

**CITY OF ARCATA
CITY COUNCIL MEETING**

COUNCIL CHAMBER

JUNE 21, 2017

SPECIAL MEETING

A special meeting of the City Council of the City of Arcata was held on the above date at 4:30 p.m. with Mayor Ornelas presiding. Notice of this meeting was posted on June 16, 2017.

PRESENT: Ornelas, Pereira, Pitino, Watson, Winkler. ABSENT: None. STAFF PRESENT: Assistant City Manager/Personnel Director Demello.

PUBLIC COMMENT

City Clerk Dory invited public comment. No one was present to speak. City Clerk Dory closed the public comment period.

The Council entered closed session in the City Manager's Conference Room at 4:30 p.m.

CLOSED SESSION—A. CONFERENCE WITH LABOR NEGOTIATORS Pursuant to Government Code Section 54957.6 (Two Items). Employee Organizations: Arcata Police Association; Operating Engineers, Local No. 3. Agency Negotiator: Danette Demello.

The Council returned to the Council Chamber at 5:55 p.m. to meet in open session.

CLOSED SESSION REPORTS—A. CONFERENCE WITH LABOR NEGOTIATORS Pursuant to Government Code Section 54957.6 (Two Items). Employee Organizations: Arcata Police Association; Operating Engineers, Local No. 3. Agency Negotiator: Danette Demello.

Mayor Ornelas said there was nothing to report out from the closed session.

ADJOURNMENT: The meeting was adjourned at 6:02 p.m.

REGULAR MEETING

A regular meeting of the City Council of the City of Arcata was held on the above date at 6:02 p.m. with Mayor Ornelas presiding. Notice of this meeting was posted on June 16, 2017.

PRESENT: Ornelas, Pereira, Pitino, Watson, Winkler. ABSENT: None. STAFF PRESENT: City Manager Diemer, City Attorney Diamond, Finance Director Luzzi, Director of Environmental Services André, City Engineer Class, Deputy Director of Community Development Whitney, Senior Planner Hunter.

CEREMONIAL MATTERS—A. Proclamation in Celebration of the Fourth of July Jubilee, July 4, 2017. Councilmember Watson read the proclamation and presented it to Joellen Clark, executive Director of the Arcata Chamber of Commerce, who thanked the Council for acknowledging the Jubilee.

B. Proclamation in Recognition of Locally Delicious’s Local Food Guide to Del Norte, Humboldt and Trinity Counties. Mayor Ornelas read the proclamation and presented it to Ann Anderson, President, and Edie Jessup of Locally Delicious.

Ms. Anderson explained that Locally Delicious was a 10-year-old non-profit organization whose mission was to re-localize food distribution in the area.

C. Proclamation Designating June 2017 as Immigrant Heritage Month. Councilmember Pereira read the proclamation.

REPORT BY COMMISSION/COMMITTEE—A. Presentation by Joseph Arch, JJACPA, Inc., of Audited Financial Statements for the Fiscal Year Ended June 30, 2016.

Finance Director Luzzi introduced auditor Brett Jones who would present the audited financial statements for the fiscal year ended June 30, 2016.

Brett Jones, of JJACPA, Inc., appeared before the Council and said the Annual Financial Report was the auditor's report, which for the year ended June 30, 2016, was issued with a non-modified opinion and that was the highest opinion an auditor could give. He said the two Single Audit Reports, required by federal grants, resulted in no findings or comments. He reported on the last document—the Communication With Those Charged With Governance—and said it declared that there were no significant difficulties, no uncorrected misstatements, and no other significant findings or issues encountered during the audit. He finished by saying that the audit went very well, as they had come to expect from Arcata.

The Council congratulated staff on its excellent performance.

Mayor Ornelas invited public comment.

Kent Sawatzky, a resident of Humboldt County, appeared before the Council, said Arcata's audit report was very good, and thanked staff for its performance.

Mayor Ornelas closed the public comment period.

EARLY ORAL COMMUNICATIONS

Mayor Ornelas invited public comment.

Kent Sawatzky appeared before the Council and reported that he was pleased to have been able to testify before the Coastal Commission on a major expansion of aquaculture in Humboldt Bay. He said the Commission ultimately voted to not allow this expansion.

Mayor Ornelas closed Early Oral Communications.

CONSENT CALENDAR

Mayor Ornelas invited public comment.

Kent Sawatzky appeared before the Council and requested item D be removed for further discussion.

Mayor Ornelas closed the public comment period.

