterparts, each of which when executed and delivered shall be deemed to be an original, but such counterparts shall together constitute one document. Further, this Stipulation may be executed by facsimile or electronic signature, and any such facsimile or electronic signature by any Party hereto shall be deemed to be an

original signature and shall be binding on such Party to the same extent as if such facsimile or electronic signature were an original signature.

**Effective Date:** This Stipulation is effective and binding on the Parties upon the entry of this Order by the Regional Water Board, which incorporates the terms of this Stipulation. **IT IS SO STIPULATED.**

**California Regional Water Quality Control Board,  
North Coast Region Prosecution Team**

**Date:** 5-31-13

**By:**   
**David F. Leland, P.E.**  
**Assistant Executive Officer (Acting)**

**City of Rio Dell**

**Date:** \_\_\_\_\_

**By:** \_\_\_\_\_  
**Jim Stretch**  
**City Manager**

**Order of the Regional Water Board:**

**IT IS HEREBY ORDERED:**

35. This Order incorporates the foregoing Stipulation, set forth in Paragraphs 1 through 34 above, by this reference, as if set forth fully herein.
36. The Parties believe that settlement of this matter is in the best interest of the People of the State. Therefore, to settle the Complaint, the Discharger hereby agrees to comply with the terms and conditions of this Order.
37. The Regional Water Board finds that the Recitals set forth herein in Section II of the Stipulation are true.
38. Pursuant to CWC Section 13385(k), the Regional Water Board may, in lieu of assessing all or a portion of mandatory minimum penalties pursuant to CWC Section 13385(h) and (i), require a publicly owned treatment works serving a small community to spend all or a portion of mandatory minimum penalties towards the completion of a CP proposed by the publicly owned treatment works. The CP must conform to the requirements specified in the State Water Board Water Quality Enforcement Policy (Enforcement Policy).
39. On November 17, 2009, the State Water Board adopted Resolution No. 2009-0083 amending the Water Quality Enforcement Policy (Enforcement Policy). The

39. On November 17, 2009, the State Water Board adopted Resolution No. 2009-0083 amending the Water Quality Enforcement Policy (Enforcement Policy). The Enforcement Policy was approved by the Office of Administrative Law and became effective on May 20, 2010. The policy can be found at:  
[http://www.waterboards.ca.gov/water\\_issues/programs/enforcement/docs/enf\\_policy\\_final111709.pdf](http://www.waterboards.ca.gov/water_issues/programs/enforcement/docs/enf_policy_final111709.pdf)

Section VIII of the Enforcement Policy states that CPs shall only be considered where they are expressly authorized by statute, i.e., CWC Section 13385(k), and may not be considered in connection with discretionary administrative civil liability.

40. This is an action to enforce the laws and regulations administered by the Regional Water Board. The Regional Water Board finds that issuance of this Order is exempt from the provisions of the California Environmental Quality Act (Public Resources Code, sections 21000 et seq.), in accordance with section 15321(a)(2), Title 14, of the California Code of Regulations.
41. The Executive Officer is authorized to refer this matter directly to the Attorney General for enforcement if the Dischargers fail to perform any of its obligations under the Order.

Pursuant to CWC section 13323 and Government Code section 11415.60, **IT IS HEREBY ORDERED** on behalf of the California Regional Water Quality Control Board, North Coast Region.

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Matthias St. John  
Executive Officer

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Date

Enc: Attachment A

Attachment B

Attachment C

130531\_NKR\_ef\_Rio\_Dell\_Stipulated\_ACLO

# Attachment A

City of Rio Dell  
Administrative Civil Liability Complaint  
Compliance Project Proposal

1. The City is requesting to apply \$366,000 in fines towards the Wastewater Facility and Effluent Disposal Project estimated to cost \$13.6 million. The project is funded by a \$6.0m grant and \$6.9m loan repaid through rates.
2. The requested \$366,000 in fines applied is less than the City's estimated project cost of \$6.9 million.
3. Project construction began in April of 2012.
  - a. To date approximately \$7.5 m in costs remain un-incurred; \$4.2m of those costs will be paid by the City. The remaining \$3.3m will be paid through the CWSRF Principal Forgiveness Program.
  - b. Three of the outstanding violations will be corrected with the construction of the new plant including:
    - i. Suspended Solids
    - ii. Biochemical Oxygen Demand
    - iii. Coliform Bacteria; and
    - iv. Recoverable Copper was corrected with the WER Study prior to the construction of the new plant
  - c. All of the violations were incurred prior to the April 2012 construction start date.
  - d. The construction completion date is scheduled as October 2012.
  - e. The estimated completion date is within 5 years of the assessment of the MMP.
4. The City of Rio Dell Wastewater Facility and Effluent Disposal Project description includes two main treatment processes:
  - a. The biological treatment process
    - i. The function of the biological treatment plant is to provide biological removal of BOD and nitrogen to meet the design effluent goal of total nitrate less than 10 mg/L based on a design flow of 0.5 mgd and maximum month loading condition.
    - ii. The biological treatment process consists of two parallel trains. Each train includes an activated sludge basin with an air system, a secondary clarifier and an aerobic digester. A selector tank at the front is common to the parallel trains. The activated sludge system/air system was designed to handle the organic loadings of 960 lbs/day with the mixed liquor suspended solids concentration maintained at 3,000 mg/L. Each of the basins is able to independently perform nitrification and de-nitrification. The packaged plant was designed and constructed in modular arrangement so that future expansion can be done by adding additional independent treatment trains.
    - iii. The principal items of the Biological Treatment Plant include:
      1. Aeration system (diffusers)
      2. Air distribution system.
      3. Anoxic selector
      4. Mixed liquor recycle system

5. Clarifier equipment
  6. Scum control system
  7. Clarifier sludge collector mechanism
  8. Return sludge and waste activated sludge system
  9. Nitrifying recycling system
  10. Sludge holding tank supernatant return
  11. Access bridges and stairways
  12. Walkways
  13. Air supply system (blowers)
  14. Internal piping and valves
  15. Plant local control panel(s)
  16. Electrical wiring on the package plant
- iv. The secondary clarifiers were designed based on a maximum surface loading rate of 600 gpd/sf at the peak flow of 1.1 mgd with one clarifier out of service. The clarifier consists of an influent assembly, sludge collector mechanism, effluent launderer, and scum removal system. The clarifier influent piping is designed to prevent liquid backup in the aeration tanks during peak flows and to prevent settling out of solids that may clog the pipe. The sludge collector mechanism consists of all mechanical equipment required for operation.
  - v. The aerobic digester was designed to provide a minimum of 30 days of aerobic digestion. The digester is equipped with aeration system which provides minimum 25 mg/L/hr air to the wasted activated sludge.
  - vi. The design criteria, and features of the biological treatment system are summarized in the following table:

BIOLOGICAL TREATMENT SYSTEM	
Design MLSS	3,000 mg/L, approximate
Design SRT	15 day, minimum
MLE recycle rate	1.0 mgd, minimum or, 200% @ sustained peak flow
RAS rate	100%, minimum firm capacity
Secondary clarifier side water depth	16 ft, minimum
Secondary clarifier surface loading rate	600 gpd/sf (design)
WAS Aerobic Digester	30 ays, minimum

- b. The sludge drying process
  - i. The bio-solids from the activated sludge biological treatment process is treated with minimum 30-day aerobic digestion followed by sludge dewatering and further by sludge drying; after the treatment, the bio-solids meet Class A requirements.
  - ii. The 30-day aerobic digester is adjacent to the Biological Treatment Facility. The sludge dewatering is accomplished by the belt filter press which was installed in 2010 and currently in operation. The belt filter press is located in the Sludge Dewatering and Storage Building. The bio-

solids after digestion and dewatering typically contains approximately 12 to 22 percent solids.

- iii. A sludge drying system is provided following the sludge dewatering process. An automated, indirectly heated, continuous flow sludge drying technology will be used to minimize energy consumption. The bio-solids after the drying will contain approximately 75 to 92 percent solids and meet Class A bio-solids standards. The dried bio-solids will continue to be land applied in accordance with the City's NPDES Permit. The property where the bio-solids will be applied has been approved by the North Coast Regional Water Quality Control Board (RWQCB).
- iv. Sludge volume estimation is summarized in the following table

SLUDGE DRYING SYSTEM			
RIO DELL WWTP SLUDGE (2032)	WASTE ACTIVATED SLUDGE (WAS)	DEWATERED SLUDGE (after Belt Filter Press)	DRIED SLUDGE (after Sludge Dryer)
Percent solids (average)	2%	15%	90%
Mass produced per day	570 lb/day	570 lb/day	570 lb/day
Mass produced per year	85 dry ton/year	85 dry ton/year	85 dry ton/year
Volume per year	6,170 cy/year	780 cy/year	95 cy/year

- 5. The proposed project includes a new treatment facility which will address all of the City's non-compliance issues. Included are a larger clarifier which will reduce suspended solids, and the elimination of the City's existing RBC's and replacement with the Aeromod System which will reduce the strength of our wastewater, and eliminate biochemical oxygen demand violations. The new chlorination system will better treat the wastewater and eliminate coliform bacteria violations, and the City's total recoverable copper has already been addressed by the City's WER study which adjusted our copper limits. The project began in April of 2012, and construction is scheduled for completion in April 30, 2014 well before the required 5 year compliance period.
- 6. The proposed compliance project is independent of the ACL as required, and is necessary for the continued operation of the treatment plant.
- 7. The City's project has clearly identified goals, costs, and milestones. Please see Attachments A. Construction Calendar and B. Project Financing Agreement for details.
  - a. A summary of the Project Milestones are as follows:
    - i. Site work- September 2013
    - ii. Yard Piping- February 2013
    - iii. Headworks- Completed
    - iv. Biological Treatment Facility- February 2013
    - v. Blower Building- February 2013
    - vi. Operations Building- August 2013
    - vii. Effluent Pump Station- Completed
    - viii. Sludge Dryer- February 2013

- ix. Pipeline- September 2013
- b. A summary of the Project Financing is as follows:
  - i. Approved for \$12,980,859
  - ii. The Project period is specified as March 30, 2012 – April 30, 2014
  - iii. \$6m will be forgiven as a part of the Principal Forgiveness Program.
  - iv. Payments on the Outstanding \$6.9m begin 10/31/2014 in the amount of \$325,879.74 and commence on 10/31/2043
- 8. The City's total project length is 18 months, with 13 months remaining. As such, it is the City's intent to comply with any quarterly reporting requirements requested by the NCRWQCB.
- 9. Upon completion the City will submit a final report declaring completion and detailing fund expenditures and goals achieved.
- 10. The City acknowledges that upon satisfactory completion of the CP the suspended penalty is dismissed.
- 11. The City also acknowledges that if the CP is not satisfactorily completed all suspended penalties become due and payable.
- 12. The City acknowledges that any potentially suspended penalties do not relieve the City of our independent obligation to take necessary actions to achieve compliance.

# Attachment B

## STATE WATER RESOURCES CONTROL BOARD RESOLUTION NO. 2012-0002

### ADOPTION OF A CLEAN WATER STATE REVOLVING FUND PROGRAM PRELIMINARY FUNDING COMMITMENT FOR THE CITY OF RIO DELL'S WASTEWATER TREATMENT PLANT UPGRADE AND DISPOSAL PROJECT

#### WHEREAS:

1. The State Water Resources Control Board (State Water Board), on March 17, 2009, amended the *Policy for Implementing the CWSRF for Construction of Wastewater Treatment Facilities*;
2. The State Water Board's CWSRF Program Project Priority List (PPL), amended on April 12, 2011, included the City's CWSRF Project No. C-06-7401-110;
3. The Division of Financial Assistance (Division) issued a Facility Plan Approval (FPA) for the City's Project and the City agreed with the content and conditions of the FPA;
4. Per the CWSRF Intended Use Plan, adopted by the State Water Board on May 17, 2011, \$97,770,482 in principal forgiveness is available;
5. As a small (less than 20,000 persons), severely disadvantaged community (median household income [MHI] less than 60 percent of the statewide MHI) with wastewater user rates more than 1.5 percent of the community's MHI, the City may receive 50 percent principal forgiveness for eligible Project costs up to \$6 million in principal forgiveness;
6. The City prepared an Environmental Impact Report (EIR; State Clearinghouse No. 2007062006) for a larger project (the Project is a revised subset of the larger project);
7. The City certified the EIR, adopted a Mitigation Monitoring and Reporting Program (MMRP), and approved the larger project (the Project is a revised subset of the larger project) on May 20, 2008, and filed a Notice of Determination (NOD) with the Humboldt County Clerk on May 21, 2008 and the Governor's Office of Planning and Research (OPR) on May 27, 2008, for the EIR;
8. The City prepared an addendum to the EIR (Addendum No. 1) to analyze an interim project, including addressing improvements to the headworks, temporarily installing a chlorine generator (disinfection system) and sludge press;
9. The City certified the Addendum No. 1 and approved the interim project on June 2, 2009, and filed an NOD with the Humboldt County Clerk on June 4, 2009 and OPR on June 8, 2009, for the Addendum No. 1;
10. The City prepared a second addendum to the EIR (Addendum No. 2) to address the Project, revisions to Alternative 1 in the EIR and applicable mitigation measures, the addition of two potential transmission pipeline route options (Routes 1 and 2), and a change from Type I irrigation to Type II flood irrigation (this eliminated the need for a storage pond);

11. The City certified the Addendum No. 2, adopted a revised MMRP, and approved the Project on October 5, 2010, and filed an NOD with the Humboldt County Clerk on October 7, 2010, and OPR on November 3, 2010, for the Addendum No. 2;
12. The City incorporated mitigation measures or alternative design into the Project that will avoid or substantially reduce potentially significant adverse environmental impacts;
13. The EIR and the supporting documents provided an adequate disclosure of the environmental relationships of all water quality aspects of the Project. The Project will not result in any significant adverse water quality impacts. A special condition will be included in the City's CWSRF financing agreement to ensure compliance with the Migratory Bird Treaty Act (MBTA);
14. Several bird species listed under the federal Migratory Bird Treaty Act (MBTA) have the potential to occur in the riparian woodland forest (adjacent to the irrigation site). There will be no impacts to the riparian woodland habitat as the Project will occur away from the riparian habitat, but the City will implement mitigation measures to ensure less than significant impacts will occur to migratory bird species; and
15. The City is currently defending two lawsuits related to the construction bidding process.

THEREFORE BE IT RESOLVED THAT:

The State Water Board:

1. Approves a CWSRF PFC of \$13,424,895 for the City's Project with an extended term of 30 years and \$6 million in Principal Forgiveness. The first repayment shall be due one year after completion of construction.
2. Directs Division staff to allocate \$13,424,895 consistent with the construction schedule and availability of funds.
3. Conditions this approval by withdrawing the CWSRF PFC if the City does not sign the CWSRF financing agreement by June 29, 2012. In accordance with Section IX.K.3 of the Policy, the Deputy Director of the Division (or designee) may approve up to a 120-day extension for good cause.
4. Conditions this approval to require the City to implement mitigation measures 6-5' as identified in the EIR, the Addendum No. 2 and the MMRPs to reduce potential impacts to migratory bird species in accordance with the MBTA.
5. Conditions this approval, to require the following:
  - a. The City shall covenant to establish rates and charges in amounts sufficient to generate net revenues equal to at least 1.10 times total annual debt service;
  - b. The City shall establish a Reserve Fund equal to one year's debt service from available cash prior to the construction completion date;
  - c. The City must implement all approved rate increases;
  - d. The City may not incur future senior debt. Future debt may be on parity with CWSRF debt if Policy conditions are met (CWSRF Policy Section X.G1); and

- 7
- e. The financing agreement shall be limited to a maximum of \$13,424,895, with an interest rate of one-half the most recent general obligation bond rate as of today's date and a 30-year repayment term, and with the expectation that \$6 million in principal will be forgiven upon satisfaction of the terms and conditions of the financing agreement. If information relating to the credit review changes a supplemental credit review may be required.
6. Conditions this approval to require the City to provide immediate notification to the State Water Board Project Manager if the ongoing litigation will jeopardize the City's ability to repay the CWSRF financing, and provide the State Water Board Project Manager with a copy of any new settlement agreements or revised court rulings within 15 days of such event.
  7. Directs Division staff to incorporate bid costs into the financing agreement and disburse funds for construction only after the City provides the following:
    - a. A legal opinion certifying that the City has sufficient property rights in the land used for all portions of the Project to enable it to access, construct, operate, maintain, repair, monitor, and allow for outside inspections of the Project throughout the useful life of the Project and/or the CWSRF financing term, whichever period is longer; and
    - b. A legal opinion certifying that (1) all pending bid and/or contract disputes have been resolved; and (2) there is no pending or anticipated litigation or dispute that will detrimentally affect (a) the City's payment source, (b) the ability of the City to agree to pay the CWSRF financing, or (c) the ability of the City to manage and implement the Project.
  8. Conditions this approval to require the City to sign an amended financing agreement that incorporates bid costs on or before January 10, 2013. Division staff may approve up to a 120-day extension for good cause.

#### CERTIFICATION

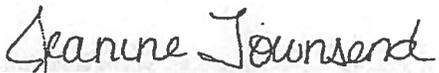
The undersigned Clerk to the Board does hereby certify that the foregoing is a full, true, and correct copy of a resolution duly and regularly adopted at a meeting of the State Water Resources Control Board held on January 10, 2012.

