

City Council, Regular Meeting
 Civic Center Council Chambers
 777 Cypress Avenue
 Redding, California
 February 5, 2008 7:00 p.m.

The Pledge of Allegiance to the Flag was led by Boy Scout Troop #156.

The Invocation was offered by Police Chaplain Betty Harrison-Smith.

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

Also present were City Manager Starman, Assistant City Manager/Police Chief Moty, City Attorney Duvernay, Transportation and Engineering Director Tippin, Electric Utility Director Feider, Economic Development Director Zauher, Community Services Director Niemer, City Clerk Strohmayer, and Executive Assistant Stribley.

PUBLIC COMMENT

(S-070)

Gary Cadd, Redding resident, questioned the City's level of participation in the ShastaForward project. Mayor Stegall explained that two Council Members serve on the Shasta Regional Transportation Planning Agency (RTPA) Board, and have attended ShastaForward meetings in that capacity. Ms. Stegall said, however, that the City has no official position on the project at this time.

PRESENTATION - Community Development Advisory Committee

(B-080-600-100)

Mayor Stegall presented City of Redding Clocks to Patrick Moriarity and John Wilson in appreciation and acknowledgment of their six years of service on the Community Development Advisory Committee.

John Wilson thanked the City Council for the opportunity to serve and commented that the Redding area is one of the finest communities anywhere because of its citizens.

CONSENT CALENDAR

The following matters were considered inclusively under the Consent Calendar:

Approval of Minutes: Special and Regular Meetings of January 15, 2008

Approval of Payroll and Accounts Payable Registers

(A-050-100-500)

It is recommended that Accounts Payable Register No. 14, check numbers 859193 through 859726 inclusive, in the amount of \$21,190,291.51, for the period of January 14, 2008, through January 31, 2008; Payroll Register No. 14 electronic deposit transaction numbers 222636 through 223483 and check numbers 538945 through 539082 inclusive, in the amount of \$2,514,642.21, for the period of December 30, 2007, through January 12, 2008; and Payroll Register No. 15 electronic deposit transaction numbers 223536 through 224389 and check numbers 539091 through 539203 inclusive, in the amount of \$2,428,713.41, for the period of January 13, 2008, through January 26, 2008, be approved.

TOTAL: \$ 26,133,647.13

Treasurer's Report - December 2007

(A-050-100-600)

Total Treasurer's Accountability	-	\$153,066,197.90
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Total City of Redding Funds, Funds Held in Trust, and Funds of Related Entities	-	\$266,835,952.48
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ACR133 Report and Cash Reconciliation

(F-205-095-650)

It is the recommendation of the Finance Officer that the ACR133 Report and the Proof of Cash Reconciliation for December 2007 be accepted.

Letter of Support - City of Shasta Lake's Community Development Block Grant Award for Wintu Tribe Community Center

(A-050-060)

It is the recommendation of the Assistant to the City Manager that the City Council authorize the Mayor to send a letter of support to the City of Shasta Lake relative to the location chosen by the Wintu Tribe of Northern California to construct a cultural/multi-purpose community center on Bureau of Indian Affairs property utilizing \$1 million in Community Development Block Grant funds.

Resolution - Proclaiming March 7, 2008, as "*Tree Planting Day*", and March 10-14, 2008, as "*Arbor Week*", in the City of Redding;

(A-050-060-600)

It is the recommendation of the Assistant to the City Manager that Resolution No. 2008-09 be adopted, a resolution of the City Council of the City of Redding Proclaiming March 7, 2008, as "*Tree Planting Day*", and March 10-14, 2008, as "*Arbor Week*", and recognize the Tree Line U.S.A. Utility Award and Tree City U.S.A. Award in the City of Redding.

Award of Bid Schedule - 15kV200 amp loadbreak elbows and assemblies, 600 amp elbows and assemblies, and mounting brackets

(B-050-100 & E-090-160)

It is the recommendation of the Transportation and Engineering Director that Bid Schedule No. 4112, 15kV200 amp loadbreak elbows and assemblies, 600 amp elbows and assemblies, and mounting brackets for the Redding Electric Utility be awarded on an as-needed basis and subject to availability of funds as follows: Bid Group I to HD Supply, Bid Group II to Richards Manufacturing, and Bid Group III to One Source Distributors for a total evaluated price of \$199,684,19 for the period of February 1, 2008 through January 31, 2009, and that the Purchasing Officer be authorized to extend the bid award one year at same prices, terms and conditions if mutually agreeable.

