



# City of Fort Bragg

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## Meeting Minutes 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*

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Monday, June 23, 2014

6:00 PM

Town Hall, 363 N. Main Street

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### MEETING CALLED TO ORDER

Mayor Turner called the meeting to order at 6:00 p.m.

### PLEDGE OF ALLEGIANCE

### ROLL CALL

**Present:** 5 - Mayor Dave Turner, Vice Mayor Meg Courtney, Councilmember Scott Deitz, Councilmember Doug Hammerstrom and Councilmember Heidi Kraut

### AGENDA REVIEW

#### 1. MAYOR'S RECOGNITIONS AND ANNOUNCEMENTS

**1A. 14-194** Presentation by Paula Cohen Regarding Mendocino Coast Clinics' 20th Anniversary Celebration

Paula Cohen gave a PowerPoint presentation regarding the Mendocino Coast Clinics' history and noted that they are celebrating their 20th birthday this year. They will have an open house on Tuesday from 4:00-6:00 to show off their building and services.

#### 2. STAFF COMMENTS

Community Development Director Jones reported that she took a group of approximately 200 local residents on the Coastal Trail property Friday. She noted that staff opened bids for construction and Granite Construction Company was the apparent low bidder but the bid is a little more than hoped for so staff will need to look at cuts or additional funding; this item will come to the Council for contract award on Friday.

#### 3. MATTERS FROM COUNCILMEMBERS

Mayor Turner recognized Jim Larsen from the Restaurant who passed away and asked for a moment of silence. He then apologized to anyone he offended at the last meeting as some thought he was making fun of the situation raised by the employees when he only meant to keep it on a high note.

Councilmember Kraut thanked Community Development Director Jones for taking people on the Coastal Trail property last week; she and her family enjoyed the walk and learned a lot. She then asked the Council to sign a letter of support for a League of California Cities resolution being proposed by the Redwood Empire Division members asking the State to work with local governments on the effects of illegal grows.

#### **4. PUBLIC HEARING**

#### **5. CONDUCT OF BUSINESS**

**5A. 14-187** Receive Report and Consider Approval of Fort Bragg Promotion Committee Annual Report and Fiscal Year 2014/15 Marketing Plan

Housing & Economic Development Coordinator Owen reviewed the Agenda Item Summary prepared for this item with the City Council. Debra DeGraw, Chamber Executive Director, gave each Councilmember and staff a "Shop Locally" bag and gave the City Clerk the signed contract amendments. David Foucheaux, Vice Chair of the Promotion Committee, noted that Mary Knoerdel has taken a leave of absence so he will move up to Chair in July and Lindy Peters will assume the Vice Chair position. He reported that the rhododendron walk was very successful; it gave people an opportunity to learn what goods are available locally and businesses reported increased sales. He noted that the Committee is working on the City's 125th anniversary event with the City; events include placing historic photos in Franklin Street storefronts, planting a grove of trees at Otis Johnson Park and having a picnic on August 9th. The Committee has also worked on updating their website to include a shopping database as requested by Mayor Turner and hired Julie Conway as their new marketing and communications person. He concluded by stating they are also working on short videos explaining why people should shop locally that will be shown at the movie theater. Julie Conway then provided information about herself, her business, and what she will be doing for the Promotion Committee.

**A motion was made by Councilmember Deitz, seconded by Councilmember Hammerstrom, that the Fort Bragg Promotion Committee Annual Report and Fiscal Year Marketing Plan and Budget be approved. The motion carried by the following vote:**

**Aye:** 5 - Mayor Turner, Vice Mayor Courtney, Councilmember Deitz, Councilmember Hammerstrom and Councilmember Kraut

**5B. 14-202** Receive Report and Consider Adoption of Resolutions Approving FY 2014/15 City of Fort Bragg and Fort Bragg Municipal Improvement District No. 1 Budgets, Establishing FY 2014/15 Appropriations Limit, and Approving FY 2014/15 Capital Projects Budget

Finance Director Cimolino reviewed the Agenda Item Summary prepared for this item with the City Council and provided a PowerPoint presentation. City Manager Ruffing thanked the City employees for their hard work in managing to provide the basic services to the community with very lean operating budgets. She noted that the Capital Improvement Plan will come to the Council for action at the next meeting after a public hearing is conducted. A lot of capital projects are moving forward this year which is very exciting. The third quarter sales tax revenues were received and they are stunningly low at 16% of the prior year's revenue during the same quarter.

Discussion: The following was noted during discussion of this item:

- \* Cimolino noted that the Facilities Maintenance Internal Services Fund Transfers Out on page C-44 should be \$102,000 instead of \$23,000.
- \* The Council will be considering adjusting the water rates in August; that adjustment will allow the City to recoup the revenue lost in this fiscal year, over a four year period.
- \* There is a structural deficit in next year's budget for on-going expenses.
- \* There is the potential that the \$250,000 for employee expenses in the Redevelopment Recognized Obligations Payment Schedule (ROPS) may not continue to be approved; this is money that is transferred into the General Fund and used entirely for staff costs.

