

City Council, Regular Meeting
 Civic Center Council Chambers
 777 Cypress Avenue
 Redding, California
 May 15, 2007 7:00 p.m.

The Pledge of Allegiance to the Flag was led by Mayor Emeritus John Mathena.

The Invocation was offered by Police Chaplain Ray Foust.

The meeting was called to order by Mayor Dickerson with the following Council Members present: Bosetti, Jones, Murray, and Stegall.

Also present were City Manager Starman, Assistant City Manager Bachman, City Attorney Duvernay, Development Services Director Hamilton, Transportation and Engineering Director Tippin, Police Chief Moty, Fire Chief Fry, Community Services Director Niemer, City Clerk Strohmayer, Assistant City Clerk Sherman, and Executive Assistant Stribley.

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PRESENTATION - Shasta County Regional Transportation Planning Agency (RTPA) re "Fix 5 Partnership" (T-100-375)

Dan Little, Executive Officer of the Shasta County Regional Transportation Planning Agency (RTPA), provided a presentation regarding the "Fix 5 Partnership," a proposal to address critical infrastructure improvements/repairs to the Interstate 5 (I-5) corridor between Corning and Shasta Lake City (61 miles) between now and the year 2010 and 2030. He related that the ultimate goal of the Partnership is to provide a long-range financing plan as soon as possible to maximize state and federal dollars for leverage and financing opportunities. He added that interchanges to I-5 will not, unfortunately, be part of the program and will remain the responsibility of Caltrans and local agencies.

Jeff Kay, representing Muni Financial, presented Powerpoint slides depicting future traffic congestion projections if mega development and miscellaneous growth continues along I-5 and adjacent communities as anticipated.

Mr. Little recommended that the City Council approve in concept, the Fix 5 Partnership mission statement to: 1) support the regional economy, public safety, and public welfare; 2) identify, prioritize and deliver projects that preserve levels of service; 3) work with the Fix 5 Partners to maximize the leverage of state and federal funds; and 5) develop a traffic impact fee program with regional fair-share contributions, and provide a meeting to consider a proposal to adopt the Phase 1 traffic impact fee for Interstate 5 to mitigate future congestion.

Council Member Murray urged that federal highway representatives and elected officials be included in the meetings and in the Program. He supported the Program and believed it to be the number one issue in the community, observing that without an adequate highway system, Redding will cease to grow and prosper.

Council Member Stegall also supported the endeavor, but urged that mass transit be added to the equation and that incentives for increased and improved mass transit be developed.

Council Member Jones expressed concern that interchanges were not included in the Program and that the proposed additional impact fee would further escalate new homes prices beyond financial affordability for many residents.

Council Member Bosetti questioned the necessity of additional taxes to fund federal highway projects when Californians are already paying some of the highest taxes in the nation, including taxes on gasoline. He also challenged the fairness of asking developers to pay the City's traffic impact fees in addition to the proposed "Fix 5" Project fees.

Mayor Dickerson believed the future of I-5 was very grim under the current prospectus, and added that Northern California is in a growth mode which must be addressed and managed.

MOTION: Made by Council Member Murray, seconded by Council Member Stegall, approving in concept the Shasta County Regional Transportation Planning Agency (RTPA) "Fix 5 Partnership" proposal relative to 61 miles of Interstate 5 upgrades from Corning through Shasta County to: 1) support the regional economy, public safety, and public welfare; 2) identify, prioritize and deliver projects that preserve levels of service; 3) work with the Fix 5 Partners to maximize the leverage of state and federal funds; and 5) develop a traffic impact fee program with regional fair-share contributions. The Vote:

AYES: Council Members - Jones, Murray, Stegall, and Dickerson
 NOES: Council Members - Bosetti
 ABSTAIN: Council Members - None
 ABSENT: Council Members - None

CONSENT CALENDAR

The following matters were considered inclusively under the Consent Calendar:

Approval of Minutes - Regular and Special Meetings of May 1, 2007

Approval of Payroll and Accounts Payable Registers

(A-050-100-500)

It is recommended that Accounts Payable Register No. 21, check numbers 851145 through 851575 inclusive, in the amount of \$4,879,016.33, for the period of April 30, 2007, through May 11, 2007; and Payroll Register No. 22 electronic deposit transaction numbers 205481 through 206296 and check numbers 535623 through 535767 inclusive, in the amount of \$2,379,719.43 for the period of April 8, 2007, through April 21, 2007, be approved.

