

City Council, Regular Meeting
Civic Center Council Chambers
777 Cypress Avenue
Redding, California
January 20, 2009 7:00 p.m.

The Pledge of Allegiance to the Flag was led by Council Member Dickerson.

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

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

Also present were City Manager Starman, Assistant City Manager Tippin, City Attorney Duvernay, Development Services Director Hamilton, Transportation and Engineering Director Crane, Electric Utility Director Hauser, Finance Director Strong, City Clerk Strohmayer, Assistant City Clerk Mize, and Executive Assistant Stribley.

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PUBLIC COMMENT

(P-150-150)

Fran Jenkins, Redding resident, thanked the City Council and staff for the work accomplished in her neighborhood to “clean up” 10 acres of Redding Redevelopment Agency property that had previously been used by transients as a make-shift camp grounds.

PRESENTATION - Gerrine Peckenpugh for service on the Community Services Advisory Commission

[B-080-128]

On behalf of the City Council and staff, Mayor Bosetti presented an Appreciation Clock to Gerrine Peckenpugh and thanked her for serving on the Community Services Advisory Commission.

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CONSENT CALENDAR

The following matters were considered inclusively under the Consent Calendar:

Approval of Minutes - Special Meetings of November 17, 2008, and December 15, 2008, and Regular and Special Meetings of December 16, 2008

Council Member McArthur advised she would abstain from the vote for the Minutes of November 17, 2008, as she was not a Council Member at that time. The Vote:

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

Approval of Payroll and Accounts Payable Registers

(A-050-100-500)

It is recommended that Accounts Payable Register No. 12, check numbers 869459 through 869976 inclusive, in the amount of \$19,341,746.12, for the period of December 13, 2008, through December 31, 2008; Accounts Payable Register No. 13, check numbers 869978 through 870363 inclusive, in the amount of \$5,506,451.15, for the period of January 1, 2009, through January 16, 2009; Payroll Register No. 12 electronic deposit transaction numbers 245269 through 246137 and check numbers 542285 through 542482 inclusive, in the amount of \$3,175,000.35 for the period November 30, 2008, through December 13, 2008; Payroll Register No. 13 electronic deposit transaction numbers 246186 through 247032 and check numbers 542491 through 542580 inclusive, in the amount of \$2,674,306.45 for the period December 14, 2008, through December 27, 2008; and Payroll Register No. 14 electronic deposit transaction numbers 247081 through 247954 and check numbers 542589 through 542701 inclusive, in the amount of \$2,612,480.81 for the period December 28, 2008, through January 10, 2009, be approved. TOTAL: \$33,309,984.88

Treasurer's Report - November 2008

(A-050-100-600)

Total Treasurer's Accountability	-	\$141,820,620.99
Total City of Redding Funds, Funds Held in Trust, and Funds of Related Entities	-	\$283,185,949.42

ACR133 Report and Cash Reconciliation

(F-205-095-650)

It is the recommendation of the Finance Director that the ACR133 Report and the Proof of Cash Reconciliation for November 2008 be accepted.

Ordinance - Rezoning Application RZ-2-08 amending the Zoning Map

[L-010-230]

It is the recommendation of the Development Services Director that Ordinance No. 2427 be adopted, an ordinance of the City Council of the City of Redding, approving Rezoning Application RZ-2-08 by amending the Redding Municipal Code Title 18 Zoning Map as set forth in the maps and generally located in the following areas: 1) Abernathy Lane and Old Oregon Trail, 2) Beltline Road and Oasis Road Intersection, 3) Forest Hills Drive, 4) Jaxon Way, 5) Gordon Lane and Harpole Road, 6) East side of Pine Street between Placer Street and South Street, 7) Placer Street at Continental Street, 8) Butte Street and West Street, and 9) Simpson University, to provide consistency between the General Plan Diagram and the Zoning Map.

Mayor Bosetti advised he would abstain from the vote on this matter as he is a baseball coach at Simpson College which is located in one of the proposed amendment areas. The Vote:

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

Ordinance - Rezoning Application RZ-3-08, amending Redding Municipal Code Title 18, Zoning Ordinance

[L-010-230]

It is the recommendation of the Development Services Director that Ordinance No. 2428 be adopted, an ordinance of the City Council of the City of Redding amending various chapters and sections of the Redding Municipal Code Title 18-Zoning to provide clarification and cleanup of inconsistencies and other errors that have been identified and to conform with state law.