ON MOTION BY WINKLER, SECONDED BY PEREIRA, AND WITH A UNANIMOUS VOICE VOTE, THE COUNCIL ADOPTED THE CONSENT CALENDAR FOR JUNE 21, 2017, MINUS ITEM D. ADOPT ORDINANCE NO. 1488, AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ARCATA AMENDING ZONING REGULATIONS PERTAINING TO MEDICAL MARIJUANA REGULATION; WAIVE READING OF THE TEXT AND CONSENT TO READ BY TITLE ONLY. AYES: ORNELAS, PEREIRA, PITINO, WATSON, WINKLER. NOES: NONE. ABSENT: NONE. ABSTENTIONS: NONE.

- A. Approve Minutes of the City Council Meeting of May 17, 2017.**
- B. Bi-Weekly Report on General Warrants.**
- C. Reject a Claim for Money or Damages Against the City of Arcata from Maeve Talmantes and Refer it to the Redwood Empire Municipal Insurance Fund.**
- D. Item VII-D was moved to Items Removed from the Consent Calendar.**
- E. Adopt Ordinance No. 1491, An Ordinance of the City Council of the City of Arcata Amending the Arcata Municipal Code Flood Hazard Mitigation Standards; Waive Reading of the Text and Consent to Read by Title Only.**
- F. Adopt Resolution No. 167-49, A Resolution of the City Council of the City of Arcata Setting Building, Plumbing, Electrical, Mechanical and Other Related Permit Fees, Superseding Resolution No. 101-20, Resolution No. 090-02 and Resolution No. 090-17.**
- G. Approve a Dial-A-Ride Funding Agreement for City of Arcata for Fiscal Year 2017/18 in the Amount of \$53,815, and Authorize the City Manager to Execute All Applicable Documents.**
- H. Approve an Agreement with City Ambulance of Eureka, Inc., for Extended Paratransit Transportation (Dial-A-Ride) Services for Fiscal Year 2017/18 in the Amount of \$12,000, and Authorize the City Manager to Execute All Applicable Documents.**
- I. Adopt Resolution No. 167-57, A Resolution of the City Council of the City of Arcata Adopting a Public Participation Plan Program for the Arcata & Mad River Transit in Compliance with Title VI of the Civil Rights Act of 1964.**
- J. Approve a Grant Application in the Amount of \$1 Million-\$1.5 Million from the California Department of Fish and Wildlife Proposition 1 Watershed Restoration Grant Program for the Upper Jacoby Creek Emerson Property Acquisition (967 acres).**

- K. Adopt Resolution No. 167-56, A Resolution of the City Council of the City of Arcata Amending the City of Arcata Drug and Alcohol Testing Policy for Commercial Licensed Drivers.**
- L. 1) Adopt the Side Letter Agreement to the Current Memorandum of Understanding Between the City of Arcata and Arcata Police Association Regarding Medical Premium Cost Share and Second Medical Plan Option; and 2) Adopt the Side Letter Agreement to the Current Memorandum of Understanding Between the City of Arcata and Operating Engineers, Local No. 3, Regarding Medical Premium Cost Share and Second Medical Plan Option.**

ITEMS REMOVED FROM CONSENT CALENDAR--D. Adopt Ordinance No. 1488, An Ordinance of the City Council of the City of Arcata Amending Zoning Regulations Pertaining to Medical Marijuana Regulation; Waive Reading of the Text and Consent to Read by Title Only. Mayor Ornelas invited public comment.

Kent Sawatzky appeared before the Council and complimented the City on the regulations and what they would do for the community.

Mayor Ornelas closed the public comment period.

ON MOTION BY PEREIRA, SECONDED BY WINKLER, AND WITH A UNANIMOUS VOICE VOTE THE COUNCIL ADOPTED ORDINANCE NO. 1488, AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ARCATA AMENDING ZONING REGULATIONS PERTAINING TO MEDICAL MARIJUANA REGULATIONS, WAIVED READING OF THE TEXT AND CONSENTED TO READ THE ORDINANCE BY TITLE ONLY. AYES: ORNELAS, PEREIRA, PITINO, WATSON, WINKLER. NOES: NONE. ABSENT: NONE. ABSTENTIONS: NONE.