TOTAL: \$7,258,735.76

Resolution - Making required findings to utilize tax increment funds from the SHASTECC Redevelopment Project for the Stillwater Business Park Infrastructure Project (R-030-050-310 & E-050-500)

It is the recommendation of the City Manager that Resolution No. 2007-69 be adopted, a resolution of the City Council of the City of Redding making findings that:

1. The improvements are of benefit to the project area from which the funds are derived or to the immediate neighborhood in which the project is located;
2. No other reasonable means of financing the improvements are available to the community; and
3. The payment of funds for the improvements will assist in the elimination of blight within the project area.

and approving the use of SHASTECC Redevelopment Project Area Tax Increment funds in the amount of \$10 million to construct the Stillwater Business Park Infrastructure Project.

Resolution - Summarily vacating 1,726 square feet of street right-of-way on Riverside Drive, declaring the property surplus, and approving disposition of said property to Don Nelson (A-010-100 & C-070-200)

It is the recommendation of the City Manager that Resolution No. 2007-70 be adopted, a resolution of the City Council of the City of Redding summarily vacating 1,726 square feet of street right-of-way on Riverside Drive, declaring the property surplus, approving disposition of said property to Don Nelson owner of the adjacent Parcel APN #050-420-041, and authorizing the Mayor to execute all necessary documents related thereto.

Council Member Jones advised he will vote no on this issue.

The Vote:

AYES: Council Members - Bosetti, Murray, Stegall, and Dickerson
 NOES: Council Members - Jones
 ABSTAIN: Council Members - None
 ABSENT: Council Members - None

Resolution - Authorizing execution of 2nd Amendment to the Power Purchase Agreement with RLC Industries

(E-120-300)

It is the recommendation of the Electric Utility Director that Resolution No. 2007-71 be adopted, a resolution of the City Council of the City of Redding, authorizing the Electric Utility Director to execute the 2nd Amendment to the Renewable Energy Purchase Agreement with RLC Industries for renewable biomass energy removing the initial damages' clause associated with a delayed project startup in exchange for RLC reducing the

Agreement delivery price by the \$5/Mwh for the 15-year term of the Agreement, removal of RLC's option to terminate the Agreement, and Redding Electric Utility to be responsible for the transmission from the project to the California-Oregon Border (COB).

Resolution - Intent to abandon an undeveloped park site dedication on City-owned property at 397 Tourmaline Way and setting public hearing for June 19, 2007; and

Resolution - Intent to vacate an undeveloped park site dedication on City-owned property at 3146 Bedrock Lane and setting public hearing for June 19, 2007 (A-010-080)

It is the recommendation of the Community Services Director that Resolution No. 2007-72 be adopted, a resolution of the City Council of the City of Redding declaring its intention to abandon park dedication on Unit 1-A Lake Redding Estates located at 397 Tourmaline Way and setting a public hearing for the regular City Council meeting of June 19, 2007, at 7:00 p.m.

It is further recommended that Resolution No. 2007-73 be adopted, a resolution of the City Council of the City of Redding declaring its intention to abandon park dedication on Unit 1-B Lake Redding Estates located at 3146 Bedrock Lane and setting a public hearing for the regular City Council meeting of June 19, 2007, at 7:00 p.m.

Resolution - Appropriating bond proceeds for the Stillwater Business Park Project (B-130-070 & E-050-500)

It is the recommendation of the Assistant City Manager that Resolution No. 2007-74 be adopted, a resolution of the City Council of the City of Redding approving and adopting the 79th amendment to City Budget Resolution No. 2005-77 appropriating \$8,810,650 in bond proceeds for the Stillwater Business Park Project and reimbursing the General Fund \$2,000,000 for fiscal year 2006-07.