AYE: Chairman Charles R. Hoppin  
 Vice Chair Frances Spivy-Weber  
 Board Member Tam M. Doduc

NAY: None

ABSENT: None

ABSTAIN: None

  
 \_\_\_\_\_  
 Jeanine Townsend  
 Clerk to the Board

Attachment C

Activity ID	Description	% Dur	Start	Early Start	Early Finish	ASR	AW	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	
<b>MISSION ACTIVITIES</b>																											
000000	Notice to Proceed	100	1 30MAR12	1 30MAR12	1 30MAR12																						
000010	Mobilization	0	6 30MAR12	05APR12	1 30MAR12																						
000060	Generator Air Quality Construction Permit	0	10 31MAY12	13JUN12	13JUN12																						
000070	Generator Air Quality Operation Permit	0	15 14JUN12	05JUL12	05JUL12																						
900000	Demonstration Period	0	60 30JAN13	23APR13	23APR13																						
900010	Sustantial Completion	0	1 24APR13	24APR13	24APR13																						
900020	Punchlist	0	7 02SEP13	10SEP13	10SEP13																						
900030	Demobilize	0	7 11SEP13	19SEP13	19SEP13																						
900030	Final Completion	0	1 20SEP13	20SEP13	20SEP13																						
<b>PROCUREMENT</b>																											
PR0010	Submitt Aggregate	0	5 30MAR12	02APR12	02APR12																						
PR0015	Approve Aggregate	0	5 04APR12	10APR12	10APR12																						
PR0020	Submitt Horizontal Directional Drilling	0	20 30MAR12	28APR12	28APR12																						
PR0025	Approve Horizontal Direction Drilling	0	30 27APR12	07JUN12	07JUN12																						
PR0030	Submitt Hot Mix Asphalt	0	30 30MAR12	03AUG12	03AUG12																						
PR0035	Approve Hot Mix Asphalt	0	30 08AUG12	14SEP12	14SEP12																						
PR0040	Submitt Precast Concrete Manhole Structures	0	30 30MAR12	10MAY12	10MAY12																						
PR0045	Approve Precast Concrete Manhole Structures	0	30 11MAY12	07JUL12	07JUL12																						
PR0050	Deliver Precast Concrete Manhole Structures	0	15 22JUN12	21JUN12	21JUN12																						
PR0070	Submitt Hydroseeding	0	60 30MAR12	03AUG12	03AUG12																						
PR0080	Approve Hydroseeding	0	30 22JUN12	18APR12	18APR12																						
PR0090	Submitt Concrete Mix Design	0	21 30MAR12	23APR12	23APR12																						
PR0120	Approve Concrete Mix Design	0	2 20APR12	23APR12	23APR12																						
PR0130	Submitt Biological Treatment Facility Wall Rebar	0	16 30MAR12	20APR12	20APR12																						
PR0135	Approve Bio Treatment Tank Slab Rebar	0	21 30MAR12	27APR12	27APR12																						
PR0140	Deliver Bio Treatment Tank Slab Rebar	0	2 21APR12	22APR12	22APR12																						
PR0145	Approve Bio Treatment Tank Slab Rebar	0	10 30APR12	11MAY12	11MAY12																						
PR0150	Deliver Bio Treatment Tank Wall Rebar	0	5 14MAY12	16MAY12	16MAY12																						
PR0155	Deliver Bio Treatment Tank Wall Rebar	0	1 27APR12	27APR12	27APR12																						
PR0156	Fabricate Bio Treatment Tank Wall Rebar	0	4 23APR12	28APR12	28APR12																						
PR0157	Approve Misc Slab Rebar	0	30 30MAR12	10MAY12	10MAY12																						
PR0159	Approve Misc Slab Rebar	0	10 22JUN12	06JUL12	06JUL12																						
PR0159	Deliver Misc Slab Rebar	0	1 09JUL12	05JUL12	05JUL12																						
PR0160	Submitt Masonry	0	60 30MAR12	21JUN12	21JUN12																						
PR0170	Approve Masonry	0	30 22JUN12	22JUL12	22JUL12																						
PR0180	Deliver Masonry	0	1 21JUL12	23JUL12	23JUL12																						
PR0200	Submitt Structural Steel	0	60 30MAR12	21JUN12	21JUN12																						
PR0220	Approve Structural Steel	0	30 22JUN12	03AUG12	03AUG12																						
PR0290	Fabricate Structural Steel	0	30 04AUG12	02SEP12	02SEP12																						
PR0300	Deliver Structural Steel	0	1 03SEP12	03SEP12	03SEP12																						
PR0310	Submitt Metal Deck	0	60 30MAR12	21JUN12	21JUN12																						
PR0310	Approve Metal Deck	0	30 22JUN12	03AUG12	03AUG12																						
PR0320	Deliver Metal Deck	0	1 08AUG12	08AUG12	08AUG12																						
PR0340	Submitt Metal Fabrications	0	60 30MAR12	21JUN12	21JUN12																						
PR0345	Approve Metal Fabrications	0	30 22JUN12	22JUL12	22JUL12																						
PR0350	Fabricate Metal Fabrications	0	30 23JUL12	31AUG12	31AUG12																						
PR0355	Deliver Metal Fabrications	0	1 03SEP12	03SEP12	03SEP12																						
PR0380	Submitt Aluminum Railings	0	60 30MAR12	21JUN12	21JUN12																						

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Rio Dell WWTP

- ▲ Early start point
- Progress bar
- Critical bar
- Summary bar
- ◇ Start milestone point
- ◇ Finish milestone point

Activity ID	Description	% Orig	Early Start	Early Finish	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	
PR0370	Approve Aluminum Railings	0	20 22JUN12	22JUL12																			
PR0380	Fabricate Aluminum Railings	0	20 22JUL12	22AUG12																			
PR0390	Deliver Aluminum Railings	0	9 20AUG12	22AUG12																			
PR0400	Submittal Rough Carpentry	0	30 30MAR12	21JUN12																			
PR0410	Approve Rough Carpentry	0	30 22JUN12	03AUG12																			
PR0420	Submittal Cabinets	0	30 30MAR12	03AUG12																			
PR0430	Approve Cabinets	0	30 06AUG12	14SEP12																			
PR0440	Fabricate Cabinets	0	15 17SEP12	05OCT12																			
PR0450	Deliver Cabinets	0	15 08OCT12	09OCT12																			
PR0460	Submittal FRP Fabrications	0	30 30MAR12	10MAY12																			
PR0470	Approve FRP Fabrications	0	30 11MAY12	21JUN12																			
PR0480	Deliver FRP Fabrications	0	1 22JUN12	21JUN12																			
PR0490	Submittal Thermal & Moisture Protection	0	60 30MAR12	21JUN12																			
PR0500	Approve Thermal & Moisture Protection	0	30 22JUN12	03AUG12																			
PR0510	Deliver Thermal & Moisture Protection	0	1 06AUG12	08AUG12																			
PR0520	Submittal Doors & Windows	0	30 30MAR12	10MAY12																			
PR0530	Approve Doors & Windows	0	30 11MAY12	08JUN12																			
PR0540	Fabricate Doors & Windows	0	20 11JUN12	09JUL12																			
PR0550	Deliver Doors & Windows	0	2 10JUL12	11JUL12																			
PR0560	Submittal Finishes	0	60 30MAR12	21JUN12																			
PR0570	Approve Finishes	0	30 22JUN12	22JUL12																			
PR0580	Deliver Finishes	0	1 23JUL12	23JUL12																			
PR0590	Submittal Paint	0	20 30MAR12	26APR12																			
PR0600	Approve Paint	0	30 27APR12	26MAY12																			
PR0610	Deliver Paint	0	1 28MAY12	28MAY12																			
PR0620	Submittal Specialties	0	60 30MAR12	07JUN12																			
PR0630	Approve Specialties	0	30 08JUN12	09JUL12																			
PR0640	Fabricate Specialties	0	20 09JUL12	09AUG12																			
PR0650	Deliver Specialties	0	2 09AUG12	07AUG12																			
PR0670	Submittal Submersible Non-Clog Pumps	0	30 30MAR12	10MAY12																			
PR0780	Approve Submersible Non-Clog Pumps	0	30 11MAY12	09JUN12																			
PR0790	Fabricate Submersible Non-Clog Pumps	0	70 10JUN12	18AUG12																			
PR0790	Deliver Submersible Non-Clog Pumps	0	3 20AUG12	22AUG12																			
PR0800	Submittal Bio Treatment Facility	0	25 30MAR12	23APR12																			
PR0810	Approve Bio Treatment Facility	0	30 24APR12	23MAY12																			
PR0820	Fabricate Bio Treatment Facility	0	1 28SEP12	27SEP12																			
PR0830	Deliver Bio Treatment Facility	0	28 30MAR12	08MAY12																			
PR0840	Submittal Indirect Sludge Dyer	0	30 30MAR12	07JUN12																			
PR0850	Approve Indirect Sludge Dyer	0	30 09MAY12	07JUN12																			
PR0860	Fabricate Indirect Sludge Dyer	0	1 26JUN12	09DEC12																			
PR0870	Deliver Indirect Sludge Dyer	0	1 04DEC12	04DEC12																			
PR0880	Submittal Static Mixer	0	60 30MAR12	21JUN12																			
PR0890	Approve Static Mixer	0	30 22JUN12	03AUG12																			
PR0900	Fabricate Static Mixer	0	28 06AUG12	12SEP12																			
PR0910	Deliver Static Mixer	0	1 13SEP12	13SEP12																			
PR0920	Submittal Laboratory Equipment	0	60 30MAR12	21JUN12																			
PR0930	Approve Laboratory Equipment	0	30 22JUN12	03AUG12																			
PR0940	Fabricate Laboratory Equipment	0	30 06AUG12	14SEP12																			
PR0950	Deliver Laboratory Equipment	0	60 30MAR12	21JUN12																			
PR0960	Submittal Sampling Equipment	0	30 22JUN12	03AUG12																			
PR0970	Approve Sampling Equipment	0	30 06AUG12	14SEP12																			
PR0980	Deliver Sampling Equipment	0	30 06AUG12	14SEP12																			

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Rio Dell WWTP

Early bar  
 Early start point  
 Progress bar  
 Critical bar  
 Summary bar  
 Start milestone point  
 Finish milestone point

Activity ID	Description	% Dur	Early Start	Early Finish	RFI	RFI	JUN	JUL	AUG	SEP	OCT	NOV	DEC	2013	JAN	FEB	2014	JUN	JUL	AUG	SEP		
PR1040	Submittal Fiberglass Enclosure & Chem Metering	0	30MAR12	28JUN12																			
PR1050	Approve Fiberglass Enclosure & Chem Metering	0	30MAR12	27JUN12																			
PR1060	Fabricate Fiberglass Enclosure & Chem Metering	0	28JUN12	23AUG12																			
PR1070	Deliver Fiberglass Enclosure & Chem Metering	0	24AUG12	28AUG12																			
PR1320	Submittal Instrumentation & Controls	0	30MAR12	10MAY12																			
PR1330	Approve Instrumentation & Controls	0	30MAR12	09JUN12																			
PR1340	Fabricate Instrumentation & Controls	0	30JUL12	13JUL12																			
PR1360	Deliver Instrumentation & Controls	0	31JUL12	13JUL12																			
PR1380	Submittal Pipe & Fittings	0	27APR12	27APR12																			
PR1370	Approve Pipe & Fittings	0	30APR12	27APR12																			
PR1390	Fabricate Pipe & Fittings	0	20MAY12	22JUN12																			
PR1400	Deliver Pipe & Fittings	0	22JUN12	25JUN12																			
PR1410	Submittal Valves	0	14MAY12	18APR12																			
PR1420	Approve Valves	0	30APR12	18MAY12																			
PR1430	Fabricate Valves	0	30MAY12	17JUN12																			
PR1460	Deliver Valves	0	31AUG12	20AUG12																			
PR1480	Submittal Plumbing	0	40MAY12	24MAY12																			
PR1490	Approve Plumbing	0	30MAY12	22JUN12																			
PR1500	Fabricate Plumbing	0	15JUN12	16JUL12																			
PR1510	Deliver Plumbing	0	17JUL12	17JUL12																			
PR1560	Submittal HVAC	0	45MAY12	31MAY12																			
PR1570	Approve HVAC	0	30JUN12	30JUN12																			
PR1580	Fabricate HVAC	0	20JUL12	30JUL12																			
PR1590	Deliver HVAC	0	31JUL12	02AUG12																			
PR1600	Submittal Electrical Wire, Cable, Conduit, Etc.	0	21MAY12	06JUN12																			
PR1610	Approve Electrical Wire, Cable, Conduit, Etc.	0	30MAY12	06JUN12																			
PR1620	Fabricate Electrical Wire, Cable, Conduit, Etc.	0	31JUN12	10JUN12																			
PR1630	Deliver Electrical Wire, Cable, Conduit, Etc.	0	21AUG12	15AUG12																			
PR1640	Submittal Generator	0	30MAY12	10MAY12																			
PR1650	Approve Generator	0	20MAY12	30MAY12																			
PR1660	Fabricate Generator	0	98JUN12	08SEP12																			
PR1670	Deliver Generator	0	31OCT12	11SEP12																			
PR1680	Submittal Panels, MCCs, Transformers, Etc.	0	30MAY12	10MAY12																			
PR1690	Approve Panels, MCCs, Transformers, Etc.	0	30MAY12	09JUN12																			
PR1700	Fabricate Panels, MCCs, Transformers, Etc.	0	60JUN12	09AUG12																			
PR1710	Deliver Panels, MCCs, Transformers, Etc.	0	31OCT12	14AUG12																			
PR1720	Submittal Lighting	0	30MAY12	10MAY12																			
PR1730	Approve Lighting	0	30MAY12	21JUN12																			
PR1740	Fabricate Lighting	0	30JUN12	02AUG12																			
PR1750	Deliver Lighting	0	31OCT12	08AUG12																			
<b>WWTP SKEWERS</b>																							
SW0000	Begin Skewers	0	30MAR12	30MAR12																			
SW0020	Begin Skewers	0	30MAR12	06APR12																			
SW0030	Sludge Drying Bed Demolition	0	6MAY12	06APR12																			
SW0040	Install Static Mixer & Chlorine Injection Vault	0	10JUL12	05JUL12																			
SW0180	Canopy Slabs / Generator Slab	0	10JUL12	23JUL12																			
SW0190	Install Steel Canopies	0	3JUL12	26JUL12																			
SW0200	Install Control Room Door	0	3JUL12	16JUL12																			
SW0205	Install Control Room Roof	0	3OCT12	09AUG12																			
SW0210	Electrical Tranching, Conduits, Backfill	0	11AUG12	18JUN12																			
SW0215	Install Panels, MCCs, Transformers, Etc.	0	15JUL12	12AUG12																			

Early bar  
 Early start point  
 Progress bar  
 Critical bar  
 Summary bar  
 Start milestone point  
 Finish milestone point

**Mahlund Const. / Sequoia Const.**  
**Rio Dell WWTP**

Activity ID	Description	% Dir	Orig Dir	Early Start	Early Finish	AFR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	
SW0220	Install Generator	0	5	24JUL12	30JUL12																				
SW0225	Generator Startup & Training	0	1	15AUG12	15AUG12																				
SW0230	Engage New Electrical Service	0	1	14AUG12	14AUG12																				
SW0235	Connect Existing Equipment to New Electrical	0	5	16AUG12	31AUG12																				
SW0240	Complete Control Integrator Work	0	45	28OCT12	31DEC12																				
SW0245	Finish Grading	0	2	14NOV12	15NOV12																				
SW0250	Existing Chlorine Mixing Structure Modifications	0	5	24APR13	30APR13																				
SW0255	Existing Clarifiers & RBC Demo	0	15	24APR13	14MAY13																				
SW0260	Existing Control Bldg Demo / Modifications	0	10	09AUG12	22AUG12																				
SW0270	Existing Electrical Bldg Demo / Modifications	0	10	24APR13	07MAY13																				
SW0280	Hot Mix Asphalt Paving	0	1	02SEP13	02SEP13																				
SW0290	Complete Sitework	0	1	03SEP13	03SEP13																				
<b>YARD PIPING</b>																									
YP0000	Begin Work on Yard Piping	0	1	27JUN12	27JUN12																				
YP0010	Install 12" INF Piping	0	5	28JUL12	05JUL12																				
YP0020	Install 12" EFF Piping	0	5	06JUL12	12JUL12																				
YP0030	Install 6" BWV Piping	0	3	13JUL12	17JUL12																				
YP0040	Install 6" SL Piping	0	3	18JUL12	20JUL12																				
YP0050	Install 3" & 1.5" 1W Piping	0	3	23JUL12	25JUL12																				
YP0060	Install 2" NG Piping	0	3	28JUL12	30JUL12																				
YP0070	Complete Yard Piping	0	1	31JUL12	31JUL12																				
<b>HEADWORKS</b>																									
HW0000	Begin Work at Headworks	0	1	23AUG12	23AUG12																				
HW0010	Demolition at Headworks	0	5	24AUG12	30AUG12																				
HW0020	Cone Drill at Headworks	0	2	31AUG12	02SEP12																				
HW0030	Install New Influent Pumps at Headworks	0	10	04SEP12	10SEP12																				
HW0040	Install Influent Pump Piping & Valves	0	2	28SEP12	27SEP12																				
HW0050	Install Electrical for New Influent Pumps	0	1	27SEP12	26SEP12																				
HW0060	Influent Pump Startup	0	1	28SEP12	28SEP12																				
HW0070	Influent Pump Training	0	1	28SEP12	28SEP12																				
HW0080	Complete Work at Headworks	0	1	01OCT12	01OCT12																				
<b>BIOLOGICAL TREATMENT FACILITY</b>																									
BT0000	Begin Work at Bio Treatment Tank	0	1	09APR12	08APR12																				
BT0010	Install Shoring for Bio Treatment Tank	0	5	09APR12	13APR12																				
BT0020	Excavate for Bio Treatment Tank	0	3	16APR12	18APR12																				
BT0030	Aggregate Placement and Compaction	0	2	19APR12	20APR12																				
BT0040	Bio Tank Form & Pour Footing Under Slab EJ	0	3	30APR12	02MAY12																				
BT0045	Bio Tank Slab Form North Section	0	3	03MAY12	07MAY12																				
BT0050	Bio Tank Slab Install Rebar North Section	0	8	08MAY12	17MAY12																				
BT0055	Bio Tank Slab Pour 8 North Sections	0	6	18MAY12	29MAY12																				
BT0070	Bio Tank Wall Form & Pour 10 North Sections	0	60	30MAY12	08AUG12																				
BT0080	Bio Tank Slab Form South Section	0	2	09AUG12	10AUG12																				
BT0090	Bio Tank Slab Install Rebar South Section	0	4	13AUG12	16AUG12																				
BT0100	Bio Tank Slab Pour 3 South Sections	0	5	17AUG12	23AUG12																				
BT0110	Bio Tank Wall Form & Pour 8 South Sections	0	40	24AUG12	19OCT12																				
BT0120	Bio Tank Concrete Fill	0	10	19OCT12	01NOV12																				
BT0130	Bio Tank North Leakage Test	0	7	09AUG12	17AUG12																				
BT0135	Backfill Bio Tank North End	0	7	20AUG12	28AUG12																				
BT0140	Bio Tank South Leakage Test	0	3	02NOV12	08NOV12																				
BT0145	Backfill Bio Tank / Remove Shoring	0	5	01NOV12	13NOV12																				

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Start date  
 Finish date  
 Date date  
 Run date  
 Page number

30MAR12  
 20SEP13  
 30MAR12  
 28APR12  
 4A

Early bar  
 Start milestone point  
 Progress bar  
 Critical bar  
 Summary bar  
 Finish milestone point

