

**Minutes of the Fortuna City Council & Redevelopment Agency  
Monday, July 06, 2010 - 6:00p.m.  
Fortuna City Hall**

**I. CALL TO ORDER:**

Mayor Whitchurch called the Public Session to order at 6:00PM

**FLAG SALUTE:**

Mayor Whitchurch led the salute to the flag.

**ROLL CALL:**

<b>Council Present</b>	<b>Staff Present</b>
Mayor Whitchurch	City Manager Rigge
Mayor Pro Tem Strehl	City Attorney Tranberg
Councilman Berti	Deputy City Clerk Jensen
Councilman Glaser	Assistant City Manager Nicholson
Councilman Zanzi	Finance Director Rodriguez
	Public Works Director Ryan

**II. NEW EMPLOYEE:**

- Randall Stone, Utility Worker II, introduced by Utility Superintendent Flockhart

**III. PRESENTATION:**

- Cal Trans – Alton Interchange

**IV. ORAL COMMENTS FROM THE PUBLIC:**

Frank Hizer spoke about the curbs that had been painted red in front of Fortuna Wheel and Brake. Duane Plant presented a certificate of appreciation to the Police Department for their efforts in the recycling program he works for to send children to the Shriner's Hospital. Sue Long thanked everyone who was a part of the Fortuna Fireworks Festival. There being no further comment Councilman Glaser moved, seconded by Councilman Zanzi to close the Public Comment portion of the meeting. Motion Carried 5-0.

**V. PAYMENT OF BILLS**

Councilman Zanzi moved, seconded by Councilman Berti to authorize payment of the City's bills in the amount of \$165,777.53, and the Redevelopment Agency's bills in the amount of \$500,000.00. Voice Vote. Motion carried 5-0.

**VI. CONSENT CALENDAR**

1. City Council/Redevelopment Agency Minutes – June 21, 2010 (**MO-2010-69**)
2. Consideration of claim filed by Richard LaVen – (**MO-2010-70**)

Councilman Zanzi pulled Item 1 and Councilman Glaser pulled Item 2 for further consideration

Item 1 – Councilman Zanzi recused himself from the vote on the minutes of the June 21, 2010 City Council meeting due to his absence from that meeting.

**CITY COUNCIL ACTION: Approve Consent Calendar Items 1**

Councilman Berti moved, seconded by Mayor Pro Tem Strehl. Voice Vote. Motion Carried 4-0 by **MO-2010-69** Councilman Zanzi abstained.

Item 2 – Councilman Glaser wanted an explanation as to why this claim was being rejected. It was explained to Councilman Glaser that it was the normal procedure for the City to reject all claims made against the City to start the investigation process.

**CITY COUNCIL ACTION: Approve Consent Calendar Items 2**

Councilman Zanzi moved, seconded by Councilman Berti. Voice Vote. Motion Carried 5-0 by **MO-2010-70**.

## **VII. BUSINESS**

### **A. AUTHORIZATION TO AWARD CONSTRUCTION CONTRACT FOR FORTUNA BOULEVARD AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009 (ARRA) FUNDED PAVING IMPROVEMENT PROJECT**

**STAFF RECOMMENDATION:**

Authorize the City Manager to enter into a construction contract with Argonaut Constructors, the lowest, responsible bidder for the construction of the Fortuna Boulevard ARRA funded Paving Improvement Project in the amount of \$772,750.80 (which amount includes the Additive Bid Schedules 1 thru 4), and establish an authorized maximum contract amount (including approximately 10.3% contingency) of \$852,000.

**STAFF REPORT:**

The City Council received a written and oral report from Public Works Director Ryan

**PUBLIC COMMENT:**

There being no comment Councilman Glaser moved, seconded by Councilman Zanzi to close the public comment. Voice Vote. Motion carried 5-0

**CITY COUNCIL ACTION:**

Councilman Zanzi moved, seconded by Councilman Berti to award the contract to Argonaut Constructors in the amount of \$772,750.80 and establish a maximum contract amount (including 10% contingency) of \$852,000, and authorize City Manager to execute the contract and other related documents. Voice vote. Motion Carried 5-0 by **MO-2010-71**

**B. AUTHORIZATION TO AWARD CONSTRUCTION CONTRACT FOR CIP #9431 FORTUNA BOULEVARD AND SMITH LANE WATERLINE IMPROVEMENTS PROJECT**

**STAFF RECOMMENDATION:**

Authorize the City Manager to enter into a construction contract with SJL Construction, the lowest, responsible bidder for the construction of the Fortuna Blvd. and Smith Lane Waterline Improvements Project, City of Fortuna CIP #9431.

**STAFF REPORT:**

The City Council received a written and oral report from Public Works Director Ryan

**PUBLIC COMMENT:**

There being no comment Councilman Zanzi moved, seconded by Councilman Berti to close the public comment. Voice Vote. Motion carried 5-0

**CITY COUNCIL ACTION:**

Councilman Zanzi moved, seconded by Councilman Glaser to award the contract to SJL Construction in the amount of \$117,100 establish a maximum contract amount (including 15% contingency) of \$134,665, and authorize City Manager to execute contract documents. Voice vote. Motion Carried 5-0 by **MO-2010-72**

**C. CONSIDER ADJUSTING THE LOAN INTEREST RATE ON THE TWO LOANS BETWEEN THE CITY AND REDEVELOPMENT AGENCY; RDA RESOLUTION 2010-02 AND RESOLUTION 2010-32.**

**STAFF RECOMMENDATION:**

Adjust the interest rates charged on the two loans due to the City from the Fortuna Redevelopment Agency (RDA) from the current adjustable interest rate to a fixed annual rate of 10%.

