I. CALL TO ORDER:
Mayor Long called the Public Session to order at 6:00 PM

FLAG SALUTE:
Mayor Long led the salute to the flag.

ROLL CALL

<table>
<thead>
<tr>
<th>Council</th>
<th>Staff</th>
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<tbody>
<tr>
<td>Council Member Brown</td>
<td>City Manager Regan Candelario</td>
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<td>Council Member Gardner</td>
<td>City Attorney David Tranberg</td>
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<td>Council Member Douglas Strehl</td>
<td>City Clerk/Human Resources Manager Linda McGill</td>
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<td>Mayor Pro Tem Tami Trent</td>
<td>Police Chief Bill Dobberstein</td>
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<td>Mayor Sue Long</td>
<td>Deputy Director of Community Development Liz Shorey</td>
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<td>Director of Public Works Merritt Perry</td>
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<td>Deputy Director of Public Works Kevin Carter</td>
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<td>Conference Center Manager Joanna Miranda</td>
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<td>General Services Superintendent Mike Johnson</td>
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II. NEW EMPLOYEE
- Dalton Palmer, Community Services Officer – Introduced by Police Chief Dobberstein (will be presented at the next council meeting)
- Christina Moore, Fortuna Transit Bus Driver – Introduced by Deputy Director of Public Works Carter

III. PRESENTATION
- Fortuna Fire Protection District Update – Fire Chief Lon Winburn
- Fortuna Police Department Update – Police Chief Bill Dobberstein

IV. ORAL COMMENTS FROM THE PUBLIC
Kent Sawatski spoke about Measure Z and where the money is going and it should be going. A member of the public that lives on Atteberry Lane spoke about the building of the new preparatory school that is moving up the street and that another school is moving in to the space it is vacating. She spoke as a concerned citizen saying that previously she had been told another school was not going to be put there. She asked Council to tell her when the residents were going to be told that another school was going in. She said there is a terrible traffic problem on Ross Hill Rd when school is in session.
Shannon McWhorter, President of the Fortuna Rodeo Association, spoke about what a great group of employees the City has that helped out with the recent Rodeo events, from the administration to the guys in the field. He said, the events went off without a hitch and thanked the City for their hard work. There being no further comment Mayor Long closed this public comment section

V. CONSENT CALENDAR
1. City Council Minutes – July 5, 2016 (Regular Meeting) MO-2016-122
2. Administration Division Monthly Report for June 2016 MO-2016-123
5. Parks & Recreation Monthly Report for June 2016 MO-2016-126
7. Public Works / City Engineer Department Monthly Report for June 2016 MO-2016-128
9. Report of Disbursements for July 1, 2016 MO-2016-130
10. Authorize Police Chief Dobberstein to Submit Response Letters to the 2015-2016 Humboldt County Grand Jury report: “To Hold or Not to Hold” and “Jails and Enforcement Facilities” MO-2016-131
11. Approve Purchase of Aeration Basin Recirculation Pumps for the Waste Water Treatment Facility MO-2016-132

PULLED CONSENT CALENDAR ITEMS

Item # 8 Council Member Brown mentioned that the River Lodge was voted Best Banquet and event facility for 2016
Item # 5 Mayor Long mentioned a youth lunch program that happens at the park during the week.

CITY COUNCIL ACTION: Consent Calendar Item 1-11
Council Member Brown moved, seconded by Mayor Pro Tem Trent. Voice Vote.

AYES: Council Member Brown, Gardner, Strehl, Mayor Pro Tem Trent, Mayor Long
NOES: None
ABSENT: None
ABSTAIN: None
Motion Carried 5-0

VI. BUSINESS

A. SECOND READING AND ADOPTION OF THE AMENDED ORDINANCE 2016-726; ADDING CHAPTER 3.13 TO TITLE 3 OF THE FORTUNA MUNICIPAL CODE TO LEVY A LOCAL, CITY OF FORTUNA TRANSACTIONS AND USE (SALES) TAX TO BE ADMINISTERED BY THE STATE BOARD OF EQUALIZATION

STAFF RECOMMENDATION:
City Staff have worked with City Council on multiple cost savings measures in an effort to protect and maintain the services relied on by our community, and to stabilize our City General Fund budget. These efforts have greatly helped the City avoid severe financial hardship. However, without new additional general fund revenue, cuts will likely be needed to maintain the City’s economic health, property values, and public safety needs, including maintaining 911 emergency response times and tools that keep our children away from gangs and drugs. Because of these fiscal realities, City Staff recommends approval of the attached ordinance in order to formally move forward with placing the proposed local funding measure before the voters on November 8, 2016.