Activity ID	Description	% Dtg	Early Start	Early Finish	2012	2013
					APR	MAY
					02	07
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Activity ID	Description	% Dur	Orig Start	Early Finish	2012	2013	Legend
					APR	MAY	
OB0140	Plumbing Finish	0	6/13AUG13	19AUG13			Electrical Rough In
OB0150	Electrical Rough In	0	6/10JUN13	14JUN13			Electrical HVAC
OB0160	Electrical Finish	0	7/13AUG13	21AUG13			Start-up HVAC
OB0170	Install HVAC	0	3/10JUN13	12JUN13			Complete
OB0180	Standup HVAC	0	1/22AUG13	22AUG13			
OB0220	Complete Operations Building	0	1/30AUG13	30AUG13			
<b>EFFLUENT PUMP STATION / CHLORINE CONTACT</b>							
EP0000	Begin Work on Eff. Pump Station / Chlorine	0	1/23AUG12	23AUG12			Begin Work on Eff. Pump Station / Chlorine
EP0010	Demolition	0	5/24AUG12	30AUG12			Demolition
EP0020	Install Effluent Pumps	0	2/31AUG12	03SEP12			Install Effluent Pumps
EP0030	Install Effluent Pump Piping	0	5/03SEP12	11SEP12			Install Effluent Pump Piping
EP0040	Install 2W Piping & Relocate 2W Pump	0	2/12SEP12	13SEP12			Install 2W Piping & Relocate 2W Pump
EP0050	Install Outfall Pipe	0	1/14SEP12	14SEP12			Install Outfall Pipe
EP0070	Install New Weir, Baffles and Grating	5	1/17SEP12	17SEP12			Install New Weir, Baffles and Grating
EP0080	Electrical Installation	0	2/18SEP12	18SEP12			Electrical Installation
EP0090	Startup Effluent Pumps	0	5/20SEP12	26SEP12			Startup Effluent Pumps
EP0100	Effluent Pump Training	0	1/22SEP12	22SEP12			Effluent Pump Training
EP0130	Complete Work on Eff. Pump Station / Chlorine	0	1/28SEP12	28SEP12			Complete Work on Eff. Pump Station / Chlorine
<b>SLUDGE DRYER</b>							
SD0000	Begin Work on Sludge Dryer	0	1/08JUN12	08JUN12			Begin Work on Sludge Dryer
SD0010	Demolition / Saw Cutting	2	1/11JUN12	12JUN12			Demolition / Saw Cutting
SD0020	Install Gas, Water & Drain Piping	0	5/13JUN12	19JUN12			Install Gas, Water & Drain Piping
SD0030	Form & Pour Concrete Slab for Sludge Dryer	0	3/20JUN12	22JUN12			Form & Pour Concrete Slab for Sludge Dryer
SD0040	Install Sludge Dryer	0	2/10SEP12	06OCT12			Install Sludge Dryer
SD0050	Install Sludge Dryer Vent	0	5/07DEC12	13DEC12			Install Sludge Dryer Vent
SD0060	Install Electrical	0	1/07DEC12	07DEC12			Install Electrical
SD0080	Install Doors	0	2/12JUL12	13JUL12			Install Doors
SD0070	Hot Mix Asphalt Paving	0	1/25JUN12	25JUN12			Hot Mix Asphalt Paving
SD0090	Sludge Dryer Startup	0	1/10DEC12	10DEC12			Sludge Dryer Startup
SD0099	Sludge Dryer Training	0	1/11DEC12	11DEC12			Sludge Dryer Training
SD0100	Complete Work on Sludge Dryer	0	1/12DEC12	12DEC12			Complete Work on Sludge Dryer
<b>PIPELINE 101+50 TO 201+50</b>							
TM0000	Begin Work on Piping Sta. 1+50 to 101+50	0	1/22JUN12	22JUN12			Begin Work on Pipeline Sta. 1+50 to 101+50
TM0010	Install Pipeline from Sta. 1+50 to 101+50	1/0	4/5/28AUG12	30AUG12			Install Pipeline from Sta. 1+50 to 101+50
TM0020	Complete Work on Pipeline Sta. 1+50 to 101+50	0	1/31AUG12	31AUG12			Complete Work on Pipeline Sta. 1+50 to 101+50
<b>PIPELINE 101+50 TO 201+50</b>							
ER0000	Begin Work on Pipeline Sta. 101+50 to 201+50	0	1/31AUG12	31AUG12			Begin Work on Pipeline Sta. 101+50 to 201+50
ER0005	Install Bar Exclusion / Remove Bird Nests	0	5/03SEP12	03SEP12			Install Bar Exclusion / Remove Bird Nests
ER0010	Install Pipeline from Sta. 101+50 to 201+50	0	9/9/10SEP12	28JAN13			Install Pipeline from Sta. 101+50 to 201+50
ER0020	Complete Work on Pipeline Sta. 101+50 to 201+50	0	1/29JAN13	29JAN13			Complete Work on Pipeline Sta. 101+50 to 201+50
<b>DIPROSKA SITE</b>							
DS0000	Begin Work at Disposal Site	0	1/01MAY12	01MAY12			Begin Work at Disposal Site
DS0005	Pre-Construction Biological Survey	0	5/02MAY12	08MAY12			Pre-Construction Biological Survey
DS0010	Site Cleaning	0	5/09MAY12	15MAY12			Site Cleaning
DS0020	Rough Grading	0	6/01MAY12	08AUG12			Rough Grading
DS0030	Install Distribution & Turnout Boxes	0	3/09AUG12	13AUG12			Install Distribution & Turnout Boxes
DS0040	Install Precast Concrete Pump Station	0	3/09AUG12	13AUG12			Install Precast Concrete Pump Station
DS0050	Install REW Piping	0	20/09AUG12	03SEP12			Install REW Piping
DS0060	Install D/D Piping	0	20/09AUG12	03SEP12			Install D/D Piping
DS0070	Finish Grading	0	10/06SEP12	19SEP12			Finish Grading
DS0080	Install Overflow Valve Concrete Pads	0	10/06SEP12	19SEP12			Install Overflow Valve Concrete Pads

Wahlund Const. / Sequoia Const.  
Rio Dell WWTP

Early bar  
 Early start point  
 Progress bar  
 Critical bar  
 Summary bar  
 Start milestone point  
 Finish milestone point

Activity ID	Description	%	Orig Dur	Early Start	Early Finish	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	
DS0090	Install Talkwater Pumps	0	2	20SEP12	21SEP12																			
DS0100	Install Pump Piping	0	3	24SEP12	28SEP12																			
DS0110	Install Electrical Service, Conduits and Panels	0	10	09AUG12	22AUG12																			
DS0120	Hydroexcavating	0	3	20SEP12	24SEP12																			
DS0130	Startup Talkwater Pumps	0	1	27SEP12	27SEP12																			
DS0140	Talkwater Pump Training	0	1	28SEP12	28SEP12																			
DS0150	Complete Work at Disposal Site	0	1	01OCT12	01OCT12																			

Start date 30MAY12  
 Finish date 20SEP13  
 Data date 30MAY12  
 Run date 25APR12  
 Page number 7A

Wahlund Const / Sequoia Const  
 Rio Dell WWTP

Legend:  
 ▽ Early start point  
 ▲ Early start point  
 ■ Progress bar  
 ▨ Critical bar  
 ▬ Summary bar  
 ◆ Start milestones point  
 ◇ Finish milestones point

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675 Wildwood Avenue  
Rio Dell, Ca 95562  
(707) 764-3532



**CITY OF RIO DELL  
STAFF REPORT  
CITY COUNCIL AGENDA  
June 18, 2013**

TO: Mayor and Members of the City Council  
THROUGH: Jim Stretch, City Manager  
FROM: Stephanie Beauchaine, Finance Director  
DATE: June 14, 2013  
SUBJECT: **Draft Supplemental Environmental Impact Report (SEIR) Public Hearing**

**RECOMMENDATIONS**

Open the public hearing and receive comments.

**BACKGROUND AND DISCUSSION**

SHN Consulting Engineers has prepared a draft Supplemental Environmental Impact Report (SEIR) for the Wastewater Treatment Plant Project (WWTP). The SEIR was prepared to analyze the impacts of a proposed project modification which would change the alignment and methodology of the sewer transmission pipeline where it crosses the Eel River. Rather than crossing the Eel River within the existing Highway 101 Caltrans Bridge, the pipeline is proposed to cross underneath the river using horizontal directional drilling (HDD) techniques. This represents a minor change to the pipeline alignment of treated effluent reuse Option Reuse 1A as evaluated in the Certified Final EIR. No other change to the project is proposed.

The draft SEIR analyzes biological resources, hydrology, and water quality. Based on the analyses contained in the draft SEIR, with the incorporation of mitigation measures, all impacts would be less than significant.

The draft SEIR has been circulated for review to all oversight agencies with jurisdiction over the City Project. Notice has also been posted with the State Clearinghouse, the County, the Times Standard, and the documents have also been placed on the City's website for public review.

**BUDGETARY IMPACT**

None at this time.

---

675 Wildwood Avenue  
Rio Dell, Ca 95562  
(707) 764-3532



**CITY OF RIO DELL  
STAFF REPORT  
CITY COUNCIL AGENDA  
June 18, 2013**

TO: Mayor and Members of the City Council

THROUGH: Jim Stretch, City Manager

FROM: Stephanie Beauchaine, Finance Director *SB*

DATE: June 14, 2013

SUBJECT: **Bartle Wells Draft Wastewater Rate Study**

**RECOMMENDATIONS**

Receive the Wastewater Rate Study Prepared by Bartle Wells and direct staff to:

1. Proceed with Option 1; with or without the increased connection fee
2. Proceed with Option 2; with or without the increased connection fee
3. Proceed with the current rate structure- no changes; with or without the increased connection fee

**BACKGROUND AND DISCUSSION**

Bartle Wells Associates (BWA) was engaged by the City to develop a new wastewater rate structure and to update the City's wastewater capacity fee.

They have developed two options for the City Council to consider based on five criteria:

1. *Revenue Sufficiency*: Rates should recover the annual cost of service and provide revenue stability.
2. *Rate Impact*: While rates are calculated to generate sufficient revenue to cover operating and capital costs, they should be designed to minimize, as much as possible, the impacts on ratepayers.
3. *Equitable*: Rates should be proportionately allocated among all customer classes based on their estimated demand characteristics. Each user class only pays its proportionate share.

4. *Practical:* Rates should be simple in form and, therefore, adaptable to changing conditions, easy to administer and easy to understand.
5. *Provide Incentive:* Rates provide price signals which serve as indicators to conserve water, reduce wastewater flow, and to use water efficiently.

### Option 1: 70% Fixed and 30% Volume

Option 1 allocates 70% of costs to the fixed charge and 30% of costs to the volume (variable) charge.

**Table ES-1**  
**City of Rio Dell**  
**Wastewater Rate and Capacity Fee Study**  
**Rate Structure Option 1: 70% Fixed and 30% Volume**

<b>Fixed Monthly Charge</b>	\$51.15	per EDU
<b>Volume Rate</b>		
Customer Class		
Low	\$3.53	per ccf
Domestic Strength	\$4.41	per ccf
Medium	\$6.62	per ccf
High	\$7.72	per ccf

ccf = hundred cubic feet

The average residential customer has a wastewater flow of 5 hundred cubic feet (ccf) and would have a monthly bill of \$73.20 under the proposed Option 1 rates, a slight decrease from the current monthly bill of \$73.94.

$$\begin{array}{rccccccc}
 \text{Fixed} & & \text{Volume} & & \text{Winter} & & \text{Total} \\
 \text{Charge} & & \text{Rate} & & \text{Water Use} & & \text{Monthly Bill} \\
 \$51.15 & + & (\$4.41 & \times & 5 & ) & = & \$73.20 \\
 & & \text{\$/ccf} & & \text{ccf} & & & 
 \end{array}$$

### Option 2: 50% Fixed and 50% Volume

Option 2 allocates 50% of costs to the fixed charge and 50% of costs to the volume (variable) charge.

**Table ES-2**  
**City of Rio Dell**  
**Wastewater Rate and Capacity Fee Study**  
**Rate Structure Option 2: 50% Fixed and 50% Volume**

<b>Fixed Monthly Charge</b>	\$36.53	per EDU
<b>Volume Rate</b>		
Customer Class		
Low	\$5.88	per ccf
Domestic Strength	\$7.35	per ccf
Medium	\$11.03	per ccf
High	\$12.86	per ccf

ccf = hundred cubic feet

The average residential monthly bill under the Option 2 rates is \$73.28, a decrease of \$0.66 to the current bill of \$73.94.

$$\begin{array}{rccccccccc} & \text{Fixed} & & & \text{Volume} & & \text{Winter} & & & \text{Total} \\ & \text{Charge} & & & \text{Rate} & & \text{Water Use} & & & \text{Monthly Bill} \\ \$36.53 & + & ( & \$7.35 & \times & 5 & ) & = & & \$73.28 \\ & & & \text{\$/ccf} & & \text{ccf} & & & & \end{array}$$

The benefit of implementing a volume rate is equitability. Lower wastewater users pay a lower monthly bill than high wastewater users.

They have also analyzed the City's wastewater connection fee and developed a recommendation. The detailed options are presented in the attached report for council review.

### **BUDGETARY IMPACT**

The rate changes are structured to be revenue neutral. The connection fee however could have a significant positive impact on the wastewater fund.

---

# City of Rio Dell



## Wastewater Rate and Capacity Fee Study

**DRAFT FOR REVIEW**

May 1, 2013



**BARTLE WELLS ASSOCIATES**  
INDEPENDENT PUBLIC FINANCE ADVISORS





**BARTLE WELLS ASSOCIATES**  
INDEPENDENT PUBLIC FINANCE ADVISORS

1889 Alcatraz Avenue  
Berkeley, CA 94703  
T: 510-653-3399  
www.bartlewells.com

May 1, 2013

**DRAFT FOR REVIEW  
SUBJECT TO CHANGE**

Stephanie Beauchaine, Finance Director  
City of Rio Dell  
675 Wildwood Avenue  
Rio Dell, CA 95562

Re: Wastewater Rate Study

Bartle Wells Associates (BWA) is pleased to submit to the City of Rio Dell the attached Wastewater Rate and Capacity Fee Study. The report presents BWA's recommended approach for changing the City's current flat wastewater rate to a flat plus volumetric rate structure. This report also recommends a new capacity fee for the wastewater system.

BWA finds that the wastewater rates and charges proposed in our report to be based on the cost of service, follow generally accepted rate design criteria, and adhere to the substantive requirements of Proposition 218. BWA believes that the proposed rates are fair and reasonable to the City's customers.

We enjoyed working with you on the rate study and appreciate the assistance and cooperation of City staff throughout the project. Please contact us if you ever have any future questions about this study and the rate recommendations.

Yours truly,

**DRAFT**

Doug Dove, CIPFA  
Principal

Alison Lechowicz  
Financial Analyst

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Appendix A - Strength Classifications into Low, Domestic, Medium, and High Strength Dischargers

## Executive Summary

Bartle Wells Associates (BWA) was engaged by the City to develop a new wastewater rate structure and to update the City’s wastewater capacity fee.

### Monthly Wastewater Rate

The current wastewater rate is a fixed monthly charge of \$73.94 per residence, also referred to as an equivalent dwelling unit (EDU). Commercial customers are assigned multiple EDUs based on their wastewater flow and pollutant loading relative to a single family customer.

BWA’s alternate wastewater rate structure includes a fixed monthly charge (\$/EDU) plus a volume rate (\$/hundred cubic feet) based on estimated wastewater flow. BWA developed wastewater rate alternatives by allocating the current system revenues of \$1.13 million to fixed and variable cost categories. The fixed monthly charge is based on each customer’s EDU count and the volume rates are based on wastewater flow and strength characteristics.

The benefit of implementing a volume rate is equitability. Lower wastewater users pay a lower monthly bill than high wastewater users.

Provided below are two wastewater rate alternatives. BWA recommends Option 1 as it provides more revenue stability with a higher fixed charge.

### Option 1: 70% Fixed and 30% Volume

Option 1 allocates 70% of costs to the fixed charge and 30% of costs to the volume (variable) charge.

**Table ES-1  
City of Rio Dell  
Wastewater Rate and Capacity Fee Study  
Rate Structure Option 1: 70% Fixed and 30% Volume**

<b>Fixed Monthly Charge</b>	\$51.15	per EDU
<b>Volume Rate</b>		
Customer Class		
Low	\$3.53	per ccf
Domestic Strength	\$4.41	per ccf
Medium	\$6.62	per ccf
High	\$7.72	per ccf

ccf = hundred cubic feet

The average residential customer has a wastewater flow of 5 hundred cubic feet (ccf) and would have a monthly bill of \$73.20 under the proposed Option 1 rates, a slight decrease from the current monthly bill of \$73.94.

$$\begin{array}{rclclcl}
 \text{Fixed} & & \text{Volume} & & \text{Winter} & & \text{Total} \\
 \text{Charge} & & \text{Rate} & & \text{Water Use} & & \text{Monthly Bill} \\
 \$51.15 & + & (\$4.41 & \times & 5 & ) & = & \$73.20 \\
 & & \text{\$/ccf} & & \text{ccf} & & & 
 \end{array}$$

## Option 2: 50% Fixed and 50% Volume

Option 2 allocates 50% of costs to the fixed charge and 50% of costs to the volume (variable) charge.

**Table ES-2**  
**City of Rio Dell**  
**Wastewater Rate and Capacity Fee Study**  
**Rate Structure Option 2: 50% Fixed and 50% Volume**

<b>Fixed Monthly Charge</b>	\$36.53	per EDU
<b>Volume Rate</b>		
Customer Class		
Low	\$5.88	per ccf
Domestic Strength	\$7.35	per ccf
Medium	\$11.03	per ccf
High	\$12.86	per ccf

ccf = hundred cubic feet

The average residential monthly bill under the Option 2 rates is \$73.28, a decrease of \$0.66 to the current bill of \$73.94.

Fixed Charge	+	(	Volume Rate	x	Winter Water Use	) =	Total Monthly Bill
\$36.53			\$7.35		5		\$73.28
			\$/ccf		ccf		

## Billing Procedure Changes

The City has a number of rental housing unit accounts that are regularly activated and deactivated. Under the current billing policy, when rental unit accounts are deactivated, they are not billed and the City collects no revenue from them until reactivation. Although an account is deactivated, the City continues to incur fixed costs for that account related to maintenance and upkeep of the sewer system. BWA recommends that, in the future, the City bill all accounts the fixed charge regardless of account status (activated or deactivated). BWA recommends that the City bill only active accounts the volume rates based on estimated wastewater flow.

## Capacity Fee

BWA conducted an analysis of the City's wastewater capacity fee and recommends increasing the current fee of \$950 to \$5,220 per equivalent dwelling unit. The recommended fee is a buy-in to the collection system and reflects the recently completed upgrades to the wastewater treatment plant. The recommended fee is moderate in comparison to other agencies in the region.

## Rate Setting Legislation and Principles

In conducting this wastewater rate study, BWA adheres to the Proposition 218 requirements as described in this section. Subsequent sections provide the detailed, cost of service basis for BWA's rate recommendations.

### Proposition 218

Proposition 218, the "Right to Vote on Taxes Act", was approved by California voters in November 1996 and is codified as Articles XIII C and XIII D of the California Constitution. Proposition 218 establishes requirements for imposing or increasing property related taxes, assessments, fees and charges. For many years, there was no legal consensus on whether water and wastewater rates met the definition of "property related fees". In July 2006, the California Supreme Court essentially confirmed that Proposition 218 applies to water and wastewater rates.

BWA recommends that the City follow the procedural requirements of Proposition 218 for all wastewater rate changes. These requirements include:

- **Noticing Requirement:** - The City must mail a notice of proposed rate changes to all affected property owners. The notice must specify the basis of the fee, the reason for the fee, and the date/time/location of a public rate hearing at which the proposed rates will be considered/adopted.
- **Public Hearing:** - The City must hold a public hearing prior to adopting the proposed rate changes. The public hearing must be held not less than 45 days after the required notices are mailed.
- **Rate Increases Subject to Majority Protest:** - At the public hearing, the proposed rates are subject to majority protest. If more than 50% of affected property owners submit written protests against the proposed rates, the rates cannot be adopted.

Proposition 218 also established a number of substantive requirements that apply to water rates and charges, including:

- **Cost of Service:** - Revenues derived from the fee or charge cannot exceed the funds required to provide the service. In essence, fees cannot exceed the "cost of service".
- **Intended Purpose** - Revenues derived from the fee or charge can only be used for the purpose for which the fee was imposed.
- **Proportional Cost Recovery** - The amount of the fee or charge levied on any customer shall not exceed the proportional cost of service attributable to that customer.
- **Availability of Service** - No fee or charge may be imposed for a service unless that service is used by, or immediately available to, the owner of the property.
- **General Government Services** - No fee or charge may be imposed for general governmental services where the service is available to the public at large.

Charges for water, wastewater, and refuse collection are exempt from additional voting requirements of Proposition 218, provided the charges do not exceed the cost of providing service and are adopted pursuant to procedural requirements of Proposition 218.

## Rate Development Principles

In reviewing the City's current wastewater rates and finances, BWA used the following criteria in developing our recommendations:

1. *Revenue Sufficiency:* Rates should recover the annual cost of service and provide revenue stability.
2. *Rate Impact:* While rates are calculated to generate sufficient revenue to cover operating and capital costs, they should be designed to minimize, as much as possible, the impacts on ratepayers.
3. *Equitable:* Rates should be proportionately allocated among all customer classes based on their estimated demand characteristics. Each user class only pays its proportionate share.
4. *Practical:* Rates should be simple in form and, therefore, adaptable to changing conditions, easy to administer and easy to understand.
5. *Provide Incentive:* Rates provide price signals which serve as indicators to conserve water, reduce wastewater flow, and to use water efficiently.