**STAFF REPORT:**

The City Council/RDA Board received a written and oral report from City Manager/Executive Director Rigge

**PUBLIC COMMENT:**

There being no comment Councilman/Boardmember Zanzi moved, seconded by Councilman/Boardmember Glaser to close the public comment. Voice Vote. Motion carried 5-0

**REDEVELOPMENT AGENCY BOARD ACTION:**

Boardmember Zanzi moved, seconded by Boardmember Berti to adopt RDA Resolution 2010-02, *A Resolution of the Board of Directors of the Fortuna Redevelopment Agency authorizing the adjustment of interest rate on various loans between the City of Fortuna and the Fortuna Redevelopment Agency*, and read by title only. Roll call vote.

AYES: Boardmember Berti, Glaser, Zanzi, Strehl, Chair Witchurch

NOES: None

ABSENT: None

ABSTAIN: None

Motion Carried 5-0 by RDA **Resolution 2010-02**

**CITY COUNCIL ACTION:**

Councilman Zanzi moved, seconded by Councilman Berti to adopt Resolution 2010-32, *A Resolution of the City Council of the City of Fortuna Requesting and Authorizing the Adjustment of Interest Rate on Various Loans Between the City of Fortuna and the Redevelopment Agency*, and read by title only. Roll call vote.

AYES: Councilman Berti, Glaser, Zanzi, Mayor Pro Tem Strehl, Mayor Whitchurch

NOES: None

ABSENT: None

ABSTAIN: None

Motion Carried 5-0 by **Resolution 2010-32**

**D. PUBLIC HEARING: APPROVE THE 2010-2011 FISCAL YEAR BUDGET FOR THE CITY OF FORTUNA, THE FORTUNA REDEVELOPMENT AGENCY AND THE FORTUNA PUBLIC IMPROVEMENT CORPORATION; ADOPT RESOLUTIONS 2010-33, RDA 2010-03 AND FPIC 2010-01**

**STAFF RECOMMENDATION:**

It is recommended the following actions be taken by the Fortuna City Council, the Fortuna Redevelopment Agency Board and the Fortuna Public Improvement Corporation Board:

1. The City Council adopt the City of Fortuna Budget and Annual Appropriation Limit for Fiscal Year 2010-2011 through the adoption of Resolution 2010-33
2. The Fortuna Redevelopment Agency Board adopt the Fortuna Redevelopment Agency Budget for Fiscal Year 2010-2011 through the adoption of Resolution RDA 2010-03
3. The Fortuna Public Improvement Board adopt the Fortuna Public Improvement Corporation Budget for Fiscal Year 2010-2011 through the adoption of Resolution FPIC 2010-01

**STAFF REPORT:**

The City Council received a written and oral report from City Manager/Executive Director Rigge.

**PUBLIC COMMENT:**

Sue Long asked about the justification of hiring a second Building Inspector. Wally Wright questioned some line items in the Development Review section of the Budget. There being no further comment Councilman/Boardmember Zanzi moved, seconded by Councilman/Boardmember Glaser to close the public comment. Voice Vote. Motion carried 5-0

**CITY COUNCIL ACTION:**

Councilman Zanzi moved, seconded by Councilman Berti to adopt Resolution 2010-33, *A Resolution Of The City Council Of The City Of Fortuna Adopting The Annual Budget For Fiscal Year 2009-2010 And Adopting The Annual Appropriation Limit As Required By The California Constitution Article Xiii(B)*, and read by title only. Roll call vote.

AYES: Councilman Berti, Zanzi, Mayor Pro Tem Strehl, Mayor Whitchurch

NOES: Councilman Glaser

ABSENT: None

ABSTAIN: None

Motion Carried 4-1 by **Resolution 2010-33**

**REDEVELOPMENT AGENCY BOARD ACTION:**

Boardmember Glaser moved, seconded by Boardmember Strehl to adopt RDA Resolution 2010-03, *A Resolution Of The Fortuna Redevelopment Agency Adopting The Annual Budget For Fiscal Year 2010-2011 And Establishing The Indebtedness To Be Incurred By The Agency In Accordance With Section 33606 Of The California Health And Safety Code*, and read by title only. Roll call vote.

AYES: Boardmember Berti, Glaser, Zanzi, Strehl, Chair Witchchurch

NOES: None

ABSENT: None

ABSTAIN: None

Motion Carried 5-0 by RDA **Resolution 2010-03**

**FORTUNA PUBLIC IMPROVEMENT CORPORATION BOARD(FPIC) ACTION:**

Boardmember Glaser moved, seconded by Boardmember Zanzi to adopt RDA Resolution 2010-02 *A Resolution Of The Fortuna Public Improvement Corporation Adopting The Annual Budget For Fiscal Year 2010-2011*, and read by title only. Roll call vote.

AYES: Boardmember Berti, Glaser, Zanzi, Strehl, Chair Witchchurch

NOES: None

ABSENT: None

ABSTAIN: None

Motion Carried 5-0 by FPIC **Resolution 2010-01**

**VIII. CITY MANAGER'S REPORT**

Council received written and oral report from City Manager Rigge. No action was taken.

**IX. COUNCIL REPORTS AND COMMENTS:**

Individual Councilmember's provided oral reports.

**X. ADJOURN**

Council adjourned at 7:49 pm.

Respectfully submitted by  
Linda Jensen  
Deputy City Clerk