Sole Source manufacturer - Decorative Street Light Designs

(E-090-150)

It is the recommendation of the Electric Utility Director that the City Council approve Lumec as the sole source manufacturer for various decorative streetlight options throughout Redding to enable staff to meet proposed construction deadlines at large City projects such as the Hilltop Underground District and the Churn Creek Road widening, and to save money through reduced maintenance and energy usage without increasing capital outlay costs.

Award of Bid Schedule - Installation of 115 kV breakers at Airport and East Redding Substations

(B-050-020/E-090-140-051/E-090-140-250)

It is the recommendation of the Electric Utility Director that the City Council award Bid Schedule No. 4107, installation of 115 kV breakers at Airport and East Redding Substations to Cal-Electro, Inc. in the amount of \$794,759, and that the City Manager be authorized to approve project construction change orders in a not-to-exceed amount of \$79,475.

Resolution - Authorizing participation in Project Development Activity through the Transmission Agency of Northern California (TANC)

(E-120-250)

It is the recommendation of the Electric Utility Director that the City Council adopt Resolution No. 2008-10, a resolution of the City Council of the City of Redding authorizing participation in Project Development Activity through the Transmission Agency of Northern California (TANC), and authorizing the City Manager or his designee to sign the agreement regarding development of a new, high-voltage transmission project in the greater Northern California area.

Letters of Opposition - California Assembly Bill 1496

(L-040-300 & P-100-050)

It is the recommendation of the Community Services Director that the City Council authorize the Mayor to sign letters to state legislators requesting their opposition to California Assembly Bill 1496 related to the manner in which local governments address unrepresented part-time employees.

McConnell Foundation Grant - Fourth of July Freedom Festival Fireworks Display; and
Approve Contract - Pyro Spectaculars Inc. for the fireworks display
 (G-100 & C-050-050)

It is the recommendation of the Community Services Director that the City Council authorize the Mayor to sign the Memorandum of Understanding with The McConnell Foundation accepting \$90,000 in grant funding the July 4, 2008 Freedom Festival fireworks show and award a sole source contract to Pyro Spectaculars, Inc. for the fireworks display.

Agreement - Maintenance Agreement and Work-for-Others Agreement with Caltrans
 (S-050-100)

It is the recommendation of the Transportation and Engineering Director that the City Council approve a new maintenance agreement and a work-for-others agreement with Caltrans for the Dana to Downtown Project establishing criteria under which the City maintains certain landscaped areas, sidewalks, decorative traffic signals and streetlights with the Caltrans right-of way, and authorize the City Manager to sign.

Council Member Jones indicated he would vote no on the item to maintain consistency.

The Vote:

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

Amend Consultant Services Agreement - Water Works Engineers
 (W-020-560)

It is the recommendation of the Transportation and Engineering Director that the City Council authorize the Mayor to execute an amendment to the consultant services agreement with Water Works Engineers for engineering and construction support services for the North Market Lift Station Replacement Project in an increased amount of \$40,000 for a total amount not-to-exceed amount of \$275,000.

Resolution - Approving Engineer's Report, ordering the formation of Landscape Maintenance District LMD-2-07, confirming, approving annual assessments, and staying the levy of same for Fiscal Year 2007-08 (Hilltop Center)
 (A-170-075-084)

It is the recommendation of the Transportation and Engineering Director that the City Council adopt Resolution No. 2008-11, a resolution of the City Council of the City of Redding approving the Engineer's Report, ordering the formation of Landscape Maintenance District LMD-2-07, confirming and approving the annual assessments, and staying the levy of same for Fiscal Year 2007-08 (Hilltop Center).

Grant Applications - Local Assistance Bridge Preventative Maintenance Program (Caltrans) and the Integrated Waste Management Board
 (G-100-070/S-070-050/S-070-200)

It is the recommendation of the Transportation and Engineering Director that the City Council authorize submittal of applications for funding to the Local Assistance Bridge Preventative Maintenance Program (Caltrans) and the Integrated Waste Management Board for bridge and street maintenance projects in amounts \$409,451.25 and \$300,000 respectively.