## Background

The City of Rio Dell (“City”) is located in Humboldt County and provides water and wastewater service to approximately 1,200 customers. The City currently charges all customers a fixed wastewater charge based on an equivalent dwelling unit (“EDU”) basis. Sometime ago, the City determined the wastewater flow and pollutant strength loading (“loads”) of the average residential customer. The average residential flow and loads is set as one EDU. Each commercial customer was assigned an EDU count based on the customer’s flow and loads relative to a residential unit. The City does not know when the EDU count for commercial customers was last updated. The City engaged BWA to develop a new rate structure that includes a flat or fixed charge based on EDU count and a rate based on volume of wastewater discharged.

The City also engaged BWA to develop a new wastewater capacity fee. The City was successful in securing a Clean Water State Revolving Fund Grant and Loan for the upgrade of the wastewater treatment plant. The total cost of the improvement is \$10.7 million and the City received a grant (principal forgiveness) for \$6 million. Existing ratepayers and new connections will fund \$4.7 million in construction costs which will significantly affect the calculation of the capacity fee.

## Wastewater Flow and Customer Projections

The City has approximately 1,200 residential and commercial wastewater customers recorded in the City’s billing software. At any given time, some of the customers may have deactivated accounts. BWA analyzed the City’s billing records for 2011 and through October 2012. The EDU count for the City has varied between 1,100 and 1,300 over the past two years due to the deactivation and reactivation of accounts. The City’s service area includes a number of rental units that have high turnover and revenues from these units may not be stable. The wastewater rate for FY2012/13 is \$73.94 per EDU per month. Deactivated accounts are not currently charged the monthly rate and are not included in the EDU count.

Although customer counts have historically varied, BWA determined that the City has an EDU count of 1,278 based on actual wastewater service revenues. BWA evaluated the historical wastewater flows of the residential class based on the water used during December of 2011, January of 2012, and February of 2012. The average residential winter water use and assumed wastewater flow is 5 hundred cubic feet (“ccf”) per month. Wastewater flows are often estimated using winter water consumption. During the winter, customers typically do not use water for outdoor irrigation.

BWA assigned commercial customers to wastewater strength categories based on BWA’s prior rate study experience, industry standard practice, and the wastewater strengths described in the Revenue Program Guidelines developed by the State Water Resources Control Board, see Table 1 and Appendix A.

**Table 1**  
**City of Rio Dell**  
**Wastewater Rate and Capacity Fee Study**  
**Customer Classifications**

Customer Class	BWA Recommended Strength Factor	Example Customers
Low	0.80	Car wash, office, retail store, school, laundromat
Domestic	1.00	Single family residential, multifamily residential, hotel, motel, mobile home park, churches, auto shop, gas station, bars without dining
Medium	1.50	Beauty shop, medical office, dental office
High	1.75	Restaurant, market with food prep, bakery

BWA allocated 60% of the cost of service to flow and 40% to strength. This allocation is commonly used by small wastewater agencies that do not have detailed cost information or engineering studies available. The calculation for each commercial customer's EDU count is:

$$\text{EDU count} = (\text{winter water use}/5 \text{ ccf}) \times (60\% + 40\% \times \text{strength factor})$$

The current EDU count was compared with the BWA recommended EDU count based on the equation above. Some customers received a decrease in their EDU count and some received an increase. The BWA recommended EDU count results in a net gain of 14 EDUs.

Under the current (FY2012/13) monthly rate of \$73.94 per EDU and a customer base of 1,278 EDUs, the City expects to receive \$1,133,000 in wastewater service charge revenue. Under the BWA EDU count, the wastewater service charge would be \$73.07 to collect the same amount of revenue, see Table 2.

**Table 2**  
**City of Rio Dell**  
**Wastewater Rate and Capacity Fee Study**  
**EDU Count**

Customer Class	Current EDU Count	BWA Recommended EDU Count	Net Change
Low	25	27	2
Domestic	1,238	1,247	9
Medium	4	4	0
High	11	14	3
	1,278	1,292	14
Cost of Service (determined by City)	\$1,133,000	\$1,133,000	
Annual Cost per EDU	\$886.54	\$876.79	
Monthly Cost per EDU	\$73.88	\$73.07	

## Rate Structure Alternatives

In addition to updating the EDU count, BWA developed rate structure alternatives that adequately cover the cost of providing service, are fair to the ratepayers, and include a volumetric rate based on estimated wastewater flow. BWA developed two rate alternatives in which revenues are allocated to fixed and volume rate components. Based on our experience with smaller wastewater systems, like the City's, fixed costs typically make up 50% to 90% of total costs and variable costs make up 10% to 50% of total costs. The fixed rate component is based on the EDU count described in the previous section and the volume rate is calculated based on an estimate of winter water use. Winter water use is based on the average monthly water use during December 2011, January 2012, and February 2012. The average monthly winter water use is multiplied by twelve to estimate yearly wastewater flow.

In reviewing the monthly winter water use data, BWA noted that in any given month a number of residential accounts are shutoff mid-month. These accounts had recorded water use for the month of the shutoff but would not generate sewer flow going forward and would not pay volume rates until the account is reactivated. To estimate total domestic wastewater flows for rate making purposes, BWA averaged a low estimate of wastewater flows (not including potentially shutoff accounts) with a higher estimate of wastewater flows (including all accounts).

Under current City policy, when a sewer account is shutoff the account is no longer billed. BWA recommends that the City change its current practice and continue to bill shutoff accounts the fixed portion of the sewer charge as the City continues to incur fixed costs for each customer regardless of account status. This is a common practice used by other sewer agencies in California.

## Option 1: 70% Fixed and 30% Volume

Under Option 1, BWA allocates 70% of revenue to the fixed monthly charge and 30% of revenue to a new volume rate. The fixed charge is based on the BWA recommended EDU count. The volume rate for low, domestic, medium, and high strength customers is scaled to the strength factor for each customer class.

The average residential monthly bill under Option 1 is \$73.20.

$$\begin{array}{rcccccc} \text{Fixed} & & \text{Volume} & & \text{Winter} & & \text{Total} \\ \text{Charge} & & \text{Rate} & & \text{Water Use} & & \text{Monthly Bill} \\ \$51.15 & + & (\$4.41 & \times & 5 & ) & = & \$73.20 \\ & & \text{\$/ccf} & & \text{ccf} & & & \end{array}$$

**Table 3**  
City of Rio Dell  
Wastewater Rate and Capacity Fee Study  
Rate Structure Option 1: 70% Fixed and 30% Volume

FIXED CHARGE CALCULATION - 70%					Fixed Charge 70% Revenue \$793,164
Total Cost of Service			\$1,133,091		
Customer Class	Strength Factor	BWA EDUs	Fixed Charge based on EDU	Annual Fixed Charge Revenue	
Low	0.80	27	\$51.15	<b>\$16,573</b>	
Domestic Strength	1.00	1,247	\$51.15	<b>\$765,537</b>	
Medium	1.50	4	\$51.15	<b>\$2,455</b>	
High	1.75	14	\$51.15	<b>\$8,593</b>	
		1,292		<b>\$793,158</b>	
VOLUME RATE CALCULATION - 30%					Volume Rate 30% Revenue \$339,927
Total Cost of Service			\$1,133,091		\$4.43 avg rate per ccf
Customer Class	Strength Factor	Total Flow <sup>1</sup>	Volume Rate <sup>2</sup>	Annual Volume Rate Revenue	
Low	0.80	1,436	\$3.53	<b>\$5,069</b>	
Domestic Strength	1.00	74,544	\$4.41	<b>\$328,739</b>	
Medium	1.50	156	\$6.62	<b>\$1,033</b>	
High	1.75	608	\$7.72	<b>\$4,694</b>	
		76,744		<b>\$339,535</b>	

1 - Units are hundred cubic feet (ccf). Based on winter water use. Domestic flow is based on an average of high and low wastewater flow estimates.

2 - Volume rates are scaled to the domestic rate based on the strength factor (i.e. the low strength rate is 0.8 times the domestic strength rate). The domestic strength rate is set such that the total volume rate revenue is less than or equal to 30% of the cost of service.

## Option 2: 50% Fixed and 50% Volume

Under Option 2, BWA allocates 50% of revenue to the fixed monthly charge and 50% of revenue to a new volume rate. The fixed charge is based on the BWA recommended EDU count. The volume charge for low, domestic, medium, and high strength customers is scaled to the strength factor for each customer class.

The average residential monthly bill under Option 2 is \$73.28.

$$\begin{array}{r} \text{Fixed} \\ \text{Charge} \\ \$36.53 \end{array} + \left( \begin{array}{r} \text{Volume} \\ \text{Rate} \\ \$7.35 \\ \text{\$/ccf} \end{array} \times \begin{array}{r} \text{Winter} \\ \text{Water Use} \\ 5 \\ \text{ccf} \end{array} \right) = \begin{array}{r} \text{Total} \\ \text{Monthly Bill} \\ \$73.28 \end{array}$$

**Table 4**  
**City of Rio Dell**  
**Wastewater Rate and Capacity Fee Study**  
**Rate Structure Option 2: 50% Fixed and 50% Volume**

FIXED CHARGE CALCULATION - 50%				Fixed Charge 50% Revenue
Total Cost of Service		\$1,133,091		\$566,546
Customer Class	Strength Factor	BWA EDUs	Fixed Charge based on EDU	Annual Fixed Charge Revenue
Low	0.80	27	\$36.53	\$11,836
Domestic Strength	1.00	1,247	\$36.53	\$546,727
Medium	1.50	4	\$36.53	\$1,753
High	1.75	14	\$36.53	\$6,137
		1,292		\$566,453

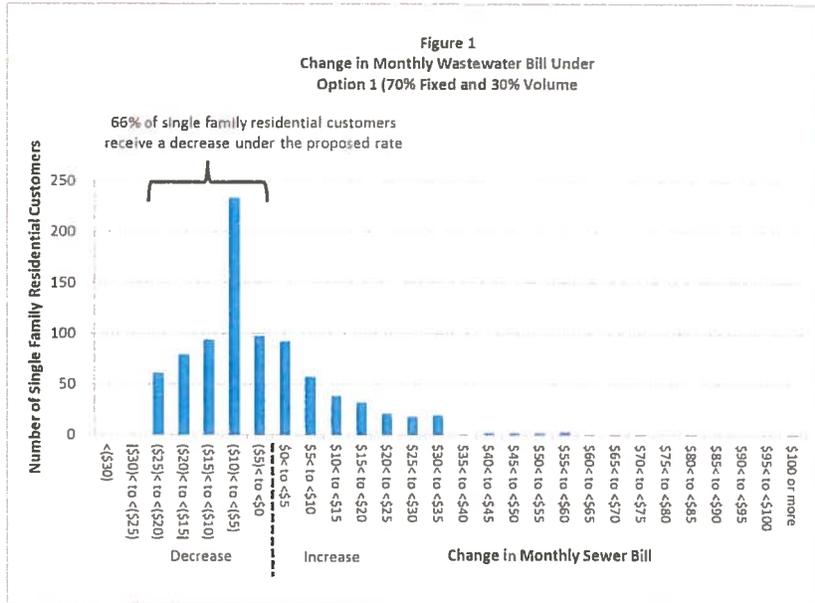
VOLUME RATE CALCULATION - 50%				Volume Rate 50% Revenue
Total Cost of Service		\$1,133,091		\$566,546
				\$7.38 avg rate per ccf
Customer Class	Strength Factor	Total Flow <sup>1</sup>	Volume Rate <sup>2</sup>	Annual Volume Rate Revenue
Low	0.80	1,436	\$5.88	\$8,444
Domestic Strength	1.00	74,544	\$7.35	\$547,898
Medium	1.50	156	\$11.03	\$1,721
High	1.75	608	\$12.86	\$7,819
		76,744		\$565,882

1 - Units are hundred cubic feet (ccf). Based on winter water use. Domestic flow is based on an average of high and low wastewater flow estimates.

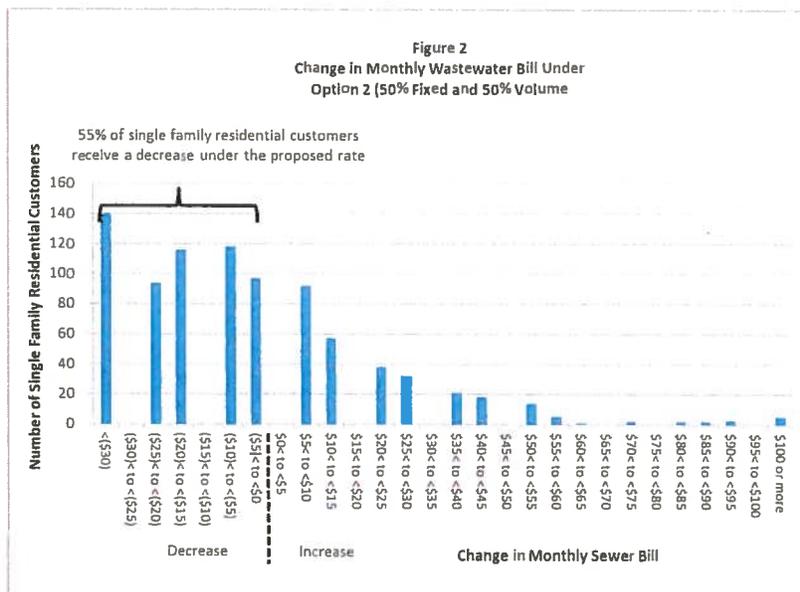
2 - Volume rates are scaled to the domestic rate based on the strength factor (i.e. the low strength rate is 0.8 times the domestic strength rate). The domestic strength rate is set such that the total volume rate revenue is less than or equal to 50% of the cost of service.

# Bill Impacts

Transitioning to a volume rate, the City will benefit low water users who will receive reductions in their monthly wastewater bills. BWA analyzed the monthly bills of single family residential customers. Under the 70% Fixed/30% Volume Revenue Option (Option 1), about 66% of single family residential customers would receive a decrease and about 34% of single family residential customers would receive an increase in their monthly wastewater bills, see Figure 1.



Under the 50% Fixed/50% Volume Revenue Option (Option 2), about 55% of single family residential customers would receive a decrease and about 45% of single family residential customers would receive an increase in their monthly wastewater bills, see Figure 2. Under Option 2, there is a greater spread in the distribution of change in the monthly bills.



Tables 5 and 6 show bill impacts to low, average, and high water users under Options 1 and 2, respectively.

**Table 5**  
**City of Rio Dell**  
**Wastewater Rate and Capacity Fee Study**  
**Single Family Residential Customer Bills Comparison**  
**Rate Structure Option 1: 70% Fixed and 30% Volume**

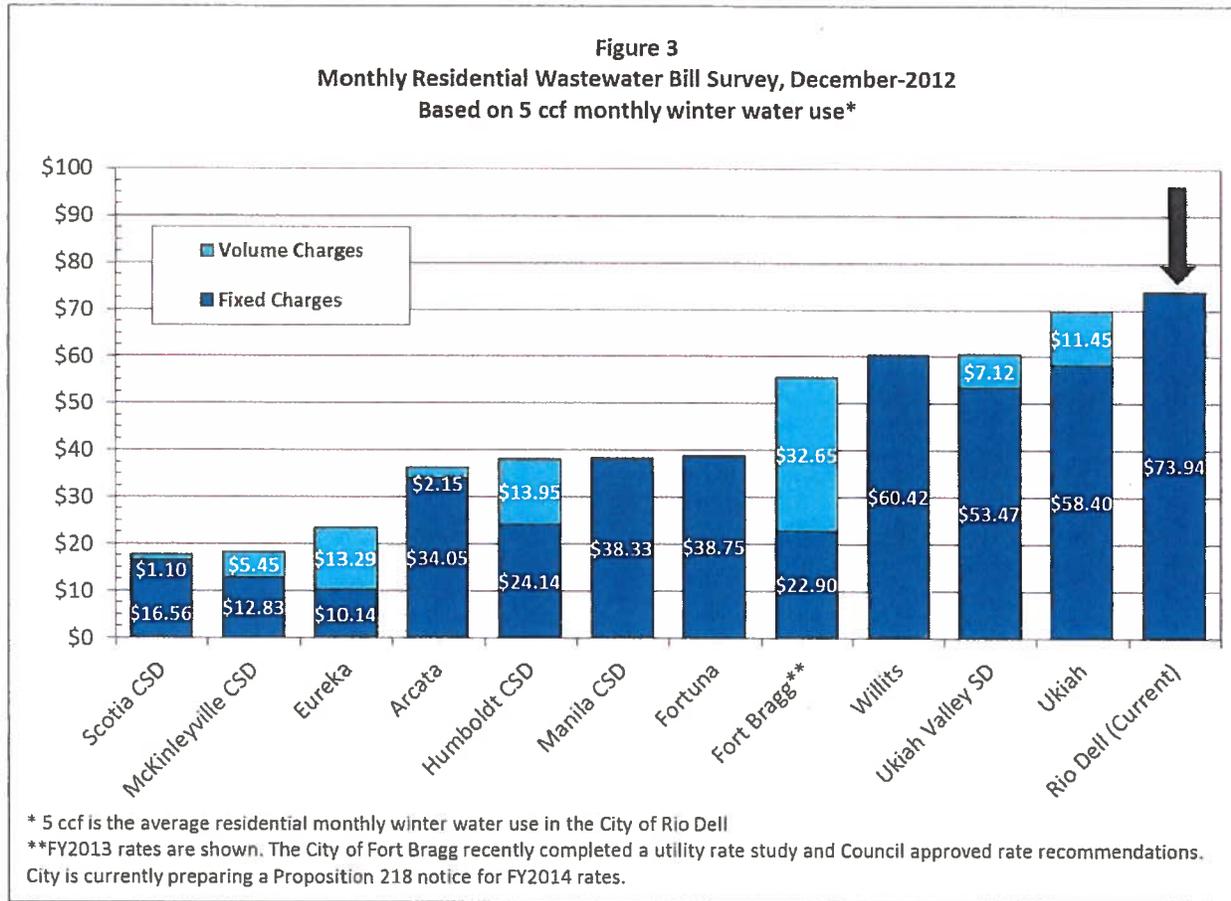
<b>Low User (3ccf)</b>	<b>Rate</b>	<b>Unit</b>	<b>Total Charge</b>
<b>Current</b>			
Fixed	\$73.94	1	<u>\$73.94</u>
Total monthly bill			\$73.94
<b>Recommended</b>			
Fixed	\$51.15	1	\$51.15
Volume	\$4.41	3	<u>\$13.23</u>
Total monthly bill			\$64.38
Net change (recommended less current)			(\$9.56)
<hr/>			
<b>Average User (5ccf)</b>	<b>Rate</b>	<b>Unit</b>	<b>Total Charge</b>
<b>Current</b>			
Fixed	\$73.94	1	<u>\$73.94</u>
Total monthly bill			\$73.94
<b>Recommended</b>			
Fixed	\$51.15	1	\$51.15
Volume	\$4.41	5	<u>\$22.05</u>
Total monthly bill			\$73.20
Net change (recommended less current)			(\$0.74)
<hr/>			
<b>High User (8ccf)</b>	<b>Rate</b>	<b>Unit</b>	<b>Total Charge</b>
<b>Current</b>			
Fixed	\$73.94	1	<u>\$73.94</u>
Total monthly bill			\$73.94
<b>Recommended</b>			
Fixed	\$51.15	1	\$51.15
Volume	\$4.41	8	<u>\$35.28</u>
Total monthly bill			\$86.43
Net change (recommended less current)			\$12.49

**Table 6**  
**City of Rio Dell**  
**Wastewater Rate and Capacity Fee Study**  
**Single Family Residential Customer Bills Comparison**  
**Rate Structure Option 2: 50% Fixed and 50% Volume**

<b>Low User (3ccf)</b>	<b>Rate</b>	<b>Unit</b>	<b>Total Charge</b>
<b>Current</b>			
Fixed	\$73.94	1	<u>\$73.94</u>
Total monthly bill			\$73.94
<b>Recommended</b>			
Fixed	\$36.53	1	\$36.53
Volume	\$7.35	3	<u>\$22.05</u>
Total monthly bill			\$58.58
Net change (recommended less current)			(\$15.36)
<hr/>			
<b>Average User (5ccf)</b>	<b>Rate</b>	<b>Unit</b>	<b>Total Charge</b>
<b>Current</b>			
Fixed	\$73.94	1	<u>\$73.94</u>
Total monthly bill			\$73.94
<b>Recommended</b>			
Fixed	\$36.53	1	\$36.53
Volume	\$7.35	5	<u>\$36.75</u>
Total monthly bill			\$73.28
Net change (recommended less current)			(\$0.66)
<hr/>			
<b>High User (8ccf)</b>	<b>Rate</b>	<b>Unit</b>	<b>Total Charge</b>
<b>Current</b>			
Fixed	\$73.94	1	<u>\$73.94</u>
Total monthly bill			\$73.94
<b>Recommended</b>			
Fixed	\$36.53	1	\$36.53
Volume	\$7.35	8	<u>\$58.80</u>
Total monthly bill			\$95.33
Net change (recommended less current)			\$21.39

## Bill Survey

BWA conducted a bill survey to compare the current and proposed single family wastewater bill in the City of Rio Dell to other local agencies. Rio Dell currently has the highest sewer bill in the region, see Figure 3 and Table 7.