OLD BUSINESS—A. Continuation of Public Hearing on the Proposed Budget for Fiscal Year 2017/18; and Consideration of Resolution No. 178-01 Adopting the City Budget for Fiscal Year 2017/18, and Resolution No. 178-02 Updating the Master Fee Schedule for Various Fees and Service Charges Within the City of Arcata. Finance Director Luzzi announced that this was the second of two public hearings on the City's annual budget for the fiscal year 2017/2018. She requested the Council adopt Resolution No. 178-01 adopting the annual budget. and 178-02 updating the master fee schedule. She requested the Council, before adopting Resolution No. 178-02, amend the Master Fee Schedule as follows: In Section 23: Land Use Development Fees, change "Resolution 078-59" to "Resolution 167-52," and include the verbiage: "A fee of 10% of all planning deposits established in the Planning Fees Resolution referenced above shall be assessed and collected for the purpose of administering and implementing the General Plan, including updates to the various elements."

Mayor Ornelas invited public comment.

Randi Olson, from the Humboldt Area Center for Harm Reduction (HACHR), appeared before the Council and asked it to include in the budget \$12,000 to HACHR. She described some of the important work done by HACHR and asked the Council to include it in the budget.

Mary Ellen Jurkovich, from the Humboldt Patient Resource Center, appeared before the Council and said that HACHR was about changing lives, including those of drug addicts. She said the Humboldt Patient Resource Center donated to HACHR because it felt the work HACHR was doing was vital to the community.

Kent Sawatzky appeared before the Council and said he supported HACHR's request. He also said it was unfortunate that HACHR had to ask for funds because Measure S should have provided money to HACHR.

Sarah Kerr, a resident of Arcata and founding board member of HACHR, appeared before the Council and urged it to consider HACHR's request. She noted that HACHR ran a professional and above-board program and had assisted in 11 drug overdose reversals in Arcata in the last year.

Mayor Ornelas closed the public comment period.

ON MOTION BY PITINO, SECONDED BY PEREIRA, AND WITH A UNANIMOUS VOICE VOTE, THE COUNCIL ADOPTED RESOLUTION NO. 178-01, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ARCATA ADOPTING THE ANNUAL BUDGET FOR THE FISCAL YEAR BEGINNING JULY 1, 2017, WITH THE ADDITION OF \$3,000 TO THE HUMBOLDT AREA CENTER FOR HARM REDUCTION WITH THE CITY MANAGER WORKING OUT THE DELIVERABLES AND OPTIONS FOR THE COUNCIL; AND ADOPTED RESOLUTION NO. 178-02, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ARCATA UPDATING THE MASTER FEE SCHEDULE FOR VARIOUS FEES AND SERVICE CHARGES FOR FISCAL YEAR 2017/18, WITH THE FOLLOWING AMENDMENT TO THE MASTER FEE SCHEDULE: IN SECTION 23: LAND USE DEVELOPMENT FEES, CHANGE "RESOLUTION 078-59" TO "RESOLUTION 167-52," AND INCLUDE THE VERBIAGE: "A FEE OF 10% OF ALL PLANNING DEPOSITS ESTABLISHED IN THE PLANNING FEES RESOLUTION REFERENCED ABOVE SHALL BE ASSESSED AND COLLECTED FOR THE PURPOSE OF ADMINISTERING AND IMPLEMENTING THE GENERAL PLAN, INCLUDING UPDATES TO THE VARIOUS ELEMENTS." AYES: ORNELAS, PEREIRA, PITINO, WATSON, WINKLER. NOES: NONE. ABSENT: NONE. ABSTENTIONS: NONE.

B. Approve the City of Arcata's Mills Act Historic Property Tax Incentive Program Guidelines. Senior Planner Hunter asked the Council to adopt Resolution No. 167-54 adopting the Mills Act Program Guidelines implementing the program for Arcata. She explained that the Mills Act was a statewide property tax reduction program which allowed homeowners to receive a reduction in their property taxes in exchange for renovations or maintenance of their historic property. She noted that the reduction ran with the property even if the ownership changed.

Mayor Ornelas invited public comment. No one came forward to speak. Mayor Ornelas closed the public comment period.

ON MOTION BY PEREIRA, SECONDED BY PITINO, AND WITH A UNANIMOUS VOICE VOTE, THE COUNCIL ADOPTED RESOLUTION NO. 167-54, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ARCATA ADOPTING MILLS ACT HISTORIC PROPERTY TAX INCENTIVE PROGRAM GUIDELINES, AND DIRECTED STAFF TO ADVERTISE THE OPPORTUNITY TO THE COMMUNITY. AYES: ORNELAS, PEREIRA, PITINO, WATSON, WINKLER. NOES: NONE. ABSENT: NONE. ABSTENTIONS: NONE.

C. Receive Status Report on City Hall HVAC (Heating and Ventilation) Project and Approve Work Plan for Design Development and Phased Implementation.