Award of Bid - Bid Schedule No. 4012, Hilltop Drive Widening Over State Highway 44 Project;

Amendment No. 2 to Consultant Services Agreement - Quincy Engineering; and

Resolution - Appropriating funds for said project (B-050-020/B-130-070/S-070-100)

It is the recommendation of the Transportation and Engineering Director that Bid Schedule No. 4012 (Job No. 2048/2296), Hilltop Drive Widening Over State Highway 44 Project (Project) be awarded to Shasta Constructors in the amount of \$3,360,812.54, that an additional \$350,000 be approved for administration and inspections fees, and that an additional \$340,000 be approved for a construction contingency fund, for a total amount of \$4,050,812.54.

It is also recommended that Amendment No. 2 to the Consultant Services Agreement with Quincy Engineering be approved to provide technical design support during construction of the Project in an amount not-to-exceed \$25,000.

It is further recommended that Resolution No. 2007-75 be adopted, a resolution of the City Council of the City of Redding approving and adopting the 80th amendment to City Budget Resolution No. 2005-77 appropriating \$326,000 for the Project for fiscal year 2006-07.

Final Map and Subdivision Agreement - Bel Air Estates Unit 1B (S-101-037)

It is the recommendation of the Transportation and Engineering Director that the Final Map for the Bel Air Estates Unit 1B (S-1-01), located southwest of Quartz Hill Road, by Ochoa & Shehan, Inc. be approved, that the Mayor be authorized to execute a Subdivision Agreement, and that the City Clerk be instructed to file the Map with the Shasta County Recorder.

Award of Bid - Bid Schedule No. 4020, Clear Creek Wastewater Treatment Plant 2007 Sludge Dredging (B-050-020 & W-010-450)

It is the recommendation of the Transportation and Engineering Director that Bid Schedule No. 4020 (Job No. 5331), Clear Creek Wastewater Treatment Plant 2007 Sludge Dredging be awarded to Air Water Solids Engineering in the amount of \$128,604.00, that an additional \$8,000 be approved for administration and inspections fees, and that an additional \$13,000 be approved for a construction contingency fund, for a total amount of \$149,604.00.

MOTION: Made by Council Member Stegall, seconded by Council Member Jones, that all the foregoing items on the Consent Calendar be approved and adopted as recommended with the exception of the item approved by separate vote as indicated above. The Vote:

- AYES: Council Members - Bosetti, Jones, Murray, Stegall, and Dickerson
- NOES: Council Members - None
- ABSTAIN: Council Members - None
- ABSENT: Council Members - None

Resolution Nos. 2007-69, 2007-70, 2007-71, 2007-72, 2007-73, 2007-74, and 2007-75 are on file in the Office of the City Clerk.

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PUBLIC HEARING - Fire Facilities Impact Fees

ORDINANCE - Amending Redding Municipal Code Section 16.20.030, Fire Facilities Impact Fees

(F-205-600 & P-150-070)

The hour of 7:00 p.m. having arrived, Mayor Dickerson opened the public hearing to consider increasing fees by amending Redding Municipal Code Section 16.20.030, Fire Facilities Impact Fees.

The following document is on file in the Office of the City Clerk:

Affidavit of Publication - Notice of Public Hearing

City Clerk Strohmayer advised that no protests were received.

Fire Chief Fry recalled that in June 2006, the City Council directed staff to conduct a review of the Fire Facilities Impact Fees which were adopted in February 2001. He pointed out that those fees were not adopted at the level suggested by Muni Financial's, "Comprehensive Fire Facilities Impact Fees Study" of May 12, 2000. He related that industry costs have increased significantly since that time, both for construction and equipment; however, after the recent construction of two fire stations, cost projections and needs assessments can now be more accurately forecast.