**Table 7**  
**City of Rio Dell**  
**Wastewater Rate Study**  
**Survey of Typical Monthly Bills of Residential Customers**

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Based on winter water use of 5 ccf per month	
<b><u>Scotia Community Services District</u></b>	
Fixed	16.56
Flow-based (\$0.22/ccf up to 12 ccf)	1.10
Total Monthly Bill	17.66
<b><u>McKinleyville Community Services District</u></b>	
Fixed	12.83
Flow-based (\$1.09/ccf up to 12 ccf)	5.45
Total Monthly Bill	18.28
<b><u>City of Eureka</u></b>	
Fixed	10.14
Volume-based on water use over 2 units (\$4.43/ccf)	13.29
Total Monthly Bill	23.43
<b><u>City of Arcata</u></b>	
Base Charge	28.00
Sewer Repair Fee	5.00
Flow over allowance of 4.5 ccf (\$4.30/ccf)	2.15
Subtotal	35.15
Utility Tax of 3%	1.05
Total Monthly Bill	36.20
<b><u>Humboldt Community Services District</u></b>	
Customer Charge	3.77
Fixed Charge	20.37
Flow-based (\$2.79/ccf)	13.95
Total Monthly Bill	38.09
<b><u>Manila Community Services District</u></b>	
Fixed	38.33
Total Monthly Bill	38.33
<b><u>City of Fortuna</u></b>	
Base Charge for up to 5 ccf of flow	38.75
Flow-based (\$8.61/ccf over 5)	0.00
Total Monthly Bill	38.75
<b><u>City of Fort Bragg<sup>1</sup></u></b>	
Fixed	22.90
Flow-based (\$6.53/ccf)	32.65
Total Monthly Bill	55.55
<b><u>City of Willits</u></b>	
Fixed	60.42
Total Monthly Bill	60.42
<b><u>Ukiah Valley Sanitation District</u></b>	
Fixed	53.47
Flow-based (\$4.45/ccf over 3.4)	7.12
Total Monthly Bill	60.59
<b><u>City of Ukiah</u></b>	
Fixed	58.40
Flow-based (\$2.29/ccf)	11.45
Total Monthly Bill	69.85
<b><u>City of Rio Dell (current)</u></b>	
Fixed	73.94
Total Monthly Bill	73.94

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1 - The City of Fort Bragg recently completed a utility rate study and Council approved rate recommendations. City is currently preparing a Proposition 218 notice.

## Wastewater Capacity Fee

As part of the wastewater rate study, BWA also evaluated the City's wastewater capacity fee. The purpose of capacity fees is to recover the capital costs of facilities needed to serve growth and new customers. In establishing any fee or charge, achieving equity is one of the primary goals. In the case of capacity fees, this goal is often expressed as "growth should pay for growth". The fees must be reasonable and non-arbitrary and based on facility capital costs, user loads, and system capacity.

California Government Code Section 66013 contains the regulations regarding water and wastewater connection fees or capacity fees. It states that such fees or charges shall not exceed the estimated reasonable cost of providing the service for which the fees or charges are imposed unless the amount of the fee or charge imposed in excess of the estimated reasonable cost of providing the services is submitted to the electorate and approved by two-thirds vote. The calculations provided below demonstrate the reasonable cost of service of providing wastewater service to the City's customers.

### Capacity Fee Methodology

BWA used a System Buy-in Method for calculating the City's wastewater capacity fee. The buy-in concept is based on the premise that new customers are entitled to service at the same price as existing customers. Existing customers, however, have already provided the facilities that will serve the new customers, including any costs of financing those facilities. Under this method, new customers pay an amount equal to the investment already made by existing customers in the facilities. This equity investment is divided by the number of customers (or customer equivalents) to determine the amount of payment required from the new customer to buy in to the utility at parity with existing customers. Once new customers have paid their fee, they become equivalent to existing customers and share the responsibility for existing facilities. When additional costs are incurred for system improvements, replacement, or expansion, all customers share the costs of such improvements.

This method is appropriate because new customers are buying into the existing collection system and into the wastewater treatment plant. The City recently upgraded its wastewater treatment plant to come into compliance with a cease and desist order from the Regional Water Quality Control Board and to expand capacity. The improvements to the treatment plant benefit both existing and new customers and the costs of the improvements should be shared by both groups of customers. The project will increase capacity of treatment plant from 0.3 million gallons per day (mgd) to 0.5 mgd average dry weather flow. The expanded capacity will serve growth in the community through buildout. The total cost of the wastewater treatment plant expansion and improvements is \$10.7 million. \$6 million of the construction cost is offset by a grant and the remaining cost of \$4.7 million will be financed through a loan from the Clean Water State Revolving Fund.

BWA calculated a buy-in cost to the City's collection system based on the replacement cost new less depreciation (RCNLD) value of existing facilities. This valuation method is based on the depreciated accounting book value of each asset escalated into current dollars based on the change in the Engineering News-Record (ENR) Construction Cost Index 20 Cities Average from each asset's original date. The ENR index is a widely-used index for determining construction cost inflation.

## Capacity Fee Calculation

The City provided BWA with a list of wastewater system assets, the original construction or purchase price, useful life of the asset, and depreciation. In total, the RCNLD value of the wastewater system is about \$11.35 million. HDR Engineering, the engineer for the wastewater treatment plant upgrade, determined that the average dry weather flow buildout capacity of the treatment plant will be 0.5 million gallons per day (mgd). \$11.35 million divided by 0.5 mgd equals a capacity cost of \$22.70 per gallon of dry weather flow per day. The average dry weather capacity per EDU is about 230 gallons<sup>1</sup> which equals a wastewater capacity fee of \$5,220 (\$22.70/gpd x 230 gallons), see Table 8.

**Table 8**  
**City of Rio Dell**  
**Wastewater Rate and Capacity Fee Study**  
**Wastewater Capacity Fee Calculation**

Asset Description	Date of Construction or Purchase	Useful Life (Months)	Original Cost	Total Accumulated Depreciation	Remaining Book Value	RCNLD <sup>1</sup>
<b>Infrastructure</b>						
Misc Infrastructure	12/15/2010	360	2,750,571	(183,977)	2,566,594	2,823,613
<b>Building and Improvements</b>						
Corp Yard Fencing	12/15/2009	84	8,310	(3,561)	4,749	5,186
<b>Land</b>						
Misc Land	2000		502,543	NA	502,543	502,543
<b>Mach &amp; Equip</b>						
RIVER PUMP	1/16/2004	84	5,505	(5,505)	0	0
SEWER PUMP	2/4/2004	84	15,974	(15,974)	0	0
SEWER MACHINE	3/18/2004	84	36,310	(36,310)	0	0
SEWER PUMP	6/1/2004	84	16,031	(16,031)	0	0
SEWER PUMP	7/9/2004	84	38,460	(38,460)	0	0
SEWER PUMP	3/20/2006	84	13,357	(13,183)	174	213
Fernbridge Tractor	4/25/2008	84	11,148	(7,964)	3,184	3,705
Aqua Sierra Controls	6/30/2008	60	73,342	(73,342)	0	0
2008 John Deere Tractor	3/15/2009	60	45,011	(34,008)	11,003	12,167
City Hall Heating Unit	11/9/2011	60	190	(38)	152	156
<b>Vehicles</b>						
1/2 2003 FORD F-351	8/30/2003	84	13,750	(13,750)	0	0
2008 Ford F-350	8/1/2008	60	12,386	(12,386)	0	0
1978 GMC Vactor Truck	5/6/2010	36	1,833	(1,833)	0	0
1993 Chevy S-10	7/28/2010	36	1,252	(1,252)	0	0
<b>Construction in Progress</b>						
CIP - Sewer Effluent Disposal	12/15/2012	480	3,291,939	0	3,291,939	3,300,683
Wastewater Treatment Plant (less grant)			<u>10,700,000</u>	<u>(6,000,000)</u>	<u>4,700,000</u>	<u>4,700,000</u>
<b>Total Value of City Wastewater Facilities</b>			<b>\$17,537,910</b>	<b>(\$6,457,573)</b>	<b>\$11,080,337</b>	<b>\$11,348,265</b>
				Buildout dry weather flow (gallons/day)		500,000
				Buy-in cost per gallon of flow		\$22.70
				Average dry weather flow per EDU (gallons/day) <sup>2</sup>		230
				Wastewater capacity fee per EDU		\$5,220

1 - RCNLD is calculated by escalating the original cost to current dollars using the Engineering News Record Construction Cost Index 20 Cities Average.

2 - Calculated by BWA from information provided by HDR Engineering, Inc.

For new nonresidential customers, the City engineer should determine the EDU count of each new customer based on estimated wastewater flow and strength. The wastewater capacity fee for new nonresidential customers should be scaled to the EDU count.

<sup>1</sup>Calculated by BWA from information provided by Craig Olson, Project Manager for the Wastewater Treatment Plant upgrade, HDR Engineering, Inc. The current dry weather flow at the plant is approximately 0.3 mgd, divided by 1,292 EDUs equals a capacity of 230 gallons per day per EDU.

## Capacity Fee Survey

The City's current wastewater capacity fee is \$950 per EDU, the lowest in the region. The recommended capacity fee of \$5,220 is competitive with other local agencies. BWA conducted a capacity fee survey of the typical fees for new single family connections and found that the fees range up to \$12,240 (Ukiah Valley Sanitation District), see Table 9 and Figure 4.

**Table 9**  
**City of Rio Dell**  
**Wastewater Rate and Capacity Fee Study**  
**Wastewater Capacity Fee Survey - Single Family Residential Home**

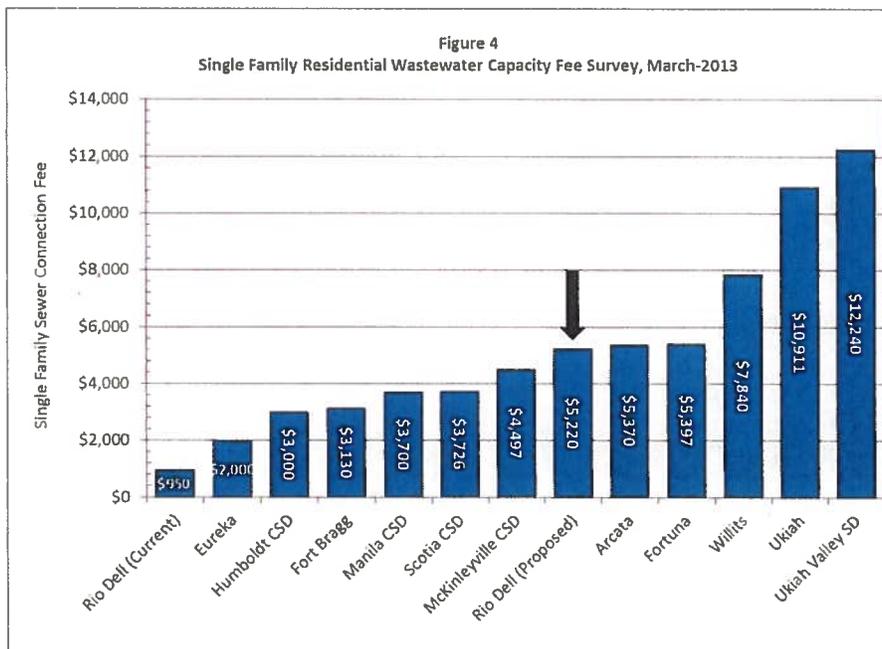
<b>City of Rio Dell (Current)</b>	<b>950.00</b>
City of Eureka	2,000.00
Humboldt Community Services District	3,000.00
City of Fort Bragg	3,129.59
Manila Community Services District <sup>1</sup>	3,700.00
Scotia Community Services District <sup>2</sup>	3,726.00
McKinleyville Community Services District	4,497.00
<b>City of Rio Dell (Proposed)</b>	<b>5,220.00</b>
City of Arcata	5,370.00
City of Fortuna <sup>3</sup>	5,397.00
City of Willits	7,840.00
City of Ukiah	10,911.00
Ukiah Valley Sanitation District <sup>4</sup>	12,240.00

1 - District has a STEP sewer system.

2 - Typical capacity fee as shown in the District's Rules and Regulations, includes many sub-charges based on acreage.

3 - Assumes 17 fixture units for the typical home at a cost of 317.50 per fixture unit.

4 - Wastewater capacity fee for a two bedroom house.



## Adjusting Capacity Fees

Capacity fees should be adjusted regularly to prevent them from falling behind the costs of constructing new facilities. Several methods can be used to adjust the capacity fees, including:

- ENR Construction Cost Index: ENR (Engineering News-Record) magazine publishes construction cost indices monthly for 20 major U.S. cities and an average of 20 cities around the U.S. These indices can be used to estimate the change in the construction cost of facilities. If the ENR Index has increased by three percent since the last capacity fee adjustment, the capacity fee should be increased by three percent.
- U.S., California, or regional consumer price index.
- Interest rate and borrowing costs: The interest and borrowing costs for debt issued to finance wastewater capital projects can be added to the capacity fee annually.

BWA recommends that the City adjust its capacity fees annually by the change in the ENR Construction Cost Index 20 Cities Average. This is the most appropriate index because it directly reflects construction costs. Suggested language for implementing this policy is:

Each year, commencing on     (m/d/y)     and continuing thereafter on each     (m/d)    , the capacity fee shall be adjusted by an increment based on the change in the Engineering News-Record Construction Cost Index 20 Cities Average over the prior year. However, the City Council may at its option determine, by resolution adopted prior thereto, that such adjustment shall not be effective for the next succeeding year, or may determine other amounts as appropriate.

Capacity fees should also be reviewed in detail when updated information, such as a revised master plan or capital improvement program, is obtained, but not less than every five years.

# Appendix A

## Strength Classifications into Low, Domestic, Medium, and High Strength Dischargers

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Low Strength	<ul style="list-style-type: none"> <li>Banks &amp; Financial Institutions</li> <li>Barber Shops</li> <li>Hair Salon (hair cutting only)</li> <li>Dry Cleaners</li> <li>Laundromats</li> <li>Offices - Business and Professional</li> <li>Offices - Medical/Dental (without surgery)</li> <li>Post Offices</li> <li>Retail Stores</li> <li>Schools</li> <li>Car Wash</li> </ul>
Domestic Strength	<ul style="list-style-type: none"> <li>Residential - All</li> <li>Appliance Repair</li> <li>Auto Dealers - without Service Facilities</li> <li>Nail Salons</li> <li>Pet Groomers</li> <li>Bars &amp; Taverns - without dining</li> <li>Camp Ground or RV Park</li> <li>Churches, Halls &amp; Lodges</li> <li>Fire Stations</li> <li>Hotels, Motels, B&amp;Bs, and Vacation Rentals (W/O restaurant)</li> <li>Libraries</li> <li>Rest Homes</li> <li>Shoe Repair Shops</li> <li>Theaters</li> <li>Warehouses</li> <li>Car Washes - Self Service</li> <li>High Tech Medical Manufacturing</li> <li>Light Manufacturing/Industrial</li> <li>Mobile Home Park</li> <li>Gas Station</li> <li>Gym or Health Club</li> <li>Auto Dealers - with Service Facilities</li> <li>Machine Shops</li> <li>Service Stations, Garages, Auto Repair Shops</li> </ul>
Medium Strength	<ul style="list-style-type: none"> <li>Restaurants - W/O Dish Washer &amp; Garbage Disposal</li> <li>Coffee Shops - W/O Dish Washer &amp; Garbage Disposal</li> <li>Mini Marts - W/O Dish Washer &amp; Garbage Disposal</li> <li>Mini Mart with Gas Pumps - W/O Dish Washer &amp; Garbage Disposal</li> <li>Catering - W/O Dish Washer &amp; Garbage Disposal</li> <li>Hotel/Motel with Restaurant</li> <li>Beauty Shops ( hair cutting w/additional treatments)</li> <li>Hospitals - General, Convalescent &amp; Veterinarian</li> <li>Medical Offices - with Surgery</li> <li>Dental Offices</li> </ul>
High Strength	<ul style="list-style-type: none"> <li>Restaurants - with Dish Washer or Garbage Disposal</li> <li>Coffee Shops - with Dish Washer or Garbage Disposal</li> <li>Catering - with Dish Washer or Garbage Disposal</li> <li>Bakeries</li> <li>Butcher Shops</li> <li>Fish Market/Shop</li> <li>Markets - with Dish Washer or Garbage Disposal</li> <li>Markets - with Bakeries or Butcher Shops</li> <li>Mini Marts - with Dish Washer or Garbage Disposal</li> <li>Wineries</li> <li>Cheese Makers</li> <li>Dairy Products (milk producers, yogurt, ice cream maker)</li> <li>Specialty Foods Manufacturing (e.g., olive oil maker)</li> <li>Ice Cream Shop</li> <li>Tasting Rooms</li> <li>Spa with Various Beauty Treatments</li> <li>Funeral Homes/ Mortuary</li> </ul>

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675 Wildwood Avenue  
Rio Dell, CA 95562  
(707) 764-3532



For Meeting of: June 18, 2013

To: City Council

From: Kevin Caldwell, Community Development Director 

Through:  Jim Stretch, City Manager

Date: June 7, 2013

Subject: Non Conforming Regulations Text Amendment  
Section 17.30.160 Rio Dell Municipal Code

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**Recommendation:**

1. Receive staff's report regarding amending the Non-Conforming Regulations, Section 17.30.160 of the Rio Dell Municipal Code;
2. Continue the public hearing, receive public input and close the public hearing;
3. Adopt Ordinance No. 301-2013 amending the Non-Conforming Regulations, Section 17.30.160 of the Rio Dell Municipal Code (RDMC);
4. Direct the City Clerk, within 10 days after adoption of the Ordinance, to post an adoption summary of the Ordinance with the names of those City Council members voting for or against, or otherwise voting in at least three (3) public places and to post in the office of the City Clerk a certified copy of the full text of the adopted Ordinance pursuant to Section 36933(a) of the California Government Code.