Ordinance - Amending Redding Municipal Code Chapter 14.16 - Sewers

[W-010-200]

It is the recommendation of the Municipal Utilities Director that Ordinance No. 2429 be adopted, an ordinance of the City Council of the City of Redding, amending various chapters and sections of the Redding Municipal Code Chapter 14.16-Sewers, implementing required Federal EPA Pretreatment changes, incorporating the 2007 Plumbing Code language, and clarifying Industrial User Permit requirements and billing methods for multiple tenant commercial buildings.

Resolution - Rescinding and setting aside various approvals for the Westridge II & III Subdivisions, including the Environmental Impact Report EIR-2-03, General Plan Amendment Applications GPA-7-03 and GPA-3-04, Rezoning Application RZ-11-03, and Endorsement of Approval of Annexation Application AN-1-04 and AN-3-04

[L-010-075/^S-101-068/^G-030-010/^L-010-230/^A-150]

It is the recommendation of the Development Services Director that Resolution No. 2009-01 be adopted, a resolution of the City Council of the City of Redding, setting aside previous actions taken by the City Council on June 19, 2007, relative to the Westridge Master Plan and Westridge II and III Subdivisions (certification of Environmental Impact Report EIR-2-03, approval of Tentative Subdivision Map Applications S-4-04 and S-19-03, approval of General Plan Amendment Applications GPA-7-03 and GPA-3-04, approval of Rezoning Application RZ-11-03, and endorsing approval of Annexation Applications AN-1-04 and AN-3-04) pursuant to a Court decision in the case of Friends of Canyon Creek v. Greenview Development, et al.; and directing staff to prepare a revised Final Environmental Impact Report for the Westridge Master Plan Project for City Council consideration.

Award of Bid - Bid Schedule No. 4205, 115/13.8kV Switchyard Expansion for Redding Power Generating Unit No. 6

[B-050-020 & E-120-150-676]

It is the recommendation of the Electric Utility Director that Bid Schedule No. 4205, 115/13.8kV Switchyard Expansion for Redding Power Generating Unit No. 6 be awarded to Wagner Electric in the amount of \$1,174,487, that the Mayor be authorized to execute a Public Works Agreement, and that the City Manager be authorized to approve construction changes orders in an amount not-to-exceed \$117,450 for the project.

Grant Application - International City/County Managers Association (ICMA) to fund Listen and Learn stations at the Redding Municipal Library

[G-100 & L-050]

It is the recommendation of the Community Services Director that the City Council approve a grant application to the International City/County Manager Association in the amount of \$59,496 to purchase six Listen and Learn stations for the Redding Municipal Library.

Grant Application - California Office of Traffic Safety (OTS) for Driving Under the Influence (DUI) enforcement

[G-100-170-700 & P-150-150]

It is the recommendation of the Police Chief that the City Council authorize a grant application to the California Office of Traffic Safety for funds to provide overtime, training, and minor equipment for enforcement of Driving Under the Influence (DUI) laws.

Comprehensive Annual Financial Report - Fiscal Year ended June 30, 2008

(F-205-150-075)

It is the recommendation of the Finance Director that the City Council accept the Comprehensive Annual Financial Report for fiscal year ending June 30, 2008.

Monthly Financial Report - General Fund

(B-130-070)

It is the recommendation of the Finance Director that the City Council accept the General Fund's Monthly Financial Report for November 2008. Total revenue to date is \$21.0 million or \$2,849,504 (12.0%) below staff's cash flow projection. Expenditures at month end, excluding encumbrances, total \$34,009,540 or \$723,567 (2.1%) above staff's original projection. Encumbrances total \$2,678,794.

Notice of Completion - Bid Schedule No. 4008, Buckeye Water Treatment Plant Instrumentation and Control Expansion Project

[B-050-020 & W-030-600]

It is the recommendation of the Transportation and Engineering Director that Bid Schedule No. 4008, (Job No. 2247), Buckeye Water Treatment Plant Instrumentation and Control Expansion Project awarded to Systems Integrated be accepted as satisfactorily completed and that the City Clerk be authorized to file a Notice of Completion with the Shasta County Recorder. The final cost was \$857,704.41.