Chief Fry stated that meetings with the development community took place and while there was reluctance to support an immediate increase in fees needed to fill future demands, there was support for a phased concept to the increased fee structure. The proposed fee phasing would begin with an increase July 1, 2007, again January 15, 2008 (plus or minus the Construction Cost Index), and finally an increase on January 15, 2009, (plus or minus the Construction Cost Index). Mr. Fray related that the fees will then be adjusted annually effective January 1, 2010, at the Construction Cost Index rate.

Chief Fry said that it is projected that additional fire stations will be needed in the future to serve growth in the northeast, near the proposed Oasis Road development, and in the northwest area, which would require relocation of Station 6. He pointed out that if no growth occurs, no fees will be collected and no additional stations will be needed.

Chief Fry recommended that the City Council amend Redding Municipal Code Section 16.20.030 approving the proposed increases to the Fire Facilities Impact Fees, offer an ordinance for first reading, and waive the full reading.

Council Member Jones expressed concern regarding the sharp increase in fees over so short a time frame. Assistant City Manager Bachman responded that this approach was favored by the development community as a means to address the deficit created by current fees which are significantly lower than surrounding communities.

Council Member Jones suggested that credit be given to developers installing fire sprinkler systems and believed that fire station staffing should be addressed by the City Council in the future and that these fees not be used as a means to hire more fire fighters.

Mayor Dickerson determined that no one present wished to address this matter and closed the public hearing.

Council Member Bosetti observed that the addition of this fee constituted \$30,000 in impact fees for the construction of an average single-family home.

MOTION: Made by Council Member Stegall, seconded by Council Member Jones approving a phased increase in fees effective July 1, 2007, increasing said fees (to include plus or minus any change in the Construction Cost Index) effective January 15, 2008, increasing said fees (to include plus or minus any change in the Construction Cost Index) effective January 15, 2009, and providing annual review to increase fees by the plus or minus in the Construction Cost Index annually, on each January 1, commencing 2010; and directing staff to research fire sprinkler incentives.

The Vote: Unanimous Ayes

Council Member Stegall offered Ordinance 2386 for first reading, an ordinance of the City Council of the City of Redding amending Redding Municipal Code Section 16.20.030B revising the Fire Facilities Impact Fee Schedule to provide a phased increase in fees.

MOTION: Made by Council Member Stegall, seconded by Council Member Jones, that the full reading of Ordinance 2386 be waived, and that the City Attorney be instructed to read the full title. The Vote: Unanimous Ayes

UPDATE ON MAJOR PROJECTS AND ACTIVITIES - Youth Action Council (YAC)
(A-050-080 & B-080-600-300)

Community Services Director Niemer introduced Youth Action Council members who reported on the First Annual Youth Leadership Conference attended by approximately 100 youths from the area. It was reported that the facilitator was impressed with the response by youths of the community. Youth attending the conference related that the purpose of the conference was to help initiate leadership qualities and encourage youth to take leadership roles in the community. They felt the Conference was a success and encouraged youth throughout the area.

No action was required on this informational item.

ORDINANCE - Re Eminent Domain Program for Canby-Hilltop-Cypress Redevelopment Project Area, Market Street Redevelopment Project Area, Buckeye Redevelopment Project Area, and SHASTECC Redevelopment Project Area
(R-030-050/R-030-145/R-030-030/R-030-200)

City Manager Starman recalled that Senate Bill 53 (SB53) was recently enacted and requires cities and counties with redevelopment plans to adopt an ordinance (prior to July 1, 2007) that describes how real property may be acquired by eminent domain. He pointed out that Eminent Domain Programs already exist for the Canby-Hilltop-Cypress Project Area, Market Street Project Area, Buckeye Project Area, and SHASTECC Project Area, and because there is no change in the process, the new ordinance will simply formalize existing eminent domain programs to conform to the SB53.

Mr. Starman also related that recently-passed Senate Bill 1809 (SB1809) requires redevelopment agencies, with existing redevelopment plans authorizing eminent domain, to record a new Statement of Institution (Statement) on all properties within a Project Area no later than December 31, 2007. This Statement is similar to an existing Statement already recorded on all Project Area properties but must be revised for compliance. He pointed out that adoption of the proposed ordinance will also authorize staff to record the revised Statements.