## Background/Summary

At your meeting of June 4, 2013 your Council introduced (first reading) Ordinance No. 301-2013 amending the Non-Conforming Regulations, Section 17.30.160 of the Rio Dell Municipal Code (RDMC). The proposed amendments are as follows:

~~Section 17.30.160(3)(a) An existing owner-occupied one-story structure in the town-center zone may be restored to its original condition or may be expanded within lot setbacks.~~

Section 17.30.160(3)(a) A nonconforming owner-occupied residence that is destroyed or damaged by any casualty, may be restored within two (2) years after such destruction or damage but shall not be enlarged except as provided in Section 17.30.160(1)(a) of this Code.

~~Section 17.30.160 (5) Ordinary maintenance and repair may be made to any nonconforming use or building; provided, that such maintenance and repair does not exceed 25 percent of the actual value in any one year.~~

Section 17.30.160 (5) Ordinary maintenance and repair may be made to a nonconforming structure or a structure in which a nonconforming use is conducted.

The public hearing was opened and testimony was provided regarding the proposed amendments. The public hearing was continued to this meeting.

As evidenced in the Staff Report prepared for the June 4, 2013 meeting, the process for the Ordinance has been followed and staff believes the required General Plan Consistency finding as required by Section 65855 of the California Government Code can be made.

Based on the nature of the project, staff determined that the project is Statutorily Exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15061(b) (3) of the CEQA Guidelines, Title 14, Chapter 3 of the California Code of Regulations. Pursuant to Section 15061(b) (3) of the CEQA Guidelines this exemption is covered by the general rule that CEQA applies only to projects which have the potential for causing a *significant* effect on the environment. Where it can be seen with certainty that there is no possibility that the project in question may have a significant effect on the environment, the project is not subject to CEQA. Based on the nature of the proposed amendment, staff believes there is no evidence to suggest that the amendment will have a significant effect on the environment.

## **Financial Impact**

The City is responsible for the costs associated with the proposed amendment. The cost is insignificant and will not result in additional budget expenditures or revisions.

## **Attachments:**

1. Ordinance No. 301-2013 amending Section 17.30.160 of the Rio Dell Municipal Code.
2. Prior and Post Adoption Summaries.

**ORDINANCE NO. 301 – 2013**



AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF RIO DELL  
AMENDING THE NON-CONFORMING REGULATIONS, SECTION 17.30.160 OF THE  
RIO DELL MUNICIPAL CODE:

THE CITY COUNCIL OF THE CITY OF RIO DELL ORDAINS AS FOLLOWS:

**WHEREAS** staff is often contacted by lending institutions regarding the ability to rebuild non-conforming uses in the event they are destroyed or damaged by fire, flood or an earthquake; and

**WHEREAS** non-conforming uses are those uses which were legally permitted but are no longer identified as an allowed use in the zone they are located or pre-existed prior to the effective date of the City's zoning regulations; and

**WHEREAS** the current non-conforming regulations only allow the restoration or reconstruction of non-conforming uses so long as the long as the damage does not exceed 60% or more of the current market value of the structure; and

**WHEREAS** there is an exception for owner-occupied, one story structures in the Town Center zone that allows the restoration or reconstruction of owner occupied single story homes in the Town Center zone, regardless of the degree of damage; and

**WHEREAS** staff estimates that there are *at least* 25 – 30 legal non-conforming residential uses throughout the City; and

**WHEREAS** the inability to rebuild these non-conforming uses (residences) that are damaged more than 60% of the current market value of the structure could pose a financial hardship not only on the owner's but for the lenders as well; and

**WHEREAS** the City's Housing Element contains policies that encourage the maintenance, enhancement and improvement of the City's housing stock; and

**WHEREAS** another issue related to non-conforming uses that has been brought to staff's attention relates to a property owner's ability to do ordinary repairs and maintenance; and

**WHEREAS** the current non-conforming provisions, Section 17.30.160(5), limit the maintenance and repairs to no more than 25% of the actual value of the structure in any one year; and

**WHEREAS** with the exception of the City of Ferndale, all other local jurisdictions allow the maintenance and repair of non-conforming uses and structures without limitation; and

**WHEREAS** the use (for example residential uses in commercial zones), may be non-conforming, the structure itself could be used for future commercial uses; and

**WHEREAS** many times former residences are converted to office uses and to discourage the maintenance and repairs to existing buildings is not in the best interest of the City

**WHEREAS** the City has reviewed and processed the proposed amendments in conformance with Sections 65350 – 65362 of the California Government Code; and

**WHEREAS** the City has reviewed and processed the proposed amendments in conformance with Section 17.30.010 of the City of Rio Dell Municipal Code; and

**WHEREAS** the City finds that based on evidence on file and presented in the staff report that the proposed amendments are consistent and compatible with the General Plan and any implementation programs that may be affected; and

**WHEREAS** the proposed amendments have been processed in accordance with the applicable provisions of the California Government Code and the California Environmental Quality Act (CEQA); and

**NOW, THEREFORE, BE IT RESOLVED** that the City Council finds that:

1. The proposed amendments are consistent with the General Plan and any applicable specific plan; and
2. The proposed amendments are Statutorily Exempt pursuant to Section 15061(b) (3) of the CEQA Guidelines, Title 14, Chapter 3 of the California Code of Regulations.

**NOW, THEREFORE, BE IT FURTHER RESOLVED** that the City Council of the City of Rio Dell does hereby ordain as follows:

**Section 1.** The Non-Conforming Regulations, Section 17.30.160 of the Rio Dell Municipal Code is hereby amended as follows:

**17.30.160 Nonconforming uses.**

The lawful use of lands or buildings existing on the effective date of the application of these regulations to the subject property, although such use does not conform to the regulation applied to such subject property, may be continued, except as provided herein.

(1) No such use or building shall be enlarged, increased or structurally altered, nor be extended to occupy a greater area than that existing on the effective date of the application of these regulations to the subject property, except as follows:

(a) A nonconforming building may be enlarged, increased or structurally altered where (i) such building modification is required for reason of public health or safety, or (ii) where such modification will not increase the degree of nonconformance of the subject building with respect to the height and area regulations of the zone in which it is located.

(2) Any use for which a use permit is required by these regulations shall be considered a nonconforming use until a use permit is obtained.

(3) If 60 percent or more of the market value of any such land or building is destroyed, as determined by the building official, then the property shall become subject to the zoning regulations applicable to the principal zone, and any subsequent use or buildings shall be in accordance with such regulations, with the following exception:

~~(a) An existing owner-occupied one-story structure in the town center zone may be restored to its original condition or may be expanded within lot setbacks.~~

(a) A nonconforming owner-occupied residence that is destroyed or damaged by any casualty, may be restored within two (2) years after such destruction or damage but shall not be enlarged except as provided in Section 17.30.160(1)(a) of this Code.

(4) Any interruption of a nonconforming use, or the use of a nonconforming building, which continues for 12 months or more shall be deemed to be an abandonment of such

use, and subsequent use of buildings shall be in accordance with the regulations applicable to the subject property.

~~(5) Ordinary maintenance and repair may be made to any nonconforming use or building, provided, that such maintenance and repair does not exceed 25 percent of the actual value in any one year.~~

[\(5\) Ordinary maintenance and repair may be made to a nonconforming structure or a structure in which a nonconforming use is conducted.](#)

(6) Any use coming within the provisions of RDMC 17.30.050, concerning domestic animals appurtenant to residential uses, shall, after the expiration of 18 months from the effective date of the ordinance codified in this section, conform to the provisions of RDMC 17.30.050. [Ord. 252 § 7.60, 2004.]

## **Section 2. Severability**

If any provision of the ordinance is invalidated by any court of competent jurisdiction, the remaining provisions shall not be affected and shall continue in full force and effect.

## **Section 3. Limitation of Actions**

Any action to challenge the validity or legality of any provision of this ordinance on any grounds shall be brought by court action commenced within ninety (90) days of the date of adoption of this ordinance.

## **Section 4. CEQA Compliance**

The City Council has determined that the adoption of this ordinance is exempt from review under the California Environmental Quality Act (CEQA), pursuant to Section 15061(b)(3) of the CEQA Guidelines. Due to the nature of the proposed code revisions, there is no evidence that any impact to the environment would occur as a result of adoption of the Ordinance.

## **Section 5. Effective Date**

This ordinance becomes effective thirty (30) days after the date of its approval and adoption.

**I HEREBY CERTIFY** that the forgoing Ordinance was duly introduced at a regular meeting of the City Council of the City of Rio Dell on June 4, 2013 and furthermore the forgoing Ordinance was passed, approved and adopted at a regular meeting of the City Council of the City of Rio Dell, held on the 18<sup>th</sup> of June 2013 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

---

Jack Thompson, Mayor

ATTEST:

I, Karen Dunham, City Clerk for the City of Rio Dell, State of California, hereby certify the above and foregoing to be a full, true and correct copy of Ordinance No. 301-2013 adopted by the City Council of the City of Rio Dell on June 18, 2013.

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Karen Dunham  
City Clerk, City of Rio Dell



# Public Notice

## City of Rio Dell City Council

### SUMMARY FOR POSTING PRIOR TO ADOPTION OF ORDINANCE

(The summary shall be published or posted at least 5 calendar days prior to the City Council meeting)

#### Summary

On **Tuesday, June 18, 2013 at 6:30 p.m.** or as soon thereafter as the matter can be heard, the Rio Dell City Council will hold a public hearing in the City Council Chamber at City Hall to consider the matter listed below. The City Council is scheduled to adopt the Ordinance listed below. If you have any questions regarding the proposed project, contact Kevin Caldwell, Community Development Director at (707) 764-3532.

### ORDINANCE NO. 301-2013

**Non-Conforming Use Regulations:** Amending Section 17.30.160 Non-Conforming Regulations to allow property owners to repair/reconstruct non-conforming owner-occupied residences should they be destroyed or damaged by fire, flood or an earthquake and to allow more than 25% of the actual value of the structure to be repaired within one year.

A certified copy of the full text of the Ordinance is posted in the office of the City Clerk. General questions regarding the Ordinance, the planning process, submission of materials and information not specific to this project may be obtained from the City, 675 Wildwood Avenue, Rio Dell, CA. 95562; telephone (707) 764-3532.

POSTED: June 12, 2013

# Public Notice

## City of Rio Dell City Council

### SUMMARY FOR POSTING AFTER ADOPTION OF ORDINANCE

(The summary shall be published or posted within 10 calendar days after the adoption of the ordinance)

#### Summary

On **Tuesday, June 18, 2013 at 6:30 p.m.**, the Rio Dell City Council held a public hearing in the City Council Chamber at City Hall to consider the matter listed below and adopted Ordinance No. 301-2013 amending Section 17.30.160 of the Rio Dell Municipal Code (RDMC), Non-Conforming Regulations to allow property owners to repair/reconstruct non-conforming owner-occupied residences should they be destroyed or damaged by fire, flood or an earthquake and to allow more than 25% of the actual value of the structure to be repaired within one year.

### ORDINANCE NO. 301-2013

**Non-Conforming Use Regulations:** Amending Section 17.30.160 Non-Conforming Regulations to allow property owners to repair/reconstruct non-conforming owner-occupied residences should they be destroyed or damaged by fire, flood or an earthquake and to allow more than 25% of the actual value of the structure to be repaired within one year.

A certified copy of the full text of the Ordinance is posted in the office of the City Clerk. General questions regarding the Ordinance, the planning process, submission of materials and information not specific to this project may be obtained from the City, 675 Wildwood Avenue, Rio Dell, CA. 95562; telephone (707) 764-3532.

POSTED: June 19, 2013

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675 Wildwood Avenue  
Rio Dell, CA 95562  
(707) 764-3532



For Meeting of: June 18, 2013

To: City Council  
From: Kevin Caldwell, Community Development Director   
Through:  Jim Stretch, City Manager  
Date: June 14, 2013  
Subject: Circulation Element; General Plan Amendment

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**Recommendation:**

That the City Council:

1. Re-Open the public hearing, receive public input, discuss the Circulation Element, adopt Resolution No. 1204-2013 approving the Circulation Element; or
2. Continue the Public Hearing and direct staff to make any changes and bring the Circulation Element back to your Council for adoption at the meeting of July 2, 2013

**Background and Discussion**

Staff presented the Draft Circulation Element at your June 4<sup>th</sup> meeting. Staff's intent was to allow the Council adequate time to review the document prior to the next meeting.

Again, the Circulation Element is one of seven mandated elements of the General Plan. As previously reported, the current Circulation Element was adopted in 1977.

The Circulation Element identifies the guiding principles for moving people and goods within the City and identifies the infrastructure necessary to assure that the transportation network will serve the City at General Plan build-out.

## **Attachments**

Attachment 1: Resolution No. 1204-2013 approving and adopting the Circulation Element.

RESOLUTION NO. CC 1204 – 2013



RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RIO DELL ADOPTING THE  
CIRCULATION ELEMENT:

**WHEREAS** the current Circulation Element was adopted in 1977; and

**WHEREAS** the Circulation Element is one of seven mandated elements of the General Plan; and

**WHEREAS** in 2010 the Governor's Office of Planning and Research (OPR), published the *Update to the General Plan Guidelines: Complete Streets and the Circulation Element*; and

**WHEREAS** Assembly Bill 1358 (AB 1358, Chapter 657, Statutes of 2008), the California Complete Streets Act, required OPR to amend the *2003 General Plan Guidelines* to provide guidance to local jurisdictions on how to plan for multimodal (automobile, public transit, bicycle and pedestrian) transportation networks in general plan circulation elements; and

**WHEREAS** Staff considered and addressed the changes in preparing the Circulation Element; and

**WHEREAS** the City has reviewed and processed the proposed amendments in conformance with Sections 65350 – 65362 of the California Government Code; and

**WHEREAS** the City finds that based on evidence on file and presented in the staff report, the proposed amendments are deemed to be in the public interest; and

**WHEREAS** the City finds that based on evidence on file and presented in the staff report that the proposed amendments are consistent and compatible with the rest of the General Plan and any implementation programs that may be affected; and

**WHEREAS** the proposed Circulation Element has been processed in accordance with the applicable provisions of the California Government Code and the California Environmental Quality Act (CEQA); and

**WHEREAS** the City has determined that the Circulation Element is Statutorily Exempt pursuant to Section 15061(b) (3) of the CEQA Guidelines, Title 14, Chapter 3 of the California Code of Regulations.

**WHEREAS** the Planning Commission has reviewed the Circulation Element and recommends that the City Council adopt the proposed Circulation Element

**NOW, THEREFORE BE IT RESOLVED** that the City Council of the City of Rio Dell:

1. Finds that the adoption of the Circulation Element is in the public interest and consistent with an overall comprehensive view of the General Plan; and
2. Finds that based on evidence on file and presented in the staff report that the potential impacts of the proposed amendment has been assessed and have been determined not to be detrimental to the public health, safety, or welfare; and
3. Adopts the Circulation Element.

**I HEREBY CERTIFY** that the forgoing Resolution was PASSED and ADOPTED at a regular meeting of the City Council of the City of Rio Dell on June 18, 2013 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

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Jack Thompson, Mayor

ATTEST:

I, Karen Dunham, City Clerk for the City of Rio Dell, State of California, hereby certify the above and foregoing to be a full, true and correct copy of Resolution No. CC 1204-2013 adopted by the City Council of the City of Rio Dell on June 18, 2013.

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Karen Dunham  
City Clerk, City of Rio Dell

675 Wildwood Avenue  
Rio Dell, CA 95562  
(707) 764-3532



To: Honorable Rio Dell City Council  
From: Graham Hill, Chief of Police *GH*  
Through: Jim Stretch, City Manager *JS*  
Date: June 18th, 2013  
Subject: Nuisance Abatement Ordinance

**Council Action**

1. Conduct first public reading of the proposed Nuisance Ordinance and take public comment.

**Background**

Several months ago it came to my attention that some of the citations within the current Nuisance Ordinance were outdated or otherwise incorrect. This resulted in a legal review of the ordinance and a recommendation to adopt an updated ordinance. Ultimately the ordinance was redone. After several internal drafts were reviewed by staff and the city's attorney a 1<sup>st</sup> draft to be presented to the City Council has been completed and was presented at a study session on April 23<sup>rd</sup>, 2013. At that study session the issue of how appeal hearings were to be handled was discussed and staff was directed to amend that portion of the draft so the hearing officer was not the City Manager or another employee.

Another draft was brought back on June 4<sup>th</sup> with a recommendation for three city council members to act as the hearing committee. The City Attorney had previously expressed concern over three elected officials serving on the committee because of possible conflicts with Brown Act procedures regarding the city council. I did not address that issue at the last study session on June 4<sup>th</sup>. To address that concern a hearing committee model has been recommended that includes two city council members and the third member of the committee is the City Manager. This alleviates the Brown Act issues and provides for a three person committee to avoid a non decision with no majority.

This newest version has gone to the City Attorney for additional review, and should be received back by the next scheduled city council meeting (June 18<sup>th</sup>).

**Budgetary Impact**

No impact at this time.

**Recommendation**

Conduct first reading of nuisance ordinance and accept public comment

**Attachments**

1. Proposed Nuisance Abatement Ordinance.

## Chapter 8.10

### NUISANCES

#### Article 1. Nuisances Generally

##### 8.10.010. Application.

The provisions of this chapter shall apply to all property throughout the City of Rio Dell wherein any of the conditions, hereinafter specified, are found to exist; provided, however, that any condition which would constitute a violation of this chapter, but which is duly authorized under any other City, state or federal law, shall not be deemed to violate this chapter.

##### 8.10.020. Definitions.

For the purposes of this chapter, the following words shall have the specified meanings:

(A) **Blight.** For purposes of this Code, visual blight is any unreasonable, non permitted or unlawful condition or use of real property, Premises or of building exteriors which by reason of its appearance as viewed from the public right-of-way, is detrimental to the property of others or to the value of property of others, offensive to the senses, or reduces the aesthetic appearance of the neighborhood. Visual blight includes, but is not limited to, the keeping, storing, depositing, scattering over or accumulation on the Premises any of the following:

- (1) Lumber, junk, trash, debris, scrap metal, rubbish, packing materials, building materials.
- (2) Abandoned, discarded or unused objects or equipment such as furniture, stoves, appliances, refrigerators, freezers, cans or containers, automotive parts and equipment.
- (3) Abandoned, wrecked, disabled, dismantled or inoperative vehicles or parts thereof except inoperative vehicles that are not abandoned and are in an active state of renovation or restoration. For purposes of this article, “active state of renovation or restoration” means that the vehicle is actively being restored or renovated in a manner intended to make the vehicle operational, and shall not include restoration or renovation that solely improves the interior or exterior appearance, but not the operation, of the vehicle. A vehicle shall only be permitted to be in an active state of renovation or restoration for a period that shall not exceed ninety days, whether consecutive or non-consecutive, out of any twelve month period.
- (4) Stagnant water or excavations.
- (5) Any personal property, object, device, decoration, design, fence, structure, clothesline, landscaping or vegetation which is unsightly by reason of its condition or its inappropriate location.