Staff recommends that the City Council:

1. Hold the Second Reading and Adoption of the amended Ordinance 2016-726 adding Chapter 3.13 to Title 3 of the Fortuna Municipal Code levying a Local City of Fortuna Transactions and Use (Sales) Tax to be administered by the State Board of Equalization (BOE), subject to voter approval at the November 8, 2016 election.

STAFF REPORT:
The City Council received a written and oral report from City Manager Candelario
**PUBLIC Hearing:**
Kent Sawatski said he strongly supports local taxes and wished the Council the best of luck. There being no further comment Mayor Long closed this public hearing section.

**CITY COUNCIL ACTION:**
Council Member Brown moved, seconded by Council Member Strehl to hold the second reading and adopt Amended Ordinance 2016-726, *An Ordinance Of The City Of Fortuna Adding Chapter 3.13 To Title 3 Of The Fortuna Municipal Code To Levy A Local, City Of Fortuna Transactions And Use (Sales) Tax To Be Administered By The State Board Of Equalization;* and read by title only. Roll call vote.

AYES: Council Member Brown, Gardner, Strehl, Mayor Pro Tem Trent, Mayor Long
NOES: None
ABSENT: None
ABSTAIN: None
Motion Carried 5-0 by Second Reading and Adoption of Amended Ordinance 2016-726

**B. APPROVAL OF THE HUMBOLDT COUNTY TRANSPORTATION BALLOT MEASURE EXPENDITURE PLAN AND OPPOSE THE PLACEMENT OF A 20-YEAR TRANSPORTATION SALES TAX MEASURE ON THE NOVEMBER 8, 2016 GENERAL ELECTION BALLOT TO THE HUMBOLDT COUNTY BOARD OF SUPERVISORS; RESOLUTION 2016-34**

**STAFF RECOMMENDATION:**
Adopt a resolution 2016-34 approving the Humboldt County Transportation Ballot Measure Expenditure Plan and oppose the placement of a 20-year Transportation Sales Tax Measure on the November 8, 2016 General Election Ballot to the Humboldt County Board of Supervisors.

**STAFF REPORT:**
The City Council received a written and oral report from City Manager Candelario

**PUBLIC COMMENT:**
Marcella Clem, Executive Director of HCAOG gave a presentation to the Council related to the proposed ½ cent ballot measure HCOAG will be putting on the ballot in November. Kent Sawatski spoke about the amount that would be received if the City put their own tax on the ballot for this purpose. He spoke in opposition to this ballot measure. He said the Council should focus on their own measure. There being no further comment Mayor Long closed this public comment section.

**CITY COUNCIL ACTION:**
Council Member Brown moved, seconded by Council Member Trent to adopt Resolution 2016-34, approving an Expenditure Plan and opposing placement of a countywide sales tax measure on the November Ballot, *A Resolution Of The City Council Of The City Of Fortuna, California, Approving The Humboldt County Transportation Ballot Measure Expenditure Plan and opposing the placement of a 20-year Transportation Sales Tax Measure on the November 8, 2016 General Election Ballot to the Humboldt County Board of Supervisors;* and read by title only. Roll call vote.

AYES: Council Member Brown, Gardner, Strehl, Mayor Pro Tem Trent, Mayor Long
NOES: None
ABSENT: None
ABSTAIN: None
Motion Carried 5-0 by Resolution 2016-34

**C. PUBLIC HEARING; BECOME A MEMBER AND APPROVE FINANCING FOR OPEN**
DOOR COMMUNITY HEALTH CENTERS WITH THE CALIFORNIA MUNICIPAL
FINANCE AUTHORITY (“CMFA”); RESOLUTION 2016-35

STAFF RECOMMENDATION:
1) Conduct the public hearing under the requirements of TEFRA and the Internal Revenue Code of
1986, as amended (the “Code”).
2) Adopt Resolution 2016-35 approving the issuance of the Bonds by the CMFA for the benefit of
Open Door Community Health Centers or an affiliate (the “Borrower”), to provide for the refinancing
of the Project, such adoption is solely for the purposes of satisfying the requirements of TEFRA,
the Code and the California Government Code Section 6500 (and following). The resolution will
also authorize the Mayor or designee thereof to execute the Joint Exercise of Powers Agreement
with the CMFA.

STAFF REPORT:
The City Council received a written and oral report from City Manager Candelario

PUBLIC COMMENT:
There being no further comment Mayor Long closed this public comment section.

