City Hall News

From the desk of
Fort Bragg City Manager Linda Ruffing
May 14, 2009

1. **PG&E Abandons Mendocino WaveConnect Permit.** PG&E has informed that City that it will not pursue a proposed offshore wave energy demonstration project. The Mendocino WaveConnect project was envisioned as a temporary "host facility" where three or four wave energy device developers could test their devices while environmental and technical studies were performed to determine the commercial viability of the technologies. PG&E received approximately $6 million in funding from a Department of Energy Grant and the California Public Utilities Commission's Emerging Renewable Resource Program to study wave energy off the coast of Fort Bragg and Eureka. PG&E has decided to limit their studies to the Eureka site. This decision was based on an engineering analysis of Noyo Harbor. PG&E's consultants surveyed the harbor in early April and spoke with the Harbormaster and the Coast Guard. They concluded that the harbor entry is too narrow and shallow, and maneuvering space is too limited to support the barges that are necessary to deploy and retrieve equipment. This, combined with the fact that the wood docks and piers in Noyo Harbor are not reinforced, there is no existing heavy lift capable of lifting 100 ton equipment, and there is not sufficient dockside property, led PG&E to conclude that the Mendocino WaveConnect pilot project is not viable.

2. **Update on Water Supply.** Following last week's rains, the Noyo River was running at a record high of 1,420 cubic feet per second (cfs) on May 5th—this up from a flow of 20 cfs on May 1st. The low flow for May 5th was recorded in 1977 at 12 cfs. Prior to last week, the maximum recorded flow for May 5th was recorded in 2003 at 480 cfs. Despite the high flows, there is reason to be concerned about potential water shortages in late summer. The City's rain gauges at the water treatment plant indicate that the 2009 rainy season has produced 26.0" of precipitation with 2.7" falling during the most recent storm. By the same time last season (which was a dry year as well), the City had received 35.4" of precipitation. The fact that the wet season has extended later into the spring than in 2008 may help offset the lack of precipitation. The City's two other water sources are flowing at a rate of 200 gallons per minute at Newman Gulch and 100 gallons per minute at Waterfall Gulch. The Waterfall Gulch flow rate is considerably lower than it typically is at this time of year. City staff is reviewing the City's water conservation program and will be bringing some proposed modifications to the Council in June.

3. **Crime Prevention Connection.** The Fort Bragg Police Department has added a new page to its website which displays a monthly newsletter called the "**Crime Prevention Connection**." This month's newsletter addresses methamphetamines, securing your home while traveling, phishing, cybercrime prevention, and shrubbery as a crime deterrent. The current newsletter and previous issues can be viewed on the Police Department's page of the City's website at http://city.fortbragg.com

4. **California Redevelopment Association Wins ERAF Lawsuit.** The most exciting news of last week was the California Redevelopment Association's victory in its lawsuit against the State to block the one-time take of $350 million from redevelopment agencies. The Sacramento Superior Court ruled in CRA's favor last Thursday, finding that the proposed ERAF shift was unconstitutional. The lawsuit contended that taking redevelopment funds to balance the state's budget does not qualify as a constitutionally permitted use of tax increment funds and is a clear violation of the Constitution. The Court agreed. The State is

expected to appeal the ruling. In the meantime, the Fort Bragg Redevelopment Agency will not be sending the State a check for $110k.

5. **Garbage Rate Reduction.** The City received Waste Management's calculations of the cost of living adjustment for the City's solid waste franchise effective June 1, 2009. While the consumer price index has risen a bit, the diesel fuel index has dropped so significantly from last year that the rates for all customers will go down on June 1st. The Council is to be commended for its foresight in including the diesel fuel index in the franchise agreement and Mendocino Solid Waste Management Authority General Manager Mike Sweeney is credited for proposing the formula as part of the annual rate adjustment calculations. Rates in all categories will decline with residential rates dropping to $17.70/month for a 20 gallon cart and $28.22/month for a 35 gallon cart.

6. **Gloomy Sales Tax Projections.** Finance Director Pat Frost and I met with Bret Harmon, our sales tax analyst from MuniServices in late April to review 4th quarter 2008 sales tax receipts and to discuss projected FY 2008-09 year-end sales tax revenues and projected 2009-10 sales tax revenues. While sales tax has been lagging for some time, 4th quarter receipts were worse than expected (down -5.5% over the previous year). Based on this latest data, we are projecting year-end sales tax receipts of approximately $1.6M and 2009-10 sales tax revenues are projected at about $1.5M. These numbers are considerably worse than estimates made only three months ago. The reduced revenues have been factored into the proposed FY 2009-10 Budget for the City.