(6) Vehicles parked on any surface other than an “improved surface” or “driveway” as those terms are defined.

(7) Any condition of a building or structure deemed to be unsafe or that in the discretion of the City Manager or his/her designee, or the Department Head, would constitute a threat to public safety, health, or welfare, or poses a security problem by reason of dilapidation, fire hazard, disaster, damage or other similar occurrence specified in this Code or any other applicable law.

(8) Any condition of a building or portion thereof which constitutes a substandard building, as defined in Health and Safety Code Section 17920.3 or its successor.

(9) Filling of any swimming pool with water prior to the final safety inspection required by the California Code of Regulations, conducted by City inspectors and before such final inspection has been noted on the permit card obtained from the City.

**(B) City.** The City of Rio Dell, a municipal corporation of the State of California.

**(C) City Council.** The duly elected City Council for the City of Rio Dell.

**(D) City Council Member.** Any currently seated member of the City Council for the City of Rio Dell.

**(E) City Manager.** The City Manager for the City of Rio Dell.

**(F) Code or City Code.** The “Code” shall mean the Municipal Code for the City of Rio Dell.

**(G) Code Compliance Administrator.** The City Manager and the authorized representative(s) of the City Manager.

**(H) Department Head.** The Police Chief, the City Manager, and the City Attorney, and their authorized representative(s).

**(I) Highway.** Any road, street, alley, way or place of whatever nature, publicly maintained and opened to the use of the public for purposes of vehicular travel. Highway includes City streets.

**(J) Inoperative vehicle.** Any vehicle which cannot be legally operated on the street because of lack of current registration or, lack of an engine, transmission, wheels, tires, windshield or any other part or equipment necessary to operate on public streets and/or highways.

**(K) Junk.** Any cast-off, damaged, discarded, junked, obsolete, salvage, scrapped, unusable, worn-out or wrecked object, thing or material, including but not limited to those composed in whole or in part of asphalt, brick, carbon, cement, plastic or other synthetic substance, fiber, glass, plaster, plaster of parts, rubber, terra cotta, wool, cotton, cloth, canvas, wood, metal, sand, organic matter or other substance.

**(L) Junkyard.** Any Premises on which any junk is abandoned, bailed, bartered, bought, brought, bundled, deposited, disassembled, disposed of, exchanged, handled, kept, stored or transported, regardless of whether or not such activity is done for profit.

**(M) Notice and Order.** A Notice and Order is legal notice which details structural or technical Code violations such as illegal construction, conversions, alterations, illegal plumbing, mechanical or electrical installations, dangerous buildings, substandard housing or similar.

**(N) Owner.** Owner of record of real property, occupant, lessee, or interested holder in same, as the case may be including the owner of real property whereon a vehicle(s) or part(s) thereof is located.

**(O) Person.** Any individual, group of individuals, firm, entity or corporation owning, occupying or using any Premises.

**(P) Planning Commission.** The Planning Commission for the City of Rio Dell.

**(Q) Police Chief.** The Police Chief for the City of Rio Dell.

**(R) Premises.** Any real property or improvements thereon located in the City of Rio Dell.

**(S) Service Station.** Any Premises upon which the improvements are designed and built for the primary purpose of selling to or providing others with fuels for internal combustion engines or motor vehicles, whether or not providing related automotive maintenance and repair service.

**(T) Special Assessment Lien.** A special assessment lien is a lien placed on real property and is collected by the county tax assessor.

**(U) Vehicle.** Any device by which any person or property may be propelled, moved, or drawn upon a highway, excepting a device moved exclusively by human power or used exclusively upon stationary rails or tracks.

#### **8.10.030. Nuisances.**

It is hereby declared unlawful and a public nuisance per se for any person owning, leasing, occupying and/or having charge or possession of any Premises or land in this City to permit, allow, or maintain such Premises or land such that any one or more of the following conditions or activities exist:

(A) Any condition recognized in law or equity as constituting a public nuisance including, without limitation, any condition on or use of property which would constitute a nuisance as defined in California Penal Code §§ 370, 371 and/or 11225;

(B) Any dangerous, unsightly, or blighted condition that is detrimental to the health, safety or

welfare of the public;

(C) Any condition that is in violation of any duly enacted ordinance of the Rio Dell Municipal Code, or resolution or lawful order promulgated by authorized City officials;

(D) Any condition in violation of Chapters 8, 15, and 17 of this Code, including any condition in violation of any written design finding, including design standard, design guideline, or development standard that may be adopted by resolution or ordinance from time to time by the City Council or the planning commission, or any condition imposed on any entitlement, permit, contract, or environmental document issued or approved by the City;

(E) Any condition in violation of Chapter 8.25 of this Code entitled "Premises Used for Drug Related Activity."

(F) Anything defined as a nuisance pursuant to state and federal law including but not limited to California Civil Code Section 3479 et seq.;

(G) Any condition in violation of the weed and rubbish abatement laws defined at Government Code Sections 39501 et seq. and 39560 et seq. as enacted or hereafter amended and enforced by City ordinance and resolutions;

(H) Any vacant, unoccupied or abandoned building or structure that is not reasonably secured against uninvited entry or that constitutes a fire hazard, or is in a state of unsightly or dangerous condition so as to constitute a blighted condition detrimental to property values in the neighborhood or otherwise detrimental to the health, safety and welfare of the public;

(I) Any condition that constitutes an attractive nuisance; those objects or conditions that, by their nature may attract children or other curious individuals including, but not limited to, unprotected hazardous or unfilled pools, ponds, including pools or ponds that have not been properly barricaded, ice boxes, refrigerators or excavations;

(J) Any condition that constitutes a visual Blight.

#### **8.10.040. Responsibility for Property Maintenance.**

(A) Every owner of real property within the City is required to maintain such property in a manner so as not to violate the provisions of this chapter and such owner remains liable for violations thereof regardless of any contract or agreement with any third party regarding such property.

(B) Every occupant, lessee, tenant or holder of any interest in property, other than as owner thereof, is required to maintain such property in the same manner as is required of the owner thereof, and the duty imposed on the owner thereof shall in no instance relieve those persons referred to from the similar duty.

## **Article 2. Enforcement**

### **8.10.050. Authority.**

(A) The City Manager is hereby authorized to administer and enforce all of the provisions of this chapter. In accordance with approved procedures, the City Manager may assign said authority to Department Heads and/or employ qualified officers, inspectors, assistants, and other employees as shall be necessary to carry out the provisions of this chapter. The authority of the City Manager to enforce the provisions of this chapter is independent of and in addition to the authority of other City officials to enforce the provisions of any other chapter of the City Code.

(B) Pursuant to California Code of Regulations, Title 25, Section 52, the procedures contained in this chapter are deemed to be equivalent for the purposes intended by, and may be used in lieu of, the regulations and procedures for abatement contained in Article 6 of Subchapter 1 of Chapter 1 of Division 1 of Title 25 of the California Code of Regulations which addresses mobile homes and parks.

(C) Nothing in this chapter shall be construed to limit the authority of the Police Chief of the City to enforce all laws within the Police Chief's jurisdiction.

### **8.10.060. Right of Entry.**

(A) Whenever it is necessary to make an inspection of any Premises to enforce the provisions of this chapter, and to the extent authorized by law, the Code Compliance Administrator or a Department Head authorized by the Code Compliance Administrator may enter on such Premises at all reasonable times to inspect the same or to perform any duty imposed upon him/her by this Code, subject to the requirements of Amendment IV of the United States Constitution and any other provisions of applicable law.

(B) Whenever practicable, the Code Compliance Administrator or the Department Head shall contact the occupant of such Premises 24 hours prior to entry and inform the occupant of the reasons for such entry onto such property, and if the occupant is other than the owner, the Code Compliance Administrator or the Department Head shall also, if practicable, contact such owner. This does not prevent entering the property within the 24 hours of notification with the owner or occupants permission.

(C) If entry onto any Premises is denied by the owner or occupant of such Premises, or by any third party, the Code Compliance Administrator or authorized Department Head shall have recourse to every remedy provided by law to secure peaceable entry on such Premises to perform the duties required by this chapter.

### **8.10.070. Violations and Penalties.**

(A) It shall be unlawful for any person, firm, corporation, or other entity to violate any provision of this chapter. Any person, firm, corporation, or other entity, whether as owner, lessee, sub lessor, sub lessee, or occupant of any Premises that violates the provisions of this chapter or any order issued pursuant to this chapter shall be subject to any or all of the following:

- (1) Such person shall be subject to summary or administrative abatement of the nuisance by the City, and be subject to fines, civil penalties, fees and costs, including reasonable attorney fees imposed by the City pursuant to the summary or administrative abatement procedures contained in the City Code or any other provisions of law;
- (2) Such person shall be guilty of a misdemeanor for each day such violation continues, and upon conviction thereof, shall be punished for each violation by a fine not to exceed one thousand dollars, or by imprisonment of not longer than six months, or both for each violation;
- (3) Such person shall be prosecuted in a civil action, criminal action, or both brought by the City. The City Attorney or other authorized legal representative may bring an action in a court of competent jurisdiction to enjoin or prosecute any nuisance violation of this chapter, or violation of any other ordinance of the City;
- (4) Each and every day that any such violation continues to exist shall constitute a continuing and separate offense.

#### **8.10.080. Additional Enforcement.**

Nothing in this chapter shall be deemed to prevent the City from commencement of any available administrative, civil and/or criminal proceeding to abate a nuisance pursuant to all applicable provisions of law as an alternative and/or in addition to any enforcement proceedings set forth in this chapter.

#### **8.10.090. Cumulative Remedies.**

The remedies set forth in this chapter include summary and administrative abatement, administrative citations, civil actions, criminal actions and all other remedies provided for by law. All remedies set forth in this chapter and in all City ordinances for the abatement or punishment of any violation thereof, are cumulative and may be pursued alternatively or in combination. Provisions of this Code are to be supplementary and complementary to all of the City ordinances, the Rio Dell Municipal Code, state law, and any law cognizable at common law or in equity, and nothing herein shall be read, interpreted or construed in any manner so as to limit any existing right or power of the City to abate any and all nuisances and to enforce its ordinances.

#### **8.10.100. Permits Required.**

When a permit is required to correct a Code violation pursuant to a Code compliance action, the property owner shall complete the permit, including all inspections, corrections, and work in accordance with a timeline established by the Code Compliance Administrator. In establishing the timeline the Code Compliance Administrator shall provide a time frame, that in his or her judgment, is reasonable to expeditiously complete the permit. Failure to strictly adhere to the established timeframe shall be deemed a continuing violation subject to the remedies established in this article. Nothing in this chapter shall be construed to relieve the violator from payment of any and all costs incurred by the City in enforcing and/or causing the abatement of any violation of the City of Rio Dell Municipal Code.

### **Article 3. Summary Abatement**

#### **8.10.110. Summary Abatement.**

(A) The City may immediately abate any nuisance or violation of this chapter that poses a clear and imminent danger to, or requires immediate action to prevent or mitigate the loss or impairment of, life, health, property, or essential public services. The City may perform this abatement without providing prior notice or hearing to the owner or occupier of the offending Premises. Such summary abatement may proceed only upon the authorization of the manager and the City Attorney, or their respective designees. The abatement shall include all actions necessary to secure the Premises to prevent further occurrences of the nuisance.

(B) The owner and/or occupier of the Premises or the persons creating, causing, committing, or maintaining the nuisance shall be subject to any administrative fines, penalties, fees and costs, including reasonable attorney fees, imposed or incurred by the City pursuant to this chapter.

(C) Any abatement performed by the City pursuant to this section shall be at the expense of the owner and/or occupier of the Premises or the persons creating, causing, allowing, permitting, committing, or maintaining the nuisance. The City shall recover its expenses pursuant to the special assessment lien procedures contained in this Code or any other applicable provision of law.

(D) As soon as practicable following completion of the abatement, the Code Compliance Administrator or the Department Head shall issue a notice of violation and/or Notice and Order in accordance with this chapter. Persons receiving such notice shall be entitled to all hearing rights as provided herein.

(E) If a structure is deemed untenable pursuant to California Civil Code § 1941.1 and the Code compliance officer determines that the structure is in such a condition as to make it immediately dangerous to the health and safety of the occupants or public, it shall be ordered to be vacated and posted as unsafe.

## Article 4. Administrative Abatement

### 8.10.120. Commencement of Proceedings.

(A) Whenever the Code Compliance Administrator or the Department Head has inspected or caused to be inspected any Premises or condition and has found and determined that such Premises or condition are in violation of this chapter, and that such violation does not pose an immediate danger to health or safety, the City Manager or his/her designee may commence proceedings to cause abatement of the nuisance as provided herein. When the City Manager or his/her designee, or Department Head has found that a violation of this chapter poses an immediate danger to health or safety, the City Manager or his/her designee, or Department Head may pursue any remedies available under this chapter or by law, including, but not limited to, summary abatement or administrative citation.

(B) Once proceedings have been commenced pursuant to this chapter to declare a public nuisance, no Premises or building shall be deemed to be in compliance with this chapter solely because such building or Premises thereafter becomes occupied or unoccupied.

### 8.10.130. Notice of Violation.

(A) Upon determination by the Code Compliance Administrator or the Department Head that a premise is in violation of this chapter, and a notice of violation and/or a Notice and Order has not been issued against the same Premises, or the same property owner but at a different premise, address or location, within the City, within the last twelve months, and that the violation does not create an immediate danger to health or safety, City Manager or his/her designee or the Department Head may issue a notice of violation to the owner of record of the Premises and to the occupant of the Premises, if any. The notice of violation shall contain:

- (1) The name and address of the person, firm, or corporation in violation, and the street address of the property where the violation is present;
- (2) A statement specifying the condition(s) which constitute a nuisance;
- (3) A statement explaining which specific Code sections has been violated;
- (4) The range of the administrative, civil and/or criminal actions and monetary penalties, as described herein, that the City may impose for such violations if not corrected;
- (5) An order to correct the violation within a date certain, said date which shall be specified on the notice of violation and determined by the specific violation; and
- (6) A statement informing the recipient of the name and office telephone number of the person to contact should the recipient desire to explain why he or she believes
  - (a) the Premises should not be declared to be a public nuisance and abated,

(b) penalties should not be assessed, and

(c) the costs of such abatement should not become a charge and lien against the Premises. The Department Head may rescind or modify the notice of violation based on substantive evidence presented by the recipient.

#### **8.10.140. Stop Work Order.**

If the violation is related to a permit, license or other approval of a project, the notice of violation may be accompanied by a stop work order which orders the recipient to stop immediately any and all work on the project that is subject to the permit, license or approval until the violation is corrected.

#### **8.10.150. Service of Notice of Violation.**

A copy of the notice of violation, and any amended or supplemental notices, shall be served either by personal delivery or by First Class U.S. mail, postage prepaid, upon the record owner at the address as it appears on the latest equalized assessment roll of Humboldt County, and upon the occupant of the Premises, if any. If neither of these methods result in the notice being served upon the record owner and any occupants after reasonable attempts to serve, a copy of the notice shall be posted on the Premises.

#### **8.10.160 Notice and Order—Structural and Technical**

Notice and Orders are primarily used for structural or technical Code violations such as illegal construction, conversions, alterations, illegal plumbing, mechanical or electrical installations, dangerous buildings, substandard housing or similar. When issued, the violation must be remedied in thirty calendar days, unless there is an immediate danger risk. If there is an eminent threat of danger the violation must be remedied immediately.

**(A) Grounds for Issuance.** A Notice and Order may be issued under any of the following circumstances:

- (1) When a notice of violation has been served, and the specified time has passed without adequate correction and abatement of the violation;
- (2) When a stop work order has been issued but has not been complied with;
- (3) When the City has performed a summary abatement pursuant to this chapter;
- (4) When the same type or character of violation has been committed by the same person, or on the same Premises, or a notice of violation, an administrative citation, or a Notice and Order has been served on the same person, or on the same Premises, within

the past twelve months.

**(B) Contents of Notice and Order.** A Notice and Order shall contain the following:

- (1) The name and address of the person, corporation, or entity in violation, and the street address of the property where the violation is present;
- (2) A statement specifying the condition(s) which constitute a violation and nuisance;
- (3) A statement explaining which specific Code section(s) have been violated;
- (4) A statement informing the recipient of the number of days from the date of the Notice and Order the recipient has to voluntarily abate the violation and nuisance;
- (5) A statement informing the recipient of his or her right to appeal the determination to a hearing officer by filing with the City Clerk within ten calendar days from the date of the Notice and Order, and on a form available from the City of Rio Dell, a written statement requesting a hearing and providing a factual and specific explanation of:
  - (a) why the Premises should not be declared to be a public nuisance and abated; and
  - (b) why the costs of such abatement should not become a special assessment lien against the Premises;
- (6) A statement informing the recipient of the Notice that there is a fee, which is set by resolution by the City Council of the City of Rio Dell that must be deposited at the time an appeal is filed.
- (7) A statement that if the person, corporation or entity fails to abate the violation and nuisance or fails to file within ten calendar days, a request for an appeal hearing, the Notice and Order shall be final and not subject to judicial review, and all persons served with such notice shall be deemed to have consented to the abatement of the nuisance and that, at the election of the City, the City will abate the nuisance and the costs of such abatement may be charged against the Premises and may be recorded as a special assessment lien against the Premises.

**(C) Service of Notice and Order.**

- (1) **Persons Entitled to Service.** The Notice and Order shall be served upon the owner of the Premises, any occupants of the Premises, and any other person, corporation, or entity in violation. If the City proposes to impose a special assessment lien on the property, the City official issuing the Notice and Order shall also serve one copy on each of the following if known or disclosed from official public records:

(a) the holder of any mortgage, deed of trust, or other encumbrance of record;  
and

(b) the owner or holder of any lease of record. The failure of the City official issuing the order to serve any person required to be served shall not invalidate any proceedings under this chapter or relieve any person who was duly served from any duty or obligation imposed on him/her by the provisions of this section.

(2) Method of Service. Unless otherwise provided in this section, service of a Notice and Order shall be made by personal service or by First Class U.S. mail, postage prepaid with confirmation of delivery by the U.S. Postal Service. Service on any property owner in violation is deemed complete when it is served or delivered at the address listed by the property owner on the latest equalized assessment roll of Humboldt County, or as known to the City official issuing the order. If personal service or service by mail with confirmation of delivery is not reasonably feasible, service of the Notice and Order may be made by posting the notice on the subject Premises and sending a copy by regular United States mail service. Service posting in the manner herein provided shall be effective on the date of posting. As an alternative, substituted service of the Notice and Order may be made as follows:

(a) (i) By leaving a copy during usual business hours at the recipient's business with the person who is apparently in charge, and then mailing a copy by first-class mail to the recipient at the address where the copy was left; or

(ii) By leaving a copy at the recipient's dwelling or usual place of abode, in the presence of a competent member of the household, and then mailing a copy by first-class mail to the recipient at the address where the copy was left.

(b) If the party entitled to service has a property manager or rental agency overseeing the Premises, substituted service may be made as set forth in above upon the property manager or rental agency.

(c) Substituted service may be made by posting the Notice and Order on the Premises and mailing a copy of the Notice and Order to the person, corporation, or entity in violation at the address of the property on which the violation has occurred or is occurring.

(d) If the person, corporation, or entity in violation or other person entitled to service cannot be located or service cannot be made as set forth in this section, service may be made by publication in a newspaper of general circulation in Humboldt County. Service shall be deemed sufficient when it is accomplished pursuant to Government Code Section 6063.