Mr. Starman recommended that the City Council offer an ordinance for first reading and waive the full reading, authorizing staff to formalize existing eminent domain programs relative to the various Redevelopment Project Areas, and revise the Statement of Institution for the Project Areas and record the revised Statement on appropriate properties.

Willie Preston, Redding resident, expressed concern that it was not clear what the ordinance was changing from and to in the particular sections involved and he did not find as many references to blight in the staff report as were previously used regarding eminent domain. He contended this was an opportunity for the City to clarify its future eminent domain policy. Mr. Starman responded that no changes were being made to the City's eminent domain policy and that the matter before Council used the existing language for the Redevelopment Project Areas to formalize the policy.

MOTION: Made by Council Member Murray, seconded by Council Member Stegall, adopting the descriptions of the Program for the Acquisition of Real Property by Eminent Domain for the Redevelopment Plans for the Canby-Hilltop-Cypress Project Area, Market Street Project Area, Buckeye Project Area, and SHASTECC Project Area pursuant to recently-enacted Health and Safety Code Section 33342.7, and related actions to provide conformance with Senate Bill 53 and Senate Bill 1809. The Vote: Unanimous Ayes

Council Member Murray offered Ordinance 2387 for first reading, an ordinance of the City Council of the City of Redding, adopting the descriptions of the Program for the Acquisition of Real Property by Eminent Domain for the Redevelopment Plans for the Canby-Hilltop-Cypress Project Area, Market Street Project Area, Buckeye Project Area, and SHASTECC Project Area pursuant to recently-enacted Health and Safety Code Section 33342.7, and related actions.

MOTION: Made by Council Member Murray, seconded by Council Member Stegall, that the full reading of Ordinance 2387 be waived, and that the City Attorney be instructed to read the full title. The Vote: Unanimous Ayes

RESOLUTION - Amending the Unrepresented Schedule of Part-Time Employee Classifications and Wage Rates, adding a Red Light Enforcement Specialist (P-100-050-100 & A-050-270)

Police Chief Moty recalled that the City Council awarded a contract to Redflex Traffic System, Inc. (Redflex) at the meeting of February 6, 2007, to install Red Light Cameras at selected intersections to reduce the number of serious-injury traffic collisions caused by red light violations. Part of processing a violation includes reviewing photographs taken by the red light cameras by a trained individual and it was proposed that a new, part-time position and classification of Red Light Enforcement Specialist be created. He pointed out that while it is not mandatory, most agencies fill this position with retired Police Officers because they meet certain Peace Officers Standards Training (POST) requirements.

Chief Moty recommended that a resolution be adopted amending the Unrepresented Schedule of Part-Time Employee Classifications and Wage Rates, adding the classification of Red Light Enforcement Specialist, effective May 20, 2007.

Council Member Murray expressed concern that the position is being restricted to only retired officers and urged that all qualified candidates be considered.

Council Member Jones advised he would vote no on the matter because of his previous fundamental concern surrounding the revenue stream from this program leaving the community.

MOTION: Made by Council Member Murray, seconded by Council Member Stegall, adopting Resolution No. 2007-76, a resolution of the City Council of the City of Redding, amending the Unrepresented Part-Time Employee Schedule of Classifications and Wage Rates, adding the classification of Red Light Enforcement Specialist with a salary of \$27.00 to \$32.82 per hour, effective May 20, 2007. The Vote:

AYES:	Council Members - Bosetti, Murray, Stegall, and Dickerson
NOES:	Council Members - Jones
ABSTAIN:	Council Members - None
ABSENT:	Council Members - None

Resolution No. 2007-76 is on file in the Office of the City Clerk

RESOLUTION - Approving issuance of Tax and Revenue Anticipation Notes (TRANS) (D-050-430-014)

Assistant City Manager Bachman related that participation in the California Statewide Communities Development Authority's (CSCDA) Program to borrow funds through issuance of Tax and Revenue Anticipation Notes (TRANS) allows agencies to provide better cash flow through the year due to staggered influx of revenue such as property taxes. The League of California Cities and the California State Association of Counties coordinated development of the CSCDA to facilitate the issuance of pooled debt to achieve better interest rates than could be achieved by any single agency.