Contract - Liberty Mutual International Insurance policy
 (R-100-375-200)

It is the recommendation of the Personnel Director that the City Council accept the quotation from Liberty Mutual International for a two-year contract to provide property/boiler and machinery insurance coverage for the Redding Power Plant in the amount of \$240,980 per year.

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

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

Resolution Nos. 2008-09, 2008-10, and 2008-11 are on file in the Office of the City Clerk.

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UPDATE ON MAJOR PROJECTS - Business Retention and Expansion Program

(A-050-080/E-050)

Economic Development Director Zauher provided a Power Point Presentation of the Business Retention & Expansion Program which focused on the value of attracting and retaining primary industry employers, the importance of growth in existing small- and medium-sized companies and outreach efforts to local business. Mr. Zauher explained that the Economic Development Corporation (EDC) focused on manufacturing while the City's program focused on other service sectors to develop a joint database. He pointed out the importance of personal contact from the City as a primary goal of the program along with outreach efforts to ensure that businesses are aware of and taking advantage of local resources such as Enterprise Zone benefits, and tax credits. He said that in light of a less-than-booming economy, 69% of businesses contacted reported that the local climate is good and reported improved business conditions in the prior 12 months. Mr. Zauher confirmed that while competition, recruiting and retaining qualified employees are challenges for most local businesses, all respondents believed that having a City representative visiting local businesses to be a positive step. Mr. Zauher said he will follow up with wholesale distribution and provide more positive outreach and contact with businesses.

In response to Mayor Stegall, Mr. Zauher said that the Chamber of Commerce (Chamber) was contacted and discussions held regarding economic impacts to businesses located near the Cypress Avenue Bridge Reconstruction Project. As part of the Chamber's Shop Redding Program, several meetings were held and more are scheduled with those businesses to assist them in developing and taking advantage of promotional opportunities to mitigate business loss due to the Project.

No action was required on this informational item.

UPDATE ON MAJOR PROJECTS - Redding Soccer Park Update

(A-050-080/P-050-690)

Community Services Director Niemer introduced Tammy Boone, Shasta Regional Soccer Association (Association) Executive member and Steve Daling, Soccer Park General Manager to provide an update on the Soccer Park (Park).

Ms. Boone related that the Association is comprised of soccer enthusiasts and volunteers and is a not-for-profit organization with a focus toward ensuring the long term success of the Park as a well used facility. She introduced Park General Manager Mr. Steve Daling.

Mr. Daling provided a Power Point Presentation of the Park commenting on the activities undertaken to increase the level of play, such as night games and offering Lacrosse as well as soccer to local and outside groups, and hosting both youth and adult level activities. He commented about the value the Park lends to the community and indicated that the Park calendar is being filled each season. He highlighted the concession area, the classrooms and Learning Center, Sport Shop and children's play area - all amenities of the Park. He encouraged everyone to visit the Park which is being managed, operated and maintained as a first-class facility.

No action was required on this informational item.

RESOLUTION - Amending City Council Policy No. 2101 - ***Economic Development Program***

(A-050-060-555 & E-050)

Economic Development Director Zauher recalled that the City's Economic Development Program policy established in 1998 does not reflect a number of major changes made over the years including the City's first Economic Development General Plan Element of 2000 and an update to City Council Policy 804 regarding incentives. The proposed amended Policy 2101 incorporates these significant additions and also provides and update on other related economic development activities and programs.

Mr. Zauher recommended that the City Council adopt the resolution amending City Council Policy 2101 relative to the Economic Development Program.

Gary Cadd, Redding resident did not support amending the policy in its entirety observing that the changes were too sweeping for the public to understand and review in such a short amount of time. He also commented that there was no "strike-out" version of the policy available to fully understand what changes had been made. Mr. Cadd asked that Council defer action on this item.

City Manager Starman indicated that a strike-out/underscore version of the proposed policy was developed but determined to be more confusing and difficult to follow due to significant changes.