Public comment on this agenda item was received from: Frank Kemper, Wastewater Treatment Plant employee, lab director for last six months, asked to speak about labor negotiations and noted that there is no money in the budget for Cost of Living Adjustments (COLA). He cautioned against keeping the salaries stagnant as it encourages people to come here, get their training, and then move on to other communities. The City then ends up with inexperienced people running the treatment plants.

Discussion: The following was noted during continued discussion of this item:

- \* Councilmember Hammerstrom thanked the employees for their hard work and stated that it is appreciated.
- \* The City has been accumulating money in unallocated fund balance for some large projects and have now started allocating that out for projects.
- \* The City doesn't have all the money needed to do all of the capital improvement projects.

**A motion was made by Vice Mayor Courtney, seconded by Councilmember Deitz, that the City Council Resolution approving the FY 2014/15 City of Fort Bragg Budget be adopted. The motion carried by the following vote:**

**Aye:** 5 - Mayor Turner, Vice Mayor Courtney, Councilmember Deitz, Councilmember Hammerstrom and Councilmember Kraut

Enactment No: RES 3711-2014

**A motion was made by Vice Mayor Courtney, seconded by Councilmember Hammerstrom, that the City Council Resolution (RES 3712-2014) approving and adopting the Annual Appropriations Limit for FY 2014/15 be adopted. The motion carried by the following vote:**

**Aye:** 5 - Mayor Turner, Vice Mayor Courtney, Councilmember Deitz, Councilmember Hammerstrom and Councilmember Kraut

**A motion was made by Councilmember Kraut, seconded by Vice Mayor Courtney, that the Improvement District Resolution (RES ID 363-2014) approving the FY 2014/15 Municipal Improvement District No. 1 Budget be adopted. The motion carried by the following vote:**

**Aye:** 5 - Mayor Turner, Vice Mayor Courtney, Councilmember Deitz, Councilmember Hammerstrom and Councilmember Kraut

**A motion was made by Councilmember Kraut, seconded by Councilmember Hammerstrom, that the City Council Resolution (RES 3713-2014) approving the Fiscal Year 2014/15 Capital Projects Budget be adopted. The motion carried by the following vote:**

**Aye:** 5 - Mayor Turner, Vice Mayor Courtney, Councilmember Deitz, Councilmember Hammerstrom and Councilmember Kraut

#### **5C. 14-201**

Receive Report and Consider Adoption of City Council Resolutions Approving (1) FY 2014/15 C.V. Starr Community Center Operating and Capital Improvement Budget and (2) FY 2014/15 Facility Fee Schedule

Assistant City Manager Feth-Michel reviewed the Agenda Item Summary prepared for this item with the City Council.

Discussion: The following was noted during discussion:

- \* The loans are interfund loans from the General Fund Unallocated Balance to the CV Starr Enterprise Fund. Loans are paid back over a period of five years.
- \* A three year Operating Agreement is on the Consent Calendar for Council approval this evening.
- \* Ideally the CV Starr Center will develop a reserve and will no longer need interfund loans for necessary capital improvements.

**A motion was made by Vice Mayor Courtney, seconded by Councilmember Kraut, that the City Council Resolution approving the FY 2014/15 C.V. Starr Community Center Budget be adopted. The motion carried by the following vote:**

**Aye:** 5 - Mayor Turner, Vice Mayor Courtney, Councilmember Deitz, Councilmember Hammerstrom and Councilmember Kraut

Enactment No: RES 3714-2014

**A motion was made by Vice Mayor Courtney, seconded by Councilmember Kraut, that the City Council Resolution (RES 3715-2014) approving C.V. Starr Community Center Facility Fee Schedule be adopted. The motion carried by the following vote:**

**Aye:** 5 - Mayor Turner, Vice Mayor Courtney, Councilmember Deitz, Councilmember Hammerstrom and Councilmember Kraut

#### **5D. 14-184** Receive Report and Provide Direction to Staff Regarding the 2014 Housing Element Update

Community Development Director Jones reviewed the Agenda Item Summary prepared for this item with the City Council. She noted that a new program (Program H-1.2.1) was added in response to a concern raised during discussion of the Inland Land Use & Development Code (ILUDC).

Discussion: The following was noted during discussion of this item:

- \* 25% of housing stock is in alley houses which haven't been assessed at this point because the original study, which was paid for with Community Development Block Grant funds, did not include a condition review of second units.
- \* Staff will add the program being discussed by the Community Development Committee regarding legalizing illegal second units to the Housing Element.
- \* It was suggested that the Housing Element be sent to the Local Board of Realtors for their review.
- \* Council requested the program regarding the PACE (Property Assessed Clean Energy) Program not be removed but be rewritten to allow more flexibility on how it will be provided but state that the intent is to make it available to property owners in Fort Bragg. Jones noted that all sustainability items were removed from the Housing Element because the City now has have a Sustainability Element; information regarding the PACE program may be in that Element.
- \* Jones noted that she prepared a Development Impact Fee Study that was put on hold for two years because of the economy; that can be brought back to the Council or Community Development Committee for discussion.
- \* Staff will look at different terminology to use on certain goals, such as prioritizing City services for lower income development, instead of stating "not implemented." The State requires that be included but the City doesn't deny projects based on services.
- \* Staff will include information on what constitutes median family income, low and very low income

based on an average size family.

