



City of Fort Bragg

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Meeting Minutes Special City Council

*THE FORT BRAGG CITY COUNCIL MEETS CONCURRENTLY
AS THE FORT BRAGG MUNICIPAL IMPROVEMENT DISTRICT
NO. 1 AND THE FORT BRAGG REDEVELOPMENT
SUCCESSOR AGENCY*

Wednesday, March 9, 2022

9:00 AM

Via Video Conference

Mid-Year Budget Workshop

CALL TO ORDER

Mayor Norvell called the meeting to order at 9:00 AM, all Councilmembers appearing via video conference.

ROLL CALL

- Present:** 4 - Mayor Bernie Norvell, Vice Mayor Jessica Morsell-Haye, Councilmember Tess Albin-Smith and Councilmember Lindy Peters
- Absent:** 1 - Councilmember Marcia Rafanan

1. CONDUCT OF BUSINESS

1A. [22-115](#) Conduct FY 2021/22 Mid-Year Budget Review - City Council Work Session

1. INTRODUCTION & OVERVIEW

City Manager Spaur gave a brief introduction to this budget workshop, talking about the need for workforce housing and infrastructure projects.

2. PUBLIC COMMENTS

None.

3. PROJECT PROGRESS REPORTS

Assistant Finance Director Whippy noted that the report is provided to keep the City financially sound and to report on the City's budget condition, assessment of revenues and expenditures for the first half of the year. A budget workshop for the next fiscal year is planned for May 11, 2022 at 9AM.

a. City Manager. Spaur gave a brief update on transient occupancy tax and the hopes that it will continue to ramp up as the pandemic winds down.

b. Administrative Services. City Clerk Lemos provided an update on the upcoming election, the City's new website, digital kiosk and other Clerk's Department matters, and provided a status update on the IT Department. Assistant to the City Manager McCormick gave a report on Visit Fort Bragg events, Human Resources, and retiring employees.

c. Finance. Government Accountant Bianchi recapped Finance Department accomplishments, including migration of finance data to the cloud, utility billing, and business license successes. Assistant Director Whippy spoke on department priorities, including installation of new water meters, fee schedule development, the hiring of a grants coordinator, and water shutoffs for nonpayment.

d. Police. Chief Naulty reported on Police Department staffing and noted that the three officers

currently attending the Police Academy will be on the streets in August or September. It is a department priority that the department be maintained at full staff, which he projected will occur at the end of this budget year. He spoke about grants available to assist with mental health calls and the need for new patrol cars.

e. Community Development. Assistant Director Engineering O'Neal briefed the Council on the status of personnel in the Community Development Department (CDD). Code enforcement cases more than doubled last year. Permit processing is up in every category. CDD is now using Springbrook to track building and planning permits and will add a code enforcement tracking module soon. Updates to the Citywide Design Guidelines are underway, along with updates to the Coastal Land Use and Development Code to make the code consistent with inland policies. It is anticipated that the changes will go to the Coastal Commission for review by the end of spring or early summer.

f. Public Works. Public Works Director Smith spoke about staffing challenges during the pandemic, but reported that Public Works is now fully staffed with 23 full-time, 2 part-time, and 1 open position. Maintenance crews are working on a backlog of projects including water lines, valves, water main breaks and leaks, sink holes, etc. Upcoming projects include the new water meter installation and cure-in-place pipe projects.

g. Water. Smith provided current data on the water situation and flow rates for Newman Gulch, Waterfall Gulch and the Noyo River. He noted that the City is currently experiencing drought conditions similar to last year, but Public Works is developing a plan for getting out ahead of the drought. Drought kits are being ordered now to give out to customers. He gave an update on the treatment of fluorine at the water plant and noted that the City is working with the US EPA on a small project to help remote communities become self-reliant.

h. Wastewater. Smith stated that the new Wastewater Treatment Plant is performing exceptionally well and that a new biosolids dryer has been installed and will be operational in the next couple of months.

i. Capital Improvement Projects (CIP). O'Neal provided an update on the street projects, storm drain master plan, upgrades to improve hydraulic deficiencies. Smith briefly reported on the water tank rehabilitation project, the water treatment plant overhaul project, raw water line replacement project, distribution system replacement, cure-in-place pipe project, rehab of sewer system, and water meter replacement project.

j. Internal Service Fund. Smith reported that the City will be researching more fuel efficient cars for the fleet in the future. He noted that stained glass windows have been installed at the Guest House. He reported on small facilities projects.

Mayor Norvell recessed the meeting at 10:42 AM. The meeting reconvened at 10:53 AM.

PUBLIC COMMENTS

None.

4. FY 2021/22 MID-YEAR PERFORMANCE REPORT

a. Whippy presented a PowerPoint on the General Fund, enterprise (water/wastewater), and internal service funds. A utility rate study will be brought back to the Finance and Administration Committee and City Council with results. He spoke about the vehicle replacement plan for the fleet.

b. Whippy noted that staff is requesting approval to proceed with the following budget amendment requests: 3 from Police Department, 1 from Community Development, 1 from Public Works, 1 from City Council and 2 from Administrative Services. Wastewater is asking for \$70K, Fleet is asking for \$15K for increased fuel costs.

Direction: After receiving no objections, Councilmembers unanimously agreed to direct Whippy

to proceed with the budget amendments as presented, with a resolution for adoption on the next Consent Calendar.

5. LONG TERM FINANCIAL PLANNING

Whippy provided a five-year forecast and summary of potential new revenue sources.

Direction: After discussion of various ways to increase revenue, Council directed staff to proceed with a measure to increase sales tax by 3/8 cent dedicated to housing.

Whippy recapped the three options regarding the \$3.5M bond proceeds: (1) return the funds; (2) contribute to a Section 115 pension fund; or (3) use a portion for land acquisition and pay the rest back.

Direction: Council discussed the three options and requested that staff bring back further information on all three options for discussion by Council and input from the public.

Whippy and McCormick outlined the American Rescue Plan Act for citywide broadband infrastructure.

Council Budget Goals and Priorities for FY 2022/23 were discussed.

Direction: Council directed that the Budget Goals and Priorities be rearranged as follows:

1. Adopt a balanced budget
2. Maintain current level of service (no staff layoffs, program cuts)
3. Maintain operating reserve and litigation reserve
4. Provide funding for emergency reserves
5. Provide cost of living adjustment to staff in years to come
6. Provide for additional contributions to CALPERS

Spaur summarized a list of goals, priorities and passions for each Councilmember. The Council expressed that these priorities were on point.

PUBLIC COMMENT was received from Jacob Patterson.

ADJOURNMENT

Mayor Norvell adjourned the meeting at 12:31 PM.

BERNIE NORVELL, MAYOR

June Lemos, MMC, City Clerk

IMAGED (_____)