MOTION: Made by Council Member Jones, seconded by Council Member Bosetti, adopting Resolution No. 2008-12, a resolution of the City Council of the City of Redding, amending City Council Policy 2101, title "Economic Development Program." The Vote:
 AYES: Council Members - Bosetti, Dickerson, Jones, Murray, and Stegall
 NOES: Council Members - None
 ABSTAIN: Council Members - None
 ABSENT: Council Members - None

Resolution No. 2008-12 is on file in the Office of the City Clerk

MONTHLY FINANCIAL REPORT - Electric Utility December 2007
 (B-130-070)

Electric Utility Director Feider commented that the financial results for December 2007 are slightly less positive. He said that Retail power sales revenue was \$883,650 (2.0%) below projections and wholesale power sales through December totaled \$16,796,629 or 138.4% above projections. Operating revenue after energy costs was \$1,722,860 or 10.2% below expectations. The total cost of energy through December was \$17,848,820 above plan. The Utility's negative net operating results through December are \$512,400. Mr. Feider added that the Independent System Operators (ISO) will not be going "live" with its new program as anticipated .

Mr. Feider recommended that the City Council accept the Electric Utility Monthly Financial Report.

It was the consensus of the City Council to accept the Monthly Financial Report for the Electric Utility Department through December 2007.

PROPOSED URGENCY ORDINANCE - Amending Redding Municipal Code Chapter 10.26 - *Sacramento River Area Regulations*, and adding Section 10.26.065
 (S-070-050-050 & R-200-600)

Transportation and Engineering Director Tippin explained that safety issues have arisen relative to water traffic on the Sacramento River (River) under the Cypress Avenue Bridge Reconstruction Project (Project); specifically, difficulty in navigating water craft through the temporary work trestles. Mr. Tippin advised that the trestles serve as necessary access for work to be performed on the bridge and consist of pile supports and a deck platform. He related that the deck is 20 feet wide and 8 feet high when measured from the ordinary high-water elevation in compliance with Caltrans standards, and allows boats to pass beneath with moderate river flows. Mr. Tippin related that Shasta County was made aware of the Bridge construction project well in advance through discussions and environmental documents which included the trestle component, but made no comments at that time. He said, however, the Shasta County Sheriff and the California Department of Boating and Waterways now share the opinion that boat passage under the Bridge presents an extreme hazard to boaters and have requested that the City prohibit traffic on the River 100 yards upstream and 50 yards downstream of the Bridge until the temporary work trestles are removed. Since construction of the Bridge began in October of 2007, Mr. Tippin said the City has received documentation from the contractor of two minor boating incidents during that time. As a possible stopgap measure, he advised that should the City Council adopt the ordinance as recommended, the McConnell Foundation has indicated a possibility of allowing the public to portage boats around the Project using its boat ramp located just north of the Bridge until the Project is completed.

Mr. Tippin recommended that the City Council introduce and adopt the urgency ordinance placing emergency rules governing waterway traffic in effect during construction of the Cypress Bridge Replacement Project by prohibiting recreational boating activity 100 yards upstream and 50 yards downstream of the Bridge until completion of the Project.

The following business owners and professional fishing and tour guides who rely on River recreation and use for their livelihood spoke in opposition to complete closure of the River citing the need for additional review, impact on the local economy, alleged poor decisions in construction and trestle design, closure only when river flows are high, consideration of closing the River to non-professionals only, compensation to businesses negatively affected by the closure, and implementing a temporary closure only when water flows are high (in excess of 15,000 cubic feet per second [cfs]): Michael Caranci, Seth Mitchell, Lance Law, Todd LeBoeuf, Matt Dover and Greg Hector.

The following citizens spoke in opposition to the proposed River closure citing alleged design flaws in the Bridge, inadequate planning, poor trestle design, the need for additional review and the lack of consideration/compromise for smaller vessels such as kayaks: Dean Goeckler, Jim Pettis, Richard Johnson and John Deaton.

In response to Council Member Murray and earlier assertions of design flaws in the Bridge, City Manager Starman emphasized that the City contracted with the firm of T.Y. Linn International, a world renown bridge builder, to design the Cypress Avenue Bridge Reconstruction Project, and he stressed that industry design standards were followed. Mr. Starman pointed out that the ebb and flow of the River were also taken into consideration by the design firm and the City with the understanding that that stretch of River would be closed when water flows exceeded 15,000 cfs.