Mitigation Fee Act Report Update; and

Resolution - Making findings concerning unexpended funds

(F-205-600)

It is the recommendation of the Transportation and Engineering Director that the City Council accept the Mitigation Fee Act Report Update (Report) for fiscal year ended June 30, 2008, and that Resolution No. 2009-02 be adopted, a resolution of the City Council of the City of Redding making findings concerning unexpended funds in the City's Impact Fee Program pursuant to California Government Code Section 66000, et seq.

Letter of Support - Endorsing the California Consensus Principles on Federal Transportation Authorization for 2009

[T-100]

It is the recommendation of the Transportation and Engineering Director that the Mayor be authorized to sign a letter endorsing the California Consensus Principles on Federal Transportation Authorization for 2009, developed under the leadership of the State of California Business, Transportation and Housing Agency.

Resolution - Proclaiming February 2009 as “Spay & Neuter Month” and February 24, 2009 as “Spay Day”
(A-050-060-600 & A-130-100)

It is the recommendation of the City Clerk that the City Council adopt Resolution No. 2009-03, a resolution of the City Council of the City of Redding, Proclaiming February 2009 as “Spay & Neuter Month” and February 24, 2009 as “Spay Day.”

Resolution - Amending the Executive Management Pay-For-Performance Salary Plan re salary range for the Housing/Redevelopment Manager
[P-100-050-100]

It is the recommendation of the Personnel Director that Resolution No. 2009-04 be adopted, a resolution of the City Council of the City of Redding, amending the Executive Management Pay-For-Performance Salary Plan adjusting the salary range for the Housing/Redevelopment Manager to \$5,103 to \$8,096 per month to mitigate compaction issues, effective January 25, 2009.

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

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

Ordinance Nos. 2427, 2428, and 2429 and Resolution Nos. 2009-01, 2009-02, 2009-03, and 2009-04 are on file in the Office of the City Clerk

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PUBLIC HEARING - 2008 Citizens Option for Public Safety (COPS) Program Funds and Utilization Plan
(G-100-170 & P-150-150)

The hour of 7:00 p.m. having arrived, Mayor Bosetti opened the public hearing regarding the proposed spending plan for state funds received through the 2008 Citizens Option for Public Safety (COPS) Program.

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.

Police Chief Hansen advised that each year, grants are available through the State of California COPS Program based on population. He related that this year’s allocation to the City is \$144,081 and will provide \$50,000 for ongoing Integrated Public Safety System (IPSS) mobile data costs, \$10,000 for annual maintenance costs for the mobile data equipment, and \$84,081 for unfunded personnel costs.

Chief Hansen recommended that the City Council approve the proposed Citizens Option for Public Safety Program Utilization Plan and accept \$144,081 in COPS funding as described.

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

MOTION: Made by Council Member Stegall, seconded by Council Member Jones, approving the 2008 Citizens Option for Public Safety Program Utilization Plan and accepting \$144,081 in State Citizens Option for Public Safety Program grant funds.
The Vote: Unanimous Ayes

APPOINTMENT - Administrative Hearings Board
[B-080-005]

MOTION: Made by Council Member Stegall, seconded by Council Member McArthur, reappointing Jean Blankenship to serve a four-year term on the Administrative Hearings Board, expiring February 1, 2013.
The Vote: Unanimous Ayes

APPOINTMENT - Community Development Advisory Committee

[B-080-600-100]

MOTION: Made by Council Member Stegall, seconded by Council Member McArthur, appointing Mike Reed to serve an unexpired term on the Community Development Advisory Committee, ending December 1, 2010.

The Vote: Unanimous Ayes

AUDITOR'S COMMUNICATIONS AND REPORTS

(F-205-150-075)

Mayor and Audit Committee (Committee) Member Bosetti reported that the Audit Committee completed reviews of the Independent Auditor's Report to Management, Single Audit Reports, the Comprehensive Annual Financial Report (CAFR) for fiscal year ending June 30, 2008, and recommended that the Reports be presented to the City Council for consideration. He said that the independent audit firm of Caporicci & Larsen audited the financial statements and found no instances of noncompliance. For the 24th consecutive year, the City was awarded the Certificate of Achievement of Excellence in Financial Reporting from the Government Finance Officers Association of the United States and Canada (GFOA) and received the Distinguished Budget Presentation Award for its Biennial Budget document dated July 2, 2007.

Mayor Bosetti recommended that the City Council accept the Independent Auditor's Communication to Management and the Single Audit Reports for the year ended June 30, 2008.

