

**Fort Bragg, California**  
**August 27, 2012**  
**Town Hall**

The City Council of the City of Fort Bragg, meeting concurrently as the District Board of the Fort Bragg Municipal Improvement District No. 1 and the Agency Board of the Fort Bragg Redevelopment Successor Agency, met in regular session on the above date at the hour of 6:00 p.m. in Town Hall, southwest corner of N. Main and Laurel Streets (363 N. Main Street), Fort Bragg, with Mayor Dave Turner presiding.

## **PLEDGE OF ALLEGIANCE**

### **ROLL CALL as acknowledged by Mayor Turner:**

**Present: Councilmembers Meg Courtney, Scott Deitz, Dan Gjerde, Doug Hammerstrom, and Mayor Dave Turner.**

## **AGENDA REVIEW**

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

#### **A. Memories of Councilmember Jere Melo**

Following a moment of silence City Councilmembers shared brief memories of Jere Melo, who was shot and killed in the woods a year ago today.

### **2. STAFF COMMENTS**

**City Manager Ruffing** stated that she was sorry that Jere won't be here when the Coastal Commission comes to town for the first time since he worked so hard on influencing how the Coastal Commission does business. She noted that the Coastal Commission will be here on September 12-14 and will have a tour of the mill site on Thursday followed by a brief workshop on the mill site reuse project on Friday. Ruffing stated that she has been in contact with Heidi Dickenson from Representative Thompson's office and Ruth Valenzuela from Assemblymember Chesbro's office regarding planning a reception at the Guest House Museum on Thursday evening. She noted that this will be a great opportunity for the Council to meet the Coastal Commissioners and their staff. Ruffing then reported on three other items of interest:

1. The C.V. Starr Center will be offering a "Paul Bunyan Weekend" discount on September 1-3; daily passes will be discounted by 25%.
2. Staff has located a new home for the Terra Cotta Warrior in the corner, which was a gift from China following a Chamber of Commerce trip. The College of the Redwoods is happy to take and display the warrior in their library. The Public Works crew just needs to figure out how to transport it there since it weighs so much.
3. Staff was informed today by Community Development Block Grant (CDBG) staff that Fort Bragg was awarded everything asked for in the Super Notice of Funding Availability (NOFA) - \$1.5 million. The grant will pay for a \$670,000 Harrison Street House Rehabilitation; \$462,000 for a new public service activity at the Coast Center and Hospitality House to target homeless people with mental and substance abuse issues; \$277,000 for small business microenterprise assistance; and general administration funds for the City. Mayor Turner thanked Housing & Economic Development Coordinator Owen for her hard work on the grant application.

### **3. MATTERS FROM COUNCILMEMBERS**

**Mayor Turner** reported that he and Councilmember Deitz met with a group of people regarding technology but he will let Deitz tell Council about that meeting. He then noted that there were a couple of nice events for Jere Melo. One was the "Take Back Our Forest" march attended by a couple of hundred people that ended with the planting of a tree at the Campbell Hawthorne picnic grounds north of town. The second was held this morning with Madeleine Melo, her family, and employees of

Campbell Hawthorne who put up a memorial close to where Jere was slain.

**Vice Mayor Courtney** reported that she attended the recent grand opening of Mendocino Transit Authority's Bruce Richards Maintenance Facility on Taylor Drive in Ukiah. The facility cost \$5.2 million and is almost totally energy efficient and sustainable. She noted that the Mendocino Solid Waste Management Authority's \$1.5 million project also opened during the last month. Courtney then provided a PowerPoint presentation of pictures of the MTA facility.

**Councilmember Deitz** reported that the Technology Committee met with Broadband Alliance leadership and shared their vision of future improvements and they offered to help bring technology jobs to Fort Bragg. He reported that he joined the Mayor & Chamber of Commerce in visiting businesses on Franklin and Laurel Street. He noted that there are eight empty storefronts on those streets. The businesses informed the group that their business is about 50% local and 50% tourists and that there is a lot of repeat tourist business. He noted that Mayor Turner has some good ideas on how to "Think Fort Bragg First."

**Councilmember Gjerde** reported that he also met with two people from the Broadband Alliance and they have an interesting project to bring high speed internet fiber in from Laytonville, through Branscomb, Westport and Cleone to Fort Bragg. They would like a City map showing drop off points in Fort Bragg. Gjerde stated that he spoke to Housing & Economic Development Coordinator Owen about grant opportunities. He reported that he attended the MTA open house with Vice Mayor Courtney last week and noted that they have an interesting cooling system that doesn't use a refrigeration system to cool the air but instead uses air from below ground to cut energy costs. Gjerde stated that he spoke to a contractor from Fort Bragg who was there and was told that the technology is scaleable for different size uses. He noted that he, Mayor Turner, and Assistant Planner Spade attended a meeting about the haul road to discuss resurfacing of existing asphalt from Pudding Creek to Lake Cleone and from Lake Cleone to Ward Avenue. The meeting was organized by Assembly Member Chesbro and included representatives from Caltrans, State Parks and the City. State Parks is saying they want to pave the haul road but haven't identified funding yet. Public Works Director Goble has put together information based on the last three City projects that estimates the cost at \$350,000.