In response to Council Member Murray, City Attorney Duvernay advised that the City enjoys design immunity with regard to liability provided that the design of the Bridge is in keeping with accepted industry standards, which it was. He added that additional immunity exists when individuals voluntarily participate in hazardous recreation such as boating, rock climbing, etc. and incur a certain amount of risk associated with those activities.

Shasta County Sheriff Bosenko said that the stretch of River under the construction site is extremely hazardous and he recommended that it be closed as suggested. While he believed that professional river guides did not pose a problem, the inexperienced recreational boater attempting to navigate that stretch of River was, at minimum, a rescue waiting to happen and also places rescue personnel in peril, which far outweighs any economic factors.

Shasta County Sheriff's Captain Dean explained that he has many years of experience on the River and concurred that experienced river guides did pose a problem. He observed, however, that boating season begins in May, and the River will be heavily populated with inexperienced boaters and rafters who will try to navigate that stretch of River with predictably bad results.

In response to Council Member Murray, Shasta County Sheriff Bosenko indicated that while the County was aware of the Bridge Project for a number of years and had received copies of the Environmental Impact Report (EIR) some time ago, the opportunity for a thorough review and comment was missed.

Mayor Stegall and Council Members Murray, Dickerson and Bosetti favored formation of an ad hoc committee to further study the issue and possibly develop alternatives and/or compromises. Council emphasized, however, that safety is a paramount concern and placed a timeline of four to six weeks for a recommendation to be brought back to Council for consideration.

Council Member Jones did not support closure of the River as the most effective way to solve the problem.

MOTION: Made by Council Member Murray, seconded by Council Member Dickerson, authorizing the Mayor to form an ad hoc committee to study the issue and report back to the City Council no later than March 18, 2008. The Vote:

AYES: Council Members - Bosetti, Dickerson, Murray, and Stegall

NOES: Council Members - Jones

ABSTAIN: Council Members - None

ABSENT: Council Members - None

RESOLUTION - Eliminating City contributions to post-retirement health insurance premiums for future City employees in response to Government Accounting Standards Board Statement 45

(P-100-150)

Personnel Director Johnson explained that the City hired an actuarial to assess the City’s unfunded liability with regard to retiree benefits in compliance with Government Accounting Standards Board Statement 45 (GASB45). She related that the assessment was calculated at \$94 million and growing. Ms. Johnson recalled that on December 4, 2007, the City Council directed staff to develop a policy eliminating the City’s 50% contribution to post retirement health insurance premiums for future employees, recognizing that the policy would be subject to future collective bargaining agreement negotiations prior to implementation. She indicated that contract negotiations are currently underway with one labor group, and the City is bargaining to eliminate City health insurance contributions to retirees hired after January 1, 2008. She added that the City will continue to negotiate this scenario as other labor group contracts expire.

Ms. Johnson recommended that the City Council adopt the resolution regarding the GASB 45 Implementation Plan and directing staff to negotiate a policy eliminating the City’s contribution to post retirement health insurance premiums for future employees with labor organizations during future contract negotiations.

Willie Preston, Shasta Taxpayers Association, expressed support for the City Council taking the next step in this process and thanked Council for moving forward.

MOTION: Made by Council Member Murray, seconded by Council Member Jones adopting Resolution No. 2008-13, a resolution of the City Council of the City of Redding recommending the implementation of a general policy eliminating City contribution to post retirement health insurance premiums for future employees in response to the Government Accounting Standards Board Statement 45 (GASB45) subject to future collective bargaining negotiations/agreements. The Vote:

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

Resolution No. 2008-13 is on file in the Office of the City Clerk.

ORAL REPORT - City Council Member attendance at conferences/meetings reimbursed at City expense (Requirement of Assembly Bill 1234)

(A-050-060)

Mayor Stegall reported attending a Northern California Power Agency Strategic Planning Workshop January 23 through 25, 2008, in Sacramento

Council Member Bosetti attended the League of California Cities Council Members’ Academy January 16 through the 18, 2008, in Sacramento.

Council Member Murray attended the League of California Cities Environmental Quality Policy Committee on January 17, 2008, in Sacramento, and the League of California Cities Division Meeting January 24 and 25, 2008, in Elk Grove.

ADJOURNMENT

There being no further business, at the hour of 9:27 p.m., Mayor Stegall declared the meeting adjourned.

APPROVED:

Mayor

ATTEST:

City Clerk