MOTION: Made by Council Member Jones, seconded by Council Member Stegall, accepting the Independent Auditor's Communication and Single Audit Reports for the year ended June 30, 2008. The Vote: Unanimous Ayes

EXTENSION OF AUDIT SERVICES AGREEMENT - Caporicci & Larson

[F-205-150-075 & B-050-100]

Mayor Bosetti related that Request for Proposals (RFP) were solicited in 2005 and the highest score based on technical criteria and cost outlined in the RFP was from Caporicci & Larson, the City's current auditor. He pointed out that, in 2006, they were the least expensive firm and have offered to extend the contract at a lower rate than the other bidders.

Mayor Bosetti recommended that the City extend the Audit Services Agreement with Caporicci & Larson for two additional years in the amount of \$56,724 for fiscal year ending 2009 and \$59,560 for fiscal year ending 2010.

MOTION: Made by Council Member McArthur, seconded by Council Member Jones, approving extension of the Audit Services Agreement with Caporicci & Larson for two additional years in the amount of \$56,724 for fiscal year ending 2009 and \$59,560 for fiscal year ending 2010. The Vote: Unanimous Ayes

CITY COUNCIL LIAISON ASSIGNMENTS - Representation to Agencies, Commissions, Committees, and City Department

(B-080-650 & A-050-060)

Mayor Bosetti presented a list of City Council Agency, Commission, Committee, and Departmental Liaison Representatives and Council assignments for 2009.

No action was required on this informational item.

PRIORITIZE PROJECTS FOR THE PROPOSED ECONOMIC STIMULUS PROGRAM

[E-050]

City Manager Starman related that the new President's Administration is proposing an economic stimulus program designed to stimulate the weak economy. The specific criteria and rules are unknown, but it appears that infrastructure projects that would create jobs will have top priority. Although it is unclear how the federal funds will be allocated, Mr. Starman emphasized that the City should be prepared to act quickly. He related that staff compiled a list of 34 potential infrastructure projects for consideration and recommended that one to two major projects be selected as priority projects. He speculated that, once the \$30 billion is divided between the states and local agencies, Redding may only receive \$5 million, therefore, the small projects on the list should be retained in order to utilize whatever money is received.

Mr. Starman stated that staff has compiled what it believes are the top five projects for consideration: 1) construction of the Oasis Road and Interstate 5 (I-5) interchange and infrastructure; 2) extension of Shasta View Drive from Rancho Road to Airport Road and related infrastructure including extension of a major water line; 3) funding of a new police facility; 4) widening of I-5; and 5) construction of the South Bonnyview and I-5 interchange and related infrastructure. He added that whichever project(s) is submitted, the federal government will be looking for “construction ready” or near ready projects.

Council Member Stegall expressed concern that if only \$5 million was received, how would the City make up the difference for large projects such as the new Police Facility. Mr. Starman responded that while it would be an issue when considering the projects, additional funds might be earmarked if a project was deemed extremely noteworthy.

Greg Dunbar, of Sharrah Dunlap Sawyer, supported the Shasta View Drive project because it is already designed and virtually ready for the construction phase.

Mary Machado, Shasta Voices, and Gary Cadd, supported the Oasis Road Interchange Project and urged a letter of support be initiated for this project.

Council Member Jones supported the Oasis Road Interchange as first priority and second would be widening of I-5.

Council Member McArthur supported the Oasis Road Interchange, and her second choice was the Bonnyview interchange.

Council Member Stegall supported the Police Facility first, Oasis Road second, and then the widening of I-5. She reiterated that unless the funding from the stimulus package would cover the entire cost of any of the projects, it would be prudent to consider some smaller projects.

Council Member Dickerson suggested that everything possible be done to make the City’s priority project stand out in the minds of those making the funding decisions. He believed that the Oasis Road interchange should be the first priority and then the South Bonnyview interchange. He suggested that the City’s lobbyists be utilized at the state and federal level as there might be consideration for an especially worthy project to be fully funded.

Mayor Bosetti supported the Oasis Road Project.

In response to the question of the readiness of the Oasis Road project, Transportation and Engineering Director Crane acknowledged that some work had been completed, however, it still needs the approval of the Federal Highway Administration, as well as environmental approval through California Environmental Quality Act (CEQA) and the National Environmental Protection Agency (NEPA). He advised that it would cost an estimated \$40 million to complete all phases of the Oasis Road project.

Sandy Jarose, Redding resident, suggested that parks, a working farm, and/or other amenities should be considered to make the area more attractive. She did not believe that additional commercial space was appropriate at this time as there were not many new businesses coming to the area.