\* Appendix D needs to be updated to include current Council and Planning Commission.

**The Housing Element was referred to staff for further editing.**

**5E. 14-206** Receive Report and Consider Adoption of City Council Resolution Approving Fund Balance and Reserve Policy

Assistant City Manager Feth-Michel reviewed the Agenda Item Summary prepared for this item with the City Council.

Discussion: The following was noted during discussion of this item:

\* In the Fleet & Equipment Services Reserve on Page 4 the last sentence repeats the sentence under Facility Maintenance & Repair Reserve.

\* The total balance of reserves has gone up. City Manger Ruffing clarified that the audited fund balances have gone down but the reserve balance has not.

\* Staff will be gathering information and putting together the Fleet Replacement Plan that will be used to establish the reserve amount needed.

**A motion was made by Vice Mayor Courtney, seconded by Councilmember Deitz, that this Resolution be adopted. The motion carried by the following vote:**

**Aye:** 5 - Mayor Turner, Vice Mayor Courtney, Councilmember Deitz, Councilmember Hammerstrom and Councilmember Kraut

Enactment No: RES 3716-2014

**6. PUBLIC COMMENTS ON NON-AGENDA, CONSENT CALENDAR & CLOSED SESSION ITEMS**

Mayor Turner reported that the Council met in closed session earlier today to discuss labor negotiations with the Fort Bragg Employee Organization and existing litigation (Georgia-Pacific LLC v. OfficeMax Incorporated and Boise Cascade, LLC, and related cross-claims).

1. Aaron Burton, SEIU Representative, addressed the Council regarding the Fort Bragg Employee Organization's request for a Cost of Living Adjustment. He urged the City Council not to go down the route of Mendocino County where they have spent half a million dollars to fight the employees. He stated that if the Council can find money for upper management they can find money for the rank and file employees. Burton concluded by stating they are only asking for a little of the money that the Council has in reserves.

**7. CONSENT CALENDAR**

**Approval of the Consent Calendar**

**A motion was made by Councilmember Kraut, seconded by Vice Mayor Courtney, to approve the Consent Calendar. The motion carried by the following vote:**

**Aye:** 5 - Mayor Turner, Vice Mayor Courtney, Councilmember Deitz, Councilmember Hammerstrom and Councilmember Kraut

**7A. 14-195** Waive the Second Reading and Adopt, by Title Only, Ordinance 910-2014, an Ordinance Continuing Chapter 3.30 of the Fort Bragg Municipal Code Authorizing the Levy of a Special Tax for the Acquisition of Fire Equipment and Allowing for the Expenditure of Funds Derived

from Such Tax

**This Ordinance was adopted on the Consent Calendar.**

Enactment No: ORD 910-2014

**7B. 14-203**

Adopt City Council Resolution Approving the Operating Agreement By and Between the City of Fort Bragg and the Mendocino Coast Recreation and Park District for the C.V. Starr Community Center and Authorize City Manager to Execute Same

**This Resolution was adopted on the Consent Calendar.**

Enactment No: RES 3717-2014

**7C. 14-200**

Adopt City Council Resolution Authorizing City Manager to Execute License Agreement with Georgia-Pacific, LLC Relating to the Coastal Restoration and Trail Project

**This Resolution was adopted on the Consent Calendar.**

Enactment No: RES 3718-2014

**7D. 14-188**

Adopt City Council Resolution Approving Fourth Amendment to the Professional Services Agreement with the Mendocino Coast Chamber of Commerce to Carry Out Fort Bragg Promotional Activities and Authorizing City Manager to Execute Same (Amount Not to Exceed \$67,828; Account 110-4391-0319)

**This Resolution was adopted on the Consent Calendar.**

Enactment No: RES 3719-2014

**7E. 14-205**

Adopt City Council Resolution Approving Interfund Loan Policy

**This Resolution was adopted on the Consent Calendar.**

Enactment No: RES 3720-2014

**7F. 14-192**

Approve Minutes from Special Closed Session Meeting of June 5, 2014

**The Minutes were approved on the Consent Calendar.**

**7G. 14-193**

Approve Minutes from Special Budget Meeting of June 5, 2014

**The Minutes were approved on the Consent Calendar.**

**7H. 14-212**

Approve Minutes of June 9, 2014

**The Minutes were approved on the Consent Calendar.**

**8. CLOSED SESSION**

**ADJOURNMENT**

Mayor Turner adjourned the meeting at 8:00 p.m.

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DAVE TURNER, MAYOR

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Cynthia M. VanWormer, MMC, City Clerk

IMAGED (\_\_\_\_\_)