CITY COUNCIL ACTION:
Council Member Brown moved, seconded by Council Member Gardner to authorize the
City Manager to execute the Joint Exercise of Powers Agreement of the CMFA, and adopt
Resolution 2016-35, A Resolution Of The City Council Of The City Of Fortuna Approving,
Authorizing And Directing Execution Of A Joint Exercise Of Powers Agreement Relating
To The California Municipal Finance Authority And Approving The Issuance Of Revenue
Bonds By The Authority For The Purpose Of Financing Or Refinancing The Acquisition,
Construction And Improvement Of Certain Facilities For The Benefit Of Open Door
Community Health Centers, and read by title only. Roll Call Vote.

AYES: Council Member Brown, Gardner, Strehl, Mayor Pro Tem Trent, Mayor Long
NOES: None
ABSENT: None
ABSTAIN: None
Motion Carried 5-0 by Resolution 2016-35

D. ADOPTION OF THE TRAFFIC IMPACT FEE NEXUS STUDY WITH A PREFERRED
ALTERNATIVE TRAFFIC IMPACT FEE, AND DIRECT STAFF TO RETURN WITH A
FINAL ORDINANCE FOR FIRST READING AT THE AUGUST 1, 2016 CITY COUNCIL
MEETING AND SECOND READING AND ADOPTION OF FINAL TRAFFIC IMPACT
FEE RESOLUTION AT A SUBSEQUENT MEETING.

Mayor Long recused herself due to a potential conflict of interest from her employment with Wendt
Construction.

STAFF RECOMMENDATION:
Review and adopt the Traffic Impact Fee Nexus Study with a preferred alternative traffic impact
fee, review the draft traffic impact fee resolution, and review the draft traffic impact fee ordinance,
and direct Staff to bring back a final resolution and ordinance to amend the Fortuna Municipal
Code and adopting a new traffic impact fee.

STAFF REPORT:
The City Council received a written and oral report from City Manager Candelario

PUBLIC Hearing:
Dennis Wendt asked what the Nexus study said. The City Attorney provided his own copy. Wally Wright asked how many approved subdivisions there are and how this might affect them. Catherine Culver spoke in support of the City Manager and the PW Director and their comments. She does not feel this will be a great burden on a developer. She said she doesn’t want to pay a tax to fix things that the City should have the foresight to charge for. Dennis Wendt asked if the study could be adopted and a fee implemented later. Jeremy Stanfield agreed with Mr. Wendt about adopting just the study and research for fees later. He suggested speaking with other municipalities. Wally Wright said businesses would not come to Fortuna because it is cheap but because they want to be here. He said there are no opposing fee studies. He said the Council should adopt the study and deal with the details at a later date. There being no further comment Mayor Pro Tem Trent closed this public hearing section.

CITY COUNCIL ACTION:
Council Member Brown moved, seconded by Council Member Gardner to adopt the study, retain the status quo for residential and choose Alternative E for Commercial, Industrial zones, and bring back the ordinance and resolution back for adoption as well as comparisons from other cities and the unincorporated areas. Roll Call Vote

AYES: Council Member Brown, Gardner, Strehl, Mayor Long
NOES: Mayor Pro Tem Trent
ABSENT: None
ABSTAIN: Mayor Long (Potential Conflict of Interest based on employment)
Motion Carried 3-1(Trent) by MO-2016-133

Mayor Long returned to the Council Chambers and dais

VII. CITY MANAGER REPORT, PENDING LEGISLATION AND CALENDAR OF EVENTS

VIII. FUTURE AGENDA ITEMS
Mayor Long asked to set up a new community meeting for the Ballot measure.

IX. CITY COUNCIL REPORTS AND COMMENTS

- Council Member Tiara Brown
- Council Member Linda Gardner
- Council Member Doug Strehl
- Mayor Pro Tem Tami Trent
- Mayor Sue Long

Parks & Recreation Commission, Redwood Coast Energy Authority
Historical Commission
Humboldt County Association of Governments
Humboldt Transit Authority, Fortuna Business Improvement District, League of California Cities Employer Relations Policy Committee, Indian Gaming Committee
Redwood Region Economic Development Commission, Fortuna Oversight Board, Local Agency Formation Commission, League of California Cities Legislative Committee

X. ORAL COMMENTS FROM THE PUBLIC
There being no comment Mayor Long closed this public comment section.

XI. ADJOURN TO CLOSED SESSION
Mayor Pro Tem Trent moved, seconded by Council Member Brown to adjourn to Closed Session at8:26 PM. Voice Vote. Motion Carried 5-0
1. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION, Significant Exposure to litigation pursuant to paragraph (2) or (3) of subdivision (d) of section 54956.9: 1 Case

XII. REPORT OUT AND ADJOURN

1. No Reportable Action

Council Member Brown moved, seconded by Mayor Pro Tem Trent to adjourn at 9:15PM. Voice Vote. Motion Carried 5-0

Respectfully submitted by
Linda McGill, CMC
City Clerk