Mr. Bachman advised that the City has been allocated \$9,000,000 for the 2007-08 fiscal year with a maximum interest rate of 12%. However, he pointed out that staff is proposing that only \$6,000,000 be borrowed and the notes sold with an approximate interest rate of 3.75%.

Mr. Bachman recommended that a resolution be adopted facilitating the issuance of TRANS in the amount of \$6 million with an approximate annual interest rate of 3.75%, approve as to form the Purchase Agreement, and authorize the Mayor, City Manager, and Assistant City Manager to execute all necessary documents.

MOTION: Made by Council Member Stegall, seconded by Council Member Jones, adopting Resolution No. 2007-77, a resolution of the City Council of the City of Redding, authorizing and approving borrowing funds for fiscal year 2007-08 in the amount of \$6 million, the issuance and sale of a 2007-08 Tax and Revenue Anticipation Notes, participation in the California Communities Cash Flow Financing Program, approving as to form the Purchase Agreement, and authorizing the Mayor, City Manager, and Assistant City Manager to execute all necessary documents. The Vote:

AYES: Council Members - Bosetti, Jones, Murray, Stegall, and Dickerson
 NOES: Council Members - None
 ABSTAIN: Council Members - None
 ABSENT: Council Members - None

Resolution No. 2007-77 is on file in the Office of the City Clerk

TRAFFIC IMPACT FEE PROGRAM

(T-080-400)

City Manager Starman recalled that the Traffic Impact Fee (TIF) Program was approved April 22, 2004, after a series of meetings between City staff and the development community. The phased fee program was designed to generate \$46 million to support 12 major road projects. Mr. Starman stated that a "gentleman's agreement" was formed with the development community that TIF fees would not be significantly adjusted for another five years following approval of the TIF Program. However, since 2004, construction costs have risen sharply and under the current TIF fee structure, staff is concerned that sufficient revenue will not be generated to complete the approved projects. Mr. Starman suggested that other opportunities be reviewed, projects re-prioritized, and timelines be adjusted so that TIF fees would not have to be increased substantially for the next few years. He stated that staff will prepare a more definitive report providing alternatives for consideration by the City Council, but cautioned that the City Council be cognizant of the cumulative impact on the development community when considering increases.

Transportation and Engineering Director Tippin provided a Powerpoint presentation depicting the amount of TIF funds collected to date (approximately \$9 million), the amount paid by a developer per project, the high/low projected revenue to the year 2011, projected possible revenue with highs and lows, the increased costs of asphalt and concrete (which increased almost 30% by 2006, while the TIF fee rose only by the Consumer Cost Index of approximately 3%), and other statistics. Mr. Tippin pointed out that these factors have significantly encroached on funds available for current projects and added that projections for TIF cash flow assume a high growth rate (City's planned growth rate of approximately 2%). He stated that with the projections as set forth above, and if all 2004 approved projects were constructed, at the end of 10 years the City would incur debt of approximately \$10 million.

Mr. Tippin related that highway interchanges need consideration, and funding for those improvements were not included in the 2004 Project list. He suggested that a funding source for the highway interchanges could be State Transportation Improvement Program (STIP) funds, mitigation for development fee, or an assessment district formed specific to that improvement. He stated that other considerations not included in the priority list or funding include a potential City/County impact fee and other projects that will need funding within the area such as the Fix 5 Project. He added that an option for funding would be to change the annual index (Consumer Cost Index), possibly by combining it with the percentage of increases for asphalt and concrete.

Fran Jenkins, Redding resident, expressed concern that currently the average cumulative impact fee per residential unit is over \$30,000. She observed that adding more fees will make home ownership cost prohibitive for young families.

Council Member Bosetti expressed concern that impact fees are not necessarily in line with the benefit for those paying the fee and suggested that smaller projects be considered that would provide greater benefit to the community as a whole.