**Councilmember Hammerstrom** reported that he also participated in the Jere Melo events and noted that Madeleine Melo and the Jere Melo Foundation will be making a presentation at the League of California Cities Annual Conference next week.

**Mayor Turner** reported on the visit to stores on Laurel and Franklin Streets and stated that he has promised to help them with promotion by working on a means to allow them to list their products on [fortbragg.com](http://fortbragg.com). He stated that he hopes that local people will shop local and increase the 50% to 60-70%. One thought for filling downtown vacancy is to get high speed access via fiber optics.

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

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

##### **A. Receive Report and Provide Direction to Staff Regarding Preferred Chestnut Street Corridor Treatment, and the Conceptual Plan and Right of Way Acquisition Feasibility Study**

**6:29 p.m.**

The Agenda Item Summary and PowerPoint presentation prepared for this item was reviewed with the City Council by Assistant Planner Spade.

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

- Separation is required between a multi-use trail and lane of travel; this can be accomplished with parking spaces or a utility easement.

Public comment on this agenda item was received from: Vivien LaMothe and Derek Hoyle.

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

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- Spade, in response to public comment, stated that the City has \$900,000 in Rule 20A funding set aside by PG&E for undergrounding utility poles but the estimated cost of this project is \$2.7 million.

**Council consensus was to proceed with Option A.**

**#260-12/B**

### **B. Receive Oral Update from Staff on the Status of the Georgia-Pacific Mill Site Reuse Project**

City Manager Ruffing updated the City Council on the status of the Georgia-Pacific (GP) Mill Site Reuse Project as follows:

- The Specific Plan is approximately 90% complete but they are still working on the Financing/Implementation Plan and Development Agreement. There has not been much progress on any of that and GP is evaluating the cost and benefits of participating in the Specific Plan process.
- Last Tuesday GP informed City staff of their intention to suspend the Specific Plan process because of current and projected economic and real estate market conditions and the need to focus efforts on completing the remediation.
- The remediation process has gotten even more complicated in recent month with the focus on the mill site pond complex (OU-E). Part of what has made it more complicated is that GP consultants did additional boring and found twice as much sediment as anticipated. They also did a bench scale treatability study to look at stabilizing the sediment (which was the preferred alternative) and determined it wasn't feasible.
- The Department of Toxic Substance Control (DTSC) is starting to push for progress.
- The remedial investigation for OU-E is nearly complete and the risk assessment is starting. Once that is done then a feasibility study will be completed. There is not a good sense of the schedule at this point.
- GP sent two letters terminating the Cost Advancement Agreements for the Specific Plan process and Remediation process under Polanco. They stated that it is no longer productive to engage in a planning and redevelopment process until they have a better understand of the scope of clean-up measures needed for the Mill Site. GP doesn't want to pay for City participation in the remediation and Specific Plan process at this time.
- Successor Agency staff included the mill site related contracts and activities as enforceable obligations on the Recognized Obligations Payment Schedule (ROPS). They have made it through review by the State Finance Department so there is a source of funding from tax increment.
- A special Oversight Board meeting has been called later this week because the Jan-June 2013 ROPS is due to the State on September 4<sup>th</sup> and the one the Oversight Board adopted a couple weeks ago indicated another source of funding (GP Developer Deposit Account funds); that resolution will be rescinded and the ROPS will be modified to indicate that the tax increment funds will be needed.
- An item will come back to the City Council on September 24<sup>th</sup> to look at financing and policies regarding the Specific Plan process; staff will come back with an evaluation, recommendation, and options.
- The timing is interesting with the Coastal Commission coming to town, in part to see the mill site. Staff will continue as planned with a mill site tour and showing them the vision, opportunities and challenges relating to the site. City staff will focus the presentation on the Specific Plan and the vision the community has for reuse of the property and will solicit feedback on that. GP's presentation will focus more on remediation.