MOTION: Made by Council Member Stegall, seconded by Council Member Jones, directing staff to draft a letter highlighting the Oasis Road Interchange Project as the City’s choice for funding through the Economic Stimulus Package, and also indicating other projects available that include improvements in the Interstate 5 corridor.

The Vote: Unanimous Ayes

NEW POLICE FACILITY

[C-050-550]

City Manager Starman advised that at its meeting of September 16, 2008, the City Council directed staff to work with Nichols, Melburg & Rossetto (NMR) Architects, on schematic designs for a new police facility utilizing various locations at the Civic Center campus, to prepare new and more defined cost estimates, and provide final design alternatives for consideration. An update report was provided on December 2, 2008, wherein staff advised that the final work would be presented at a meeting in March and at that time Council would provide direction on how or if the project should proceed. In December, Council Member Jones asked to reserve time at a meeting before March, for a more in depth discussion of the project.

Gary Cadd, Redding resident, urged the City to wait on the schematic drawings until a specific location was chosen for the new police facility.

Council Member Jones expressed concern regarding site location for the new police facility and the expenditure of \$32 million which the City could ill afford. He stated that he had not agreed with the conclusions of the Ad Hoc Committee selected to review various possibilities and provide recommendations for a new police facility and also did not agree with the assumptions made for funding mechanisms.

Council Member Jones expressed strong preference for a retrofit building because he believed that it would cost less than a new building. He was not of the opinion that the Ad Hoc Committee had exhaustively pursued this option. He opined that the retrofit cost analyses previously provided were insufficient and an expert in retrofit architecture should be consulted. In his opinion negotiations with the WestVenture building owners may have resulted in a lower purchase price than the original offer. Mr. Jones expressed commitment to providing a larger police facility but hoped that a new motion and new direction would be forthcoming. He added that he would only consider exploring a retrofit building.

Council Member McArthur acknowledged the need for a new police facility but felt the funding is not available at this time and suggested that other options such as a retrofit building be explored, particularly since it appeared that the South City Park site was not viable.

Council Member Stegall recalled that the new police facility has been a priority project for many years and much work has been accomplished to bring it this far. She urged that the schematic and cost analysis work initiated by previous City Councils and the Ad Hoc Committee be continued, including exploring the cost saving plan to construct a footprint (67,000 square feet) of the full facility, but only complete the portion (57,000 square feet) needed now and use the remainder for storage until such time as funds are available to finish the project.

Ms. Stegall pointed out that Council is not committed to a specific design or location, since a final design has not been presented. She stated that waiting until March would not add new costs but canceling the work in progress would be a waste of funds. Because all the facts and figures have not been presented, she urged Council to wait until March in order to make an informed decision. She did not support discontinuing work on the schematic drawings at this time.

Council Member Dickerson recalled that the previous City Council directed that schematic drawings and detailed cost estimates be presented at the March meeting, and he would not support canceling that decision. He believed that Council should explore all options, including a retrofit, in order to provide the necessary space for the police department to operate. He urged Council to allow the schematic designs and cost analysis to be completed and presented in March in order to obtain sufficient data to make an informed decision.

Council Member McArthur questioned if it was fiscally prudent to continue with design schematics for a new facility without a specific site since grant monies were being spent as she did not wish to spend them needlessly. Mr. Starman responded that the City received a grant of approximately \$250,000.

Les Melburg, Nichols, Melburg & Rossetto (NMR) Architects, stated that 45% of the work has been completed and clarified that NMR is designing a building which could be placed on any one of five city-owned properties. He emphasized that NMR's goal is to provide as many viable options as possible to Council with the ultimate goal of constructing a facility that is adequate for the needs of the police department in the most cost effective manner. He clarified that a retrofit building has always been an option. However, the proposed buildings do not have sufficient square footage or are not in a suitable location. Mr. Melburg added that a cost comparison was provided for a new police building and a retrofitted WestVenture building and, when differences in square footage was factored in, the new building would cost less than the retrofit building.

City Manager Starman recommended that the City Council allow the design and cost analysis work for the new police facility, which already has been funded, to be completed and make a decision at a March meeting based on a comprehensive report.

Mayor Bosetti believed it was possible to save a portion of the grant funds being used for the new facility design and apply them toward a retrofit building and advised that he and Chief Hansen plan to visit retrofit police facilities in southern California next week to assess a retrofit's feasibility.