Council Member Murray urged that the Construction Cost Index be changed to an index that reflects actual costs. He urged that the priority list be reevaluated and made various suggestions regarding project priority.

Mayor Dickerson suggested that the future TIF report prepared by staff include pros and cons of the existing priority list with an evaluation of construction costs in today's dollars.

No action was required on this informational item.

RESOLUTION - Approving Engineer's Report, and ordering the formation of and the levying of annual assessments for Sanitary Sewer Maintenance District SSMD-01-07, Hope Lane Subdivision (S-12-03)
(A-170-080-001 & S-101-062)

Transportation and Engineering Director Tippin related that Epick Homes-Bella Vista 6, L.P. developer of the Hope Lane Subdivision (S-12-03), executed a "Petition and Consent" to form Sanitary Sewer Maintenance District SSMD-1-07 in compliance with the Conditions of Approval for the Hope Lane Subdivision. He stated that the Subdivision is comprised of 44 developable lots, located near Hollow and Hope Lanes, south of the Gold Hills Country Club, but because it could not utilize a conventional gravity sewer system, a sewer maintenance district will be formed to provide lift stations and ensure that the majority of maintenance responsibilities are borne by those using the services.

Mr. Tippin recommended that a resolution be adopted confirming the maps of the Sanitary Sewer Maintenance District (SSMD)-01-07, approving the Engineer's Report, ordering the formation of territory into SSMD-01-07, and ordering the levy and collection of assessments in the amount of \$329.32 for each developable lot/remaining parcel for fiscal year 2007-08 pursuant to the Improvement Act of 1911.

Council Member Murray expressed concern with allowing development of a lift station for an area that would not need one if development proceeded in an orderly manner. He felt that the money spent for the lift station should be added to fund construction of the future trunkline to the Stillwater Treatment Plant at Stillwater Creek and not pumped to the Enterprise trunkline. He contended that a precedent would be set for future development of lift stations that pump to trunklines not designed to accommodate additional capacity of areas outside its sphere. He added that the McConnell Foundation owns a large amount of property in the area and should be obligated to participate as well.

City Manager Starman concurred that this action could provide less developer motivation if allowed to utilize alternative trunklines through lift stations rather than participate in appropriate service lines. He suggested that a City Council policy could be developed in the future to eliminate this alternative.

Mr. Tippin advised that in 1998, the City Council approved the "Stillwater Service Area Interim Study" prepared by PACE Engineers. The Study indicated that properties in that area would be constructed in a systematic manner using lift stations. He acknowledged that overuse of a trunkline would stretch it beyond its capacity in a matter of time, but individuals in the area are paying \$1,750 per home toward the construction of the future Stillwater Trunkline in hopes that a means could be found to fund a system to flow to the Stillwater Treatment Plant. Mr. Tippin said that infrastructure for the Subdivision and future development in that area will be designed so that when the system is in place, the lift stations will be removed and gravity flow can be used.

Council Member Murray did not believe that the fee of \$1,750 per home was sufficient to fund the necessary infrastructure and cautioned against setting this type of development precedent.

MOTION: Made by Council Member Murray, seconded by Council Member Stegall, adopting Resolution No. 2007-78, a resolution of the City Council of the City of Redding, confirming the maps of the Sanitary Sewer Maintenance District SSMD-1-07, approving the Engineer’s Report, ordering the formation of territory into Sanitary Sewer Maintenance District SSMD-1-07, ordering the levy and collection of assessments in SSMD-1-07 in the amount of \$329.32 for each developable lot/remaining parcel for fiscal year 2007-08 pursuant to the Improvement Act of 1911.

The Vote:

AYES: Council Members - Bosetti, Jones, Murray, Stegall, and Dickerson
NOES: Council Members - None
ABSTAIN: Council Members - None
ABSENT: Council Members - None

Resolution No. 2007-78 is on file in the Office of the City Clerk

ADJOURNMENT

There being no further business, at the hour of 9:18 p.m., Mayor Dickerson declared the meeting adjourned.

APPROVED:

Mayor

ATTEST:

City Clerk