**#200-08/A**

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

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1. Vivien LaMothe, Weller House Inn, stated that she is concerned about the future of the mill site. She has done research on other communities with environmental issues and found an interesting group called Sustainable Silicon Valley. She was impressed by the procedures they have to make information available to people and she invited their Executive Director, Marianna Grossman to come here for a visit. Ms. Grossman will be here late tonight if anyone is interested in talking to her. This is an opportunity to make a good connection with people concerned about environmental issues.
2. Rex Gressett, candidate for City Council, stated that he is willing to speculate about GP's motives; it might be possible that GP is bailing out of this deal because of the sediment in the mill pond and will leave the City holding the bag. The City set themselves up as a party without any negotiating pressure because they didn't look at the damage to the City as a whole from GP's dumping of toxic chemicals. DTSC is looking into it but the City hasn't been proactive with GP as an environmental pirate that damaged the health of our City and doesn't want to take responsibility. At first glance it looks like DTSC caught them with a more toxic situation than they wanted so GP threw up their hands. As I understand it the City is now on the hook for \$1.5 million because GP pulled out of negotiations; that exhausts redevelopment money that could have used for many other things. The City is not being proactive in their insistence that GP pay the bill.

Mayor Turner clarified that GP cannot pull out of the remediation process; they will have to clean up the mill pond but they don't have to proceed with a plan to develop the property. Regarding redevelopment money, the City can't use it because the State has taken it away; money can only be spent on items the Agency had obligations for prior to the State eliminating redevelopment agencies. The money cannot be used for new projects.

### **7. CONSENT CALENDAR**

**Moved by Gjerde, seconded by Courtney, to accept the Consent Calendar, as received, with the actions noted, namely:**

- A. **Reject Claim of Melanie Dease. #159-12**
- B. **Adopt City Council Resolution (3566-2012) Approving a Professional Services Agreement with Garavaglia Architects, Inc. for Guest House Museum Master Plan and Authorizing City Manager to Execute Same (Amount not to Exceed \$47,500; Account No. 165-4954-0630). #253-12/E**
- C. **Adopt Improvement District Resolution (ID 347-2012) Awarding the Contract for the Wastewater Equipment Garage Project, District Project No. 2012-03 to Matson Construction, Inc., Authorizing District Manager to Execute Contract (Amount not to Exceed \$107,300; Account No. 710-4713-0720), and Approving Budget Adjustment No. 2013-01 for \$40,000 Amending the FY 2012/13 Budget to Appropriate Wastewater Capital Reserve 740 Funds to Account No. 710-4713-0720. #123-12/B**
- D. **Adopt City Council Resolution (3567-2012) Affirming the City's Intent to Continue Abiding by All Requirements of the Ralph M. Brown Act (Govt. Code Section 54950 et seq.).**
- E. **Approval of City Council Letters**
  - (1) **Letter of Support for the Johnson and Johnson Investments, LLC Housing Tax Credit (TCAC) application for the Cottages at Cypress (330 Cypress Street) Project # CA-12-141**

**F. Matters from Committee**

**(1) Finance and Administration Committee**

(a) Receive and File Minutes of May 2, 2012, wherein the following items were discussed: Approval of April 4, 2012 Minutes; 1) Receive Report Regarding Skunk Train Parking Lot Lease Agreement and Provide Direction to Staff; 2) Receive Report Regarding Monthly Sewer Charges for Vacant Units and Provide Direction to Staff; 3) Receive Report Regarding Business License Fees for Small Projects and Provide Direction to Staff; 4) Receive Report Regarding Changes to Chapter 2.04 (City Council) and Make Recommendation to Council; and 5) Matters from Committee Members/Staff. #284

(b) Receive and File Minutes of July 25, 2012, with the following items of discussion: Approval of May 2, 2012; 1) Receive Report and Discuss Water Use and Wastewater Treatment Issues Associated with North Coast Brewery Expansion Plans; and 2) Matters from Committee Members/Staff. #284

**G. Approval of Minutes**

(1) Minutes of August 13, 2012.

VOTE: Ayes: Councilmembers Courtney<sup>1</sup>, Deitz, Gjerde, Hammerstrom, and Mayor Turner.

Prior to recessing the meeting at 7:17 p.m., Mayor Turner noted that the following items would be discussed in Closed Session; the meeting was reconvened to Closed Session at 7:25 p.m.

**8. CLOSED SESSION**

A. Receive CONFERENCE WITH LEGAL COUNSEL, Pursuant to California Government Code Section 54956.9(b) (significant exposure to litigation):

Number of potential cases: 1

Mayor Turner reconvened the meeting to public session at 8:29 p.m. and reported that direction was provided to legal counsel; the meeting was adjourned at 8:30 p.m.

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DAVE TURNER, Mayor

ATTEST:

\_\_\_\_\_  
Cynthia M. VanWormer, CMC  
City Clerk

INDEXED: \_\_\_\_\_(\_\_\_\_)

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

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<sup>1</sup> Councilmember Courtney abstained from voting to approve the minutes of August 13, 2012 as she was not present at that meeting.