Interim Property and Special Projects Manager Marsolan explained how over the years, various remodeling projects in City Hall had resulted in areas that were either under-heated or over-heated by the seven furnaces supplying heat to City Hall. She said that four specific alternatives for heating and ventilation had been analyzed and the proposals ranged in cost from \$293,000 to over \$1 million. A committee reviewed the recommendations and narrowed the focus to two models that the City could install and maintain. She explained that the models being considered would entail changing the fuel source from natural gas to electricity and used a heat pump option. She said that option no. 1 was estimated to cost \$278,000, and option no. 2 was estimated to cost \$453,000. She said the committee felt that either one of the options would work for the building, and she asked the Council for guidance as to a cost range and the type of equipment it preferred.

Mayor Ornelas invited public comment.

Kent Sawatzky appeared before the Council and said he saw no reason to choose the more expensive option. He applauded the City for moving away from natural gas and its large carbon footprint.

Mayor Ornelas closed the public comment period.

ON MOTION BY PEREIRA, SECONDED BY WINKLER, AND WITH A UNANIMOUS VOICE VOTE, THE COUNCIL SUPPORTED MOVING TO A FUEL SWITCHING MODEL BY TRYING TO MAXIMIZE MOVING TO ELECTRIC HEAT AND MINIMIZING ANY RESIDUAL NATURAL GAS HEAT IN CITY HALL VIA EITHER A VARIABLE REFRIGERANT FUEL OR HEAT PUMP SYSTEM. AYES: ORNELAS, PEREIRA, PITINO, WATSON, WINKLER. NOES: NONE. ABSENT: NONE. ABSTENTIONS: NONE.

ORAL AND WRITTEN COMMUNICATIONS

Mayor Ornelas invited public comment.

Kent Sawatzky appeared before the Council and said that Humboldt County was supposed to use its redevelopment money to help fund the Sheriff's Department, but that was not where they put the money. He recommended a the voters of Arcata approve a one-half cent sales tax so that Arcata could be designated a self-help city.

Mayor Ornelas closed Oral and Written Communications.

COUNCIL AND STAFF REPORTS

City Manager Diemer updated the Council on summer construction projects, including the reconfiguration of space in City Hall, paving of Buttermilk Lane, the final phase of the removal of Jolly Giant dam, and construction of the Humboldt Bay Trail North. She noted that Pacific Gas and Electric Company was working on its high-pressure gas line on 11th Street east of the freeway.

Councilmember Winkler reported on his attendance at the Oyster Festival.

Councilmember Watson reported on his attendance at: The monthly board meeting of the Arcata Chamber of Commerce; the Oyster Festival; a study group at Lazy J Mobilhome Park regarding rent stabilization; the ribbon cutting for Madame M's Crush; a meeting of the residents of Maple Lane about the proposed student housing on St. Louis Road; a Business of Race workshop at the Humboldt Area Foundation; and a meeting with Councilmember Pereira and the City Manager to discuss the process of how recommendations from committees get to the City Council. He said that the following week he would be attending the League of California Cities' Mayors and Councilmembers Executive Forum in Monterey.

Councilmember Pereira reported on her attendance at a meeting of the Humboldt Waste Management board of directors, and said she spoke at a civic engagement workshop hosted by North Coast People's Alliance.

Mayor Ornelas announced that Humboldt State University's Orientation would tke place on August 14 and 15, 2017, and that the City would have a table. She asked staff when there might be "truth balloons" for the proposed student housing development on St. Louis Road. She reported that, concerning the David Josiah Lawson homicide case, she wrote a letter to the Department of Justice and she and Chief Chapman met with some concerned citizens. She assured the community that the case was being worked on every day. She wished everyone a happy summer solstice.

DATES OF FUTURE MEETINGS—A. City Council Study Session with the Transportation Safety Committee and the Energy Committee, Thursday, June 22, 2017, at 6:00 p.m., in the Council Chamber. BY GENERAL CONSENSUS, THE COUNCIL CONFIRMED IT WOULD HOLD ITS ANNUAL STUDY SESSION WITH THE TRANSPORTATION SAFETY COMMITTEE AND THE ENERGY COMMITTEE ON THURSDAY, JUNE 22, 2017, AT 6:00 P.M. IN THE COUNCIL CHAMBER.

B. Regular City Council Meeting of August 16, 2017, Canceled. BY GENERAL CONSENSUS, THE COUNCIL CONFIRMED IT HAD CANCELED ITS REGULAR MEETING OF AUGUST 16, 2017.

ADJOURNMENT: The meeting was adjourned at 7:42 p.m.

Respectfully submitted,

Bridget Dory
City Clerk