Police Chief Hansen advised that, by working with the architects and studying what other cities have done, staff has greatly increased its knowledge. He stated that touring retrofit buildings is worthwhile and contributes much needed information about the options available. However, he urged Council to allow the completion of schematic designs and cost comparisons because they will provide the information necessary to make an informed choice between the various options.

Mayor Bosetti asserted that the 30-day limit on retrofit building proposals made by the City Council last September was not sufficient. Since that time, he received information regarding an offer that would provide 35,000 square feet to a retrofit facility now and an additional 40,000 square feet could be built at a cost of \$15 million. He also believed that a firm other than NMR should evaluate the retrofit proposals.

MOTION: Made by Council Member Jones, seconded by Council Member McArthur, directing staff to cease schematic design work for a new police facility design and explore retrofit options for a new police facility within the City. The Vote:

AYES: Council Members - Jones, McArthur, and Bosetti

NOES: Council Members - Dickerson and Stegall

ABSTAIN: Council Members - None

ABSENT: Council Members - None

UPDATE ON MAJOR PROJECTS - Youth Action Council 2009 Work Plan

[A-050-080 & B-080-600-300]

Kallie Froese, President of the Youth Action Council (YAC), and Steven Gonzales presented slides depicting events held recently and the 2009 Youth Action Council Work Plan which included work on Fox Tail Park and music events at the Martin Luther King, Jr. Center featuring drug and violence free themes. She stated that YAC is working on a website at www.shoutoutrdg.com which will provide blogs, news, college entrance forms, and other information.

Mayor Bosetti suggested that when the Simpson College stadium is complete perhaps YAC could coordinate a music program at the facility.

No action was required on this informational item.

IMPLEMENTATION OF THE REDDING AFFORDABLE HOUSING FUND - Shasta

Regional Community Foundation

(L-010-005)

Assistant City Manager Tippin recalled that the Lowe's store provided \$1million to fund affordable housing during its permitting process in 2005 to mitigate the loss of land zoned for high-density residential units. He provided a history of the funds, advising that in November 2007, the Council agreed to award the Lowe's funds to a coalition of local groups and community members (Coalition) to establish the Redding Affordable Housing Fund (Fund). However, the Coalition realized that further expertise was needed to facilitate the process and the Shasta Regional Community Foundation (SRCF) was selected as administrator of the Fund through a Consulting and Professional Services Contract (Phase I) with the City. After extensive research, SRCF and its consultant, Northern California Community Loan Foundation (NCCLF), selected a collaborative funding model to best meet the immediate goals of the Fund.

According to Mr. Tippin, in addition to the \$1 million from Lowe's, the Fund has a commitment for \$1.5 million from Catholic Healthcare West, and a letter of interest from NCCLF to invest \$1 million, bringing the capital available to \$3.5 million, with three other local banks expressing interest in participation (Premier West, Redding Bank of Commerce, and North Valley). Participation in the Fund would be governed by a Master Participating Agreement and at some point in the future, the Fund may be converted to a housing trust fund which would make California Proposition 1C monies available. The agreement contains a clause which would return the Lowe's funds to the City in the event the process, as envisioned by the City, does not come to fruition. Mr. Tippin explained that the Lowe's funds would be used to buy down interest rates and provide loan security and loan decisions would be governed by a Board which would include City staff members.

Mr. Tippin recommended that the City Council authorize the Mayor to execute the Consulting and Professional Services Contract with SRCF to be completed by June 30, 2009, implementing the final steps of Phase II of the project, including authorization to transfer the Lowe's \$1 million plus accrued interest to a restricted fund managed by SRCF; and authorize the Assistant City Manager to execute two three-month extensions.

In response to Council Member Dickerson's concern regarding the use of Lowe's funds to guarantee loans of other organizations, Mr. Tippin clarified that it did not actually guarantee the loans of other organizations per se, but rather established security for a loan to the applicant, for mitigation in the event of a default.

Council Member Jones questioned whether the funds would be utilized for projects in the City or extended to the all of Shasta County. Mr. Tippin responded that if the Council wished, the language of the Agreement could be drafted to restrict the Lowe's funds to only the City limits or the southern area of Shasta County.