**(D) Record.** Preparation of a record of the proceeding shall be governed by California Code of Civil Procedure Section 1094.6, as presently written or hereinafter amended.

#### **8.10.170. Appeal Hearing—Notice and Order.**

**(A) Payment of Appeal Fee.** Any person, corporation, or entity seeking to appeal a Notice and Order shall be required to pay to the City, at the time the appeal is requested, a nonrefundable appeal fee to be set by resolution of the City Council. The appeal fee is intended to cover the costs, expenses, and City employees' time incurred by the City in processing, preparing for, and hearing of the appeal. No appeal request is valid unless accompanied by the appeal fee or a City hardship waiver is granted.

(1) **Hardship Waiver.** If the appealing party establishes to the satisfaction of the City Manager or designee, by means of tax returns, pay stubs or other similar documentary evidence, and submits a declaration under penalty of perjury that paying the appeal fee would cause undue financial hardship to the appealing party the City Manager may grant a waiver of the appeal fee. The City Manager's determination is not appealable and shall be final as to the hardship waiver request.

**(B) Hearing Committee.** The appeal shall be heard by a committee (the "Hearing Committee"). The Hearing Committee shall consist of two Members of the City Council and the City Manager, plus one alternate City Council Member to facilitate timely hearings pursuant to this ordinance and resolve any potential conflicts of interest. The alternate City Council Member shall only participate in appeals where one of the other two City Council Members is unable to serve due to scheduling concerns or a conflict of interest. City Council Members shall be selected to serve on the Hearing Committee at the same time that other committees are formed by the City Council. Committee members shall not participate in the hearing process in cases when the member has had a substantial personal involvement with the party requesting the hearing and that personal involvement is a conflict of interest. The Hearing Committee shall be advised by the City Attorney to ensure proper legal procedures are followed and adhered to.

**(C) Setting Appeal Hearing.** The appeal hearing shall be set by the City Manager or his or her designee, and notice of the appeal hearing shall be sent to the appellant by first class mail at the address provided with the written appeal request. The appeal hearing shall be set for a date no sooner than twenty (20) days following a request for an appeal hearing. Notice of the appeal hearing shall be mailed at least fifteen (15) days before the date set for hearing.

#### **(D) Conduct of Appeal Hearing.**

(1) **Testimony at the Hearing.** At the time set for the appeal hearing, the Hearing Committee shall proceed to hear testimony from the representative of the City, the appellant, and any other competent persons with respect to the determination of a violation and nuisance or the imposition of an administrative penalty.

(2) **Record of Oral Evidence at Hearing.** The proceedings at the hearing shall be reported

by a tape recording, or video recording. Either party may provide a certified shorthand reporter to maintain a record of the proceedings at the requesting party's own expense.

(3) Continuances. The Hearing Committee may, upon request of the person, corporation, or entity against whom a penalty is to be imposed, or upon request of the City, grant continuances from time to time for extreme or unusual cause shown, or upon the Hearing Committee's own motion.

(4) Oaths; Certification. The City Clerk or certified shorthand reporter shall administer the oath or affirmation.

(5) Evidence Rules. Government Code Section 11513, subsections (a), (b), and (c) shall apply to all administrative hearings. At the Hearing Committee's sole discretion, other relevant evidence may be admissible and hearsay evidence may be used for the purpose of supplementing and explaining other evidence.

(6) Burden of Proof. The accuracy of the Notice and Order containing the description of the violations and/or public nuisance and the actions required to abate such nuisance or violation is deemed a rebuttable presumption and the burden is on the appellant to provide such facts and information to overcome such presumption by a preponderance of the evidence.

(7) Rights of Parties.

(a) Each party shall have the following rights among others:

(i) To call and examine witnesses on any matter relevant to the issues of the hearing;

(ii) To introduce documentary and physical evidence;

(iii) To cross-examine opposing witnesses on any matter relevant to the issues of the hearing;

(iv) To impeach any witness regardless of which party first called that witness to testify;

(v) To rebut the evidence against him or her;

(vi) To represent himself or herself or to be represented by anyone of his or her choice.

(b) If a party does not proficiently speak or understand the English language, that party may provide an interpreter, at that party's own cost, to translate for the party. An interpreter shall not have been a resident of the Premises or have had any personal relationship with or involvement in the parties or issues of the case

prior to the hearing.

(8) Official Notice. In reaching a decision, the Hearing Committee may take official notice, either before or after submission of the case for decision, of any fact which may be judicially noticed by the courts of this state or which may appear in any of the official records of the City or county, or any of their departments.

(9) Inspection of the Premises.

(a) The hearing officer may inspect the Premises involved in the hearing prior to, during, or after the hearing, provided that:

(i) Notice of such inspection shall be given to the parties before the inspection is made;

(ii) The parties consent and are given an opportunity to be present during the inspection; and

(iii) The hearing officer shall state for the record during the hearing, or file a written statement after the hearing for inclusion in the hearing record, upon completion of the inspection, the material facts observed and the conclusions drawn there from.

(b) Each party shall then have a right to rebut or explain the matters so stated by the hearing officer either for the record during the hearing or by filing a written statement after the hearing for inclusion in the hearing record.

(c) Notice to the parties or the owner(s)' consent to inspect the building and surrounding properties is not required if the property can be inspected from areas in which the general public has access or with permission of the other persons authorized to provide access to the property on which the building is located.

**(E) Form and Contents of the Decision; Finality of Decision.**

(1) Format of Hearing Committee's Decision. The Hearing Committee shall issue a written decision containing findings of fact and a determination of the issues presented. The Hearing Committee may affirm, modify or reverse the notice of violation or the Notice and Order imposed by the City or find that the imposition of the penalty is not warranted or is not in the interest of justice.

(2) Contents of Hearing Committee's Decision. If it is shown by a preponderance of all the evidence that the condition of the Premises constitutes a violation of the Rio Dell Municipal Code or is a public nuisance as defined in this chapter, the decision shall declare the Premises to be a public nuisance and shall order and require the appellant to abate the nuisance not later than ten calendar days after the issuance of the decision or, if ten calendar days is insufficient to abate the nuisance, within such other time as specified

by the Hearing Committee not to exceed sixty days. The decision shall inform the appellant that if the nuisance is not abated within the time specified, the nuisance may be abated by the City in such manner as may be ordered by the Department Head and the expense thereof made a special assessment lien upon the property involved. This is in addition to any other legal remedies that the City may choose to compel compliance.

(3) Service of the Hearing Committee's Decision. Upon issuance of the decision, the City shall serve a copy on the appellant by first class mail to the address provided by appellant in the written notice of appeal. The Hearing Committee's decision shall be deemed served three days after the date it is mailed to the address provided by the appellant.

(4) Finality of Hearing Committee's Decision. The decision of the Hearing Committee on an appeal of a Notice and Order shall constitute the final administrative decision of the City and shall not be appealable to the City Council or any committee or commission of the City.

## **Article 5. Enforcement of Hearing Committee Order**

### **8.10.180. Generally**

After any notice of violation or any decision of a Hearing Committee made pursuant to this chapter has become final, no person to whom any such order is directed shall fail, neglect or refuse to obey such order.

### **8.10.190. Failure to Obey Order—Abatement by City.**

(A) If, after any notice of violation or any order of a Hearing Committee made pursuant to this chapter has become final, the person to whom such order is directed shall fail, neglect or refuse to obey such order, the Department Head is authorized and directed to cause the nuisance to be abated by City personnel or private contract. In furtherance of this section, the Department Head shall obtain a warrant, if required, and thereafter is expressly authorized to enter upon the Premises for the purpose of abating the nuisance.

(B) Additionally, any person who fails to obey such order shall be guilty of a misdemeanor punishable as specified in Section 8.10.070(a)(2) of this chapter.

### **8.10.200. Interference with Work Prohibited.**

No person shall obstruct, impede or interfere with any officer, employee, contractor or authorized representative of the City, or with any person who owns or holds any estate or interest in any Premises on which a nuisance exists and which must be abated under the provisions of this chapter, whenever such officer, employee, contractor or authorized representative of the

City, or person having an interest or estate in such Premises is engaged in the work of abating any nuisance as required by the provisions of this chapter, or in performing any necessary act preliminary to or incidental to such work authorized or directed pursuant to this chapter.

#### **8.10.210. Costs of Abatement.**

(A) The Department Head shall keep an account of the costs and expenses of abating such nuisance, and the City shall render a statement of such costs to the person or persons receiving the notice to abate.

(B) Such person or persons receiving the notice of violation or decision of the hearing officer shall be liable to the City for any and all costs and expenses to the City involved in abating the nuisance. Such costs and expenses are due upon receipt of the statement required in subsection (A) of this section.

(C) Costs and expenses as referred to in this section shall include all costs allowed to be recovered by law, including attorneys' fees as allowed by Government Code Section 38773.5 or its successor.

#### **8.10.220. Procedure for Assessing Costs.**

If the person liable to pay the costs of abatement fails to do so within thirty calendar days of receiving the statement of such costs, the City may initiate proceedings to have such costs assessed against the real property or Premises on which the City abated the nuisance. Such proceedings and notice of such proceedings shall be performed in accordance with Section 54954.6 of the California Government Code. The costs of abatement shall be treated as a new assessment for purposes of Section 54954.6. No majority protest rights exist for this assessment. The Department Head shall present to the City Council a report of costs for abating the nuisance at the public meeting required by Section 54954.6.

#### **8.10.230. Assessment of Costs—Special Assessment Lien Against Property.**

(A) The total cost for abating a nuisance shall constitute a special assessment against the Premises to which it relates, and upon recordation in the office of the county recorder of a notice of lien, shall constitute a lien on the property for the amount of such assessment. The procedure for collecting abatement costs through a special assessment lien shall be in accordance with California Government Code Section 38773.5.

(B) After such recordation, a copy of the lien shall be turned over to the county assessor, who shall then enter the amount of the lien on the assessment rolls as a special assessment. Thereafter, said amount shall be collected at the same time and in the same manner as ordinary municipal taxes are collected, and shall be subject to the same penalties and the same procedure under foreclosure and sale in case of delinquency as provided by Government Code Section

38773.5 and as provided for ordinary municipal taxes.

## **Article 6. Additional Provisions Governing Abatement of Vehicles**

### **8.10.240. Application of Article.**

The requirements of this article apply to any action taken under this chapter to abate as a public nuisance an abandoned, wrecked, dismantled or inoperative vehicle or parts thereof from private or public property.

### **8.10.250. Exemptions.**

(A) This article shall not apply to:

(1) A vehicle, or part thereof, that is completely enclosed within a building in a lawful manner where it is not visible from the street or other public or private property; or

(2) A vehicle, or part thereof, that is stored or parked in a lawful manner on private property in connection with the business of a licensed dismantler, licensed vehicle dealer, or a junkyard.

(B) Nothing in this section shall authorize the maintenance of a public or private nuisance as defined under provisions of a law other than Chapter 10, commencing with Section 22650, of Division 11 of the California Vehicle Code and this article.

### **8.10.260. Article Not Exclusive Regulation.**

This article is not the exclusive regulation of abandoned, wrecked, dismantled or inoperative vehicles within the City. It shall supplement and be in addition to the other regulatory Codes, statutes and ordinances heretofore or hereafter enacted by the City, the state or any legal entity or agency having jurisdiction.

### **8.10.270. Persons Granted Franchise or Contract—Right of Entry.**

When the City has contracted with or granted a franchise to any person or persons, such person or persons shall be authorized to enter upon private or public property to remove or cause the removal of a vehicle or parts thereof declared to be a nuisance pursuant to this article.

### **8.10.280. Assessment of Administrative Costs Determination.**

Administrative costs incurred by the City under this article shall be assessed pursuant to Article 8.10.220 of this chapter.

**8.10.290. Abatement and Removal Authority.**

Upon discovering the existence of an abandoned, wrecked, dismantled or inoperative vehicle, or parts thereof, on private property or public property within the City, the Department Head shall have the authority to cause the abatement and removal thereof in accordance with the procedure prescribed in this chapter.

**8.10.300. Notice of Violation for Abandoned or Inoperable Vehicles.**

A notice of violation to abate and remove a vehicle or parts thereof as a public nuisance, as required by Section 8.10.130, shall be served by registered or certified mail on the owner of the land as shown on the last equalized assessment roll and the owner of record of the vehicle, unless the vehicle is in such condition that identification numbers are not available to determine ownership. The notice of violation shall comply with Section 8.10.140, and also shall be in substantially the following forms:

**NOTICE OF INTENTION TO ABATE AND  
REMOVE AN ABANDONED, WRECKED,  
DISMANTLED, OR INOPERATIVE  
VEHICLE OR PARTS THEREOF AS  
A PUBLIC NUISANCE**

(Name and address of owner or land)

As owner shown on the last equalized assessment roll of the land located at (address), you are hereby notified that the undersigned, pursuant to Rio Dell Municipal Code Chapter 8.15 has determined that there exists upon your land an abandoned, wrecked, dismantled or inoperative vehicle (or parts thereof) registered to \_\_\_\_\_, license number \_\_\_\_\_, which constitutes a public nuisance pursuant to provisions of Chapter 8.10. You are hereby notified to abate the nuisance by removing the vehicle (or parts of the vehicle) within ten (10) days from the date of mailing of this notice. If you fail to remove the vehicle or parts within ten (10) days, the City will abate the nuisance by removing the vehicle or parts to a scrap yard or automobile dismantler's yard, after which the vehicle or parts shall not again be made operable or reconstructed.

Removal costs and administrative costs will then be assessed to you as owner of the land on which the vehicle or parts are located. As owner of the land on which the vehicle or parts of the vehicle are located, you are hereby notified that you may, within ten (10) days after the mailing of this notice, request a public hearing. If such a request is not received by the Department Head within the ten (10) day period, the Department Head shall have the authority to abate and remove the vehicle or parts of the vehicle as a public nuisance and assess the removal and administrative costs without a public hearing. You may submit a sworn written statement within such ten (10)

day period denying responsibility for the presence of the vehicle or parts of the vehicle on your land, with your reasons for denial. Such statement shall be construed as a request for hearing at which your presence is not required.

You may appear in person at the hearing requested by you or the owner of the vehicle or, in lieu thereof, may present a sworn written statement in time for consideration at the hearing. You may, through such sworn written statement deny responsibility for the presence of the vehicle or parts on your land with your reasons for denial.

Notice mailed \_\_\_\_\_ (date) [Department Head]

**NOTICE OF INTENTION TO ABATE AND  
REMOVE AN ABANDONED, WRECKED,  
DISMANTLED OR INOPERATIVE  
VEHICLE OR PARTS THEREOF AS  
A PUBLIC NUISANCE**

(Name and address of last registered and/or legal owner of record of vehicle—Notice should be given to both if different)

As the last registered (and/or legal) owner of record of (description of vehicle - make, model, license, etc) you are hereby notified that the undersigned pursuant to Rio Dell Municipal Code Chapter 8.15, has determined that the vehicle (or parts of the vehicle) exist as an abandoned, wrecked, dismantled, or inoperative vehicle at (describe location on public or private property) and constitutes a public nuisance pursuant to the provisions of Chapter 8.15.

You are hereby notified to abate the nuisance by removing the vehicle or parts of the vehicle within ten (10) days from the date of mailing of this notice. If you fail to remove the vehicle or parts within ten (10) days, the City will abate the nuisance by removing the vehicle or parts to a scrap yard or automobile dismantler’s yard, after which the vehicle or parts shall not again be made operable or reconstructed.

Removal costs and administrative costs will then be assessed to you as owner of the land on which the vehicle or parts are located. As registered (and/or legal) owner of record of the vehicle (or parts of the vehicle), you are hereby notified that you may, within ten (10) days after mailing of this notice, request a public hearing. If such a request is not received by the Department Head within the ten (10) day period, the Department Head shall have the authority to abate and remove the vehicle or parts of the vehicle without hearing.

Notice mailed \_\_\_\_\_ (date) [Department Head]

**8.10.310. Hearing—Generally.**

Upon request by the owner of the vehicle or owner of the land received by the Department Head within ten days after the mailing of the notices of intention to abate and remove, a public hearing

shall be held in accordance with Section 8.10.170 on the question of abatement and removal of the vehicle or parts thereof as an abandoned, wrecked, dismantled or inoperative vehicle, and the assessment of the administrative costs and the cost of removal of the vehicle or parts thereof against the property on which it is located.

The owner of the land on which the vehicle is located may appear in person at the hearing or may present a sworn written statement denying responsibility for the presence of the vehicle on the land, with his or her reasons for the denial. If it is determined at the hearing that the vehicle was placed on the land without the consent of the landowner and that the landowner has not subsequently acquiesced to its presence, then the City shall not assess costs of administration or removal of the vehicle against the property upon which the vehicle is located or otherwise attempt to collect those costs from the landowner, if the vehicle has been removed from the property

**8.10.320. Hearing—Presence of Owner Not Required—Abatement Without Hearing.**

If the owner of the land submits a sworn written statement denying responsibility for the presence of the vehicle on his or her land within ten days after the mailing of the notice of violation to abate and remove, the statement shall be construed as a request for a hearing that does not require the owner's presence. If such a request for hearing is not received within the ten days after mailing of the notice of intention to abate and remove, the City shall have the authority to abate and remove the vehicle or parts thereof as a public nuisance without holding a public hearing.

**8.10.330. Order Requiring Removal.**

At the conclusion of the public hearing, the Hearing Committee may find that a vehicle or parts thereof has been abandoned, wrecked, dismantled or is inoperative on private or public property and order the same removed from the property as a public nuisance and disposed of as provided in this article and determine the administrative costs and the cost of removal to be charged against the owner of the land. The order requiring removal shall include a description of the vehicle or parts thereof and the correct identification number and license number of the vehicle, if available at the site.

**8.10.340. Hearing—Non-assessment of Costs.**

If it is determined at the hearing that the vehicle was placed on the land without consent of the owner of the land and that he or she has not subsequently acquiesced in its presence, the Hearing Committee shall not assess the costs of administration or removal of the vehicle against the property upon which the vehicle is located or otherwise attempt to collect such costs from such owner of the land.

**8.10.350. Hearing—Notification of Decision.**

If the owner of the land submits a sworn written statement denying responsibility for the presence of the vehicle on his or her land but does not appear, or if an interested party makes a written presentation to the hearing officer but does not appear, he or she shall be notified in writing of the decision.

**8.10.360. Removal—When**

Once the decision of the Hearing Committee becomes final, the vehicle or parts thereof found to be a public nuisance may be disposed of by removal to a scrap yard or automobile dismantler's yard ten calendar days after adoption of the order declaring the vehicle or parts thereof to be public nuisance. After a vehicle has been removed it shall not thereafter be reconstructed or made operable, unless it is a vehicle that qualifies for either horseless carriage license plates or historical vehicle plates, pursuant to California Vehicle Code Section 5004, in which case the vehicle may be reconstructed or made operable.

**8.10.370. Removal—Notice to Department of Motor Vehicles.**

Within five days after the date of removal of the vehicle or parts thereof, notice shall be given to the Department of Motor Vehicles identifying the vehicle or parts thereof removed. At the same time there shall be transmitted to the Department of Motor Vehicles any evidence or registration available, including registration certificates, certificates of title and license plates.

**8.10.380. Removal—Costs—Assessment—Collection.**

If the administrative costs and the cost of removal which are charged against the owner of the land pursuant to Section 8.10.280 are not paid within thirty days of the date of the order, such costs shall be assessed against the parcel of land pursuant to Section 38773.5 of the Government Code and shall be transmitted to the assessor for placement on the property tax roll and collected by the tax collector. The assessment shall have the same priority as other City taxes.