Ms. Judy Price, Chair of the Ad Hoc Redding Affordable Housing Fund Committee, thanked the individuals who worked on this project and related that the \$1 million in Lowe's funds have morphed into \$3.5 million and possibly more. She acknowledged City staff, Shasta Regional Community Foundation, Catholic Healthcare West, Northern California Community Loan Fund, Premier West, North Valley Bank, and Redding Bank of Commerce.

Gary Cadd, Redding resident, questioned why the \$1 million was not given to Redding Redevelopment Agency. He questioned if the City will retain oversight over the Lowe's monies once it is placed in the Foundation, and noted that the Foundation covers two counties.

MOTION: Made by Council Member Stegall, seconded by Council Member McArthur, authorizing the Mayor to execute the Consulting and Professional Services Agreement with SRCF including Exhibit A-Scope of Services, to be completed by June 30, 2009, implementing the final steps of Phase II of the project relative to launching the Fund for loans, and including authorization to transfer the Lowe's \$1 million plus accrued interest to a restricted fund managed by SRCF; and authorizing the Assistant City Manager to execute two three-month extensions. The Vote: Unanimous Ayes

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

Electric Utility Director Hauser reported operating revenue, after energy costs, for November 2008 was \$1,786,019 or 10.3% below expectations. Total operating expense through November 2008 was \$452,870 or 4.4% below budget. He stated the below budget operating expenditures partially offset the higher than anticipated cost of energy. He explained higher energy costs were the result of lower than average hydro-power availability and increased energy cost on the spot market.

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

MOTION: Made by Council Member Stegall, seconded by Council Member McArthur, accepting the Electric Utility Monthly Financial Report for November 2008.
The Vote: Unanimous Ayes

UTILITY CUSTOMER SERVICE CREDIT AND COLLECTIONS PROCESS, ASSISTANCE PROGRAMS, AND CODE ENFORCEMENT ABATEMENT PROCESS
[E-090-125 & ^C-110-100-400]

Electric Utility Director Hauser provided highlights of the Report to City Council, dated January 16, 2009, incorporated herein by reference, outlining the Redding Electric Utility (REU) customer service credit and collections process and assistance programs. He stated that the collections process is dictated by City Council Policies 1402 and 1404 and the Customer and Field Services Division's Standard Operating Procedure (SOP 3.01). He related that each customer receives a monthly utility bill which is due within 20 days. If payment is not received, the account is considered past due, a late charge is assessed, and a Delinquent Reminder Notice (15-day Notice) is mailed. If payment is not received by the due date of the 15-day Notice, a Final Disconnection Notice (7-Day Notice) is mailed and an additional late charge is applied to the account. If payment is not received by 5:00 p.m. on the due date of the 7-Day Notice, services are subject to disconnection without further

notice. When the service is disconnected Code Enforcement is notified. He pointed out payment terms are available for customers who do not have a history of disconnect notices or returned checks. Mr. Hauser provided information on the various assistance programs available including Usage Audits, Budget Billing, Preferred Due Date, CARES, Lifeline, and SHARE.

Development Services Director Hamilton provided highlights of the Code Enforcement process relative to utility disconnects. He advised when a notification of disconnect is received, the Code Enforcement officer visits the disconnected address and determines if the building is safe to occupy, and if not, it is posted, generally providing a 30-day window for utilities to be restored or the dwelling vacated. He related that state law requires residences located within a municipal boundary with utilities available within 300 feet to be connected to the utilities, for safety and sanitation reasons.

Mr. Hamilton provided statistics which showed that of 1,075 utility disconnects referred to Code Enforcement last year, only nine were posted and only one of those nine was actually evicted. He presented a news video that illustrated how devastating a fire can be, particularly in multi-family facilities and pointed out that deadly fires and carbon monoxide poisonings are exactly what the policies are designed to prevent

Bill Ream, Dimitri Kotsos, Margaret Sager, Robert Meredith, Jo Vayo, Zechariah Ortiz, Loeta Rhodes, Jim Sauve, Emily Cunnison, Elin Klaseen, Gary Cadd, and Chelsey Morris, cited the following concerns and suggestions: reconsideration of the REU customer credit and collections processes and Code Enforcement abatement processes citing the poor economy and lost jobs; REU assistance funds are limited and often unavailable; there should be a moratorium on disconnects in the winter and mid-summer because of health issues; Code Enforcement rules are inconsistently enforced; other utility companies worked better with customers; there is no assistance for working poor (many City customers could qualify for Pacific Gas & Electric (PG&E) discounts but not REU's); utility shut-offs cause a rise in crime; utility services are disconnect too quickly; the utility should be sold; there should be a low income discount; REU should be run as a private business; some people need an advocate to assist them through the process; improvements should be made to the customer service department; and that the community needs to contribute more to the SHARE program.

Council Member Stegall believed alternatives should be considered and suggested a committee be formed to work with REU to find solutions. She stated that the current economic climate dictates that something be done for those unemployed and earning subsistence wages.

Council Member McArthur concurred that new policies should be considered due to the economic downturn. She stated that fire safety should be foremost when considering vacating multi-family dwellings, and she suggested that the CARE Program be available every year rather than every other year.

Council Member Jones believed that flexibility needs to be part of the Customer Service Program and also believed there should be an end to the abatement program.

Council Member Dickerson concurred that the Customer Service Program should be flexible, but he did not condone the habitation of a home with disconnected utilities. He suggested that the advocates who spoke should form an organization that will assist those who are having a difficult time paying utility bills. He believed in the generosity of the community and felt sure it would respond if asked to help.

Mayor Bosetti concurred with formation of a committee and suggested the committee consist of representatives appointed by each Council member, and should include REU representatives.

MOTION: Made by Council Member Stegall, seconded by Council Member McArthur, establishing an ad hoc committee consisting of one representative appointed by each Council Member to address REU Customer Service credit and collections policies and Assistance Programs and the Code Enforcement Abatement Program, and return in four to six weeks with recommendations. The Vote: Unanimous Ayes

COURT STREET CROSSWALK MODIFICATIONS; and
RESOLUTION - Prohibiting parking in certain designated areas on Court Street
 [T-080-300 & ^P-030-250]

Transportation and Engineering Director Crane advised that recent accidents involving pedestrians in the crosswalks along Court Street between Tehama and Placer Streets have brought pedestrian safety to the fore. He related that, unfortunately, one of those accidents resulted in a pedestrian fatality, and another involved the serious injury of a child. In response, he said Engineering staff conducted a review of that segment of Court Street focused on enhancements to pedestrian safety. He stated that Court Street is two lanes each direction with a speed limit of 30 mile per hour and carries approximately 15,000 vehicles per day. Many drivers and pedestrians utilizing that section of roadway are not familiar with the area and tend to be distracted in their haste to get to and from the Court Building. After meetings with Shasta County, Shasta Superior Court, the District Attorney's Office, Caltrans, and the Traffic Committee, the consensus was that, for the most part, speed is not the major contributing factor, but inattention, and changes are needed to increase pedestrian visibility.

Mr. Crane recommended that the crosswalks at Yuba Street be eliminated, the crosswalks at Butte Street be enhanced including new crosswalk markings and motorist yield lines/signing, which will require vehicles to stop farther from the crosswalk, and that Council adopt a resolution prohibiting parking on Court Street adjacent to the Butte Street and Yuba Street intersections to improve pedestrian visibility.

Mr. Crane acknowledged that the recommended changes are short-term solutions, and advised that staff is researching various grants that could provide funding for in-pavement lighted crosswalks, advance-warning devices and a pedestrian refuge area in the middle of Court Street.

In response to Council Member Dickerson, Mr. Crane related that an elevated crosswalk would cost several millions of dollars.

Don Chin, Bonnie Neubecker, John Biendara, and Elin Klaseen urged swift action for pedestrian safety be instituted in the Court Street area to eliminate further accidents, suggested that reduction of the four lanes to a single lane in each direction might be appropriate, and asked that Council direct law enforcement to actively enforce pedestrian right-of-ways in the area.

In response to Council Member Stegall, Mr. Crane advised that short term improvements are focused on making the pedestrian more visible to traffic in the hopes of eliminating tragedies. The traffic analysis studies show, however, that when traffic levels are above 15,000 vehicles per day, congestion will increase significantly if the number of lanes are reduced and increased traffic is anticipated in that area.

Council Member McArthur suggested eliminating the north and south stop signs for Shasta Street at Placer Street to redirect traffic to that road.

Council Member Dickerson acknowledged that Court Street is a major City thoroughfare with heavy pedestrian crossings in the area by the Shasta Superior Court, the District Attorney's Offices, and the County offices and believed that everything possible must be done to alleviate the problem.

MOTION: Made by Council Member Jones, seconded by Council Member McArthur, to modify the pedestrian cross walks along Court Street between Tehama and Placer Streets eliminating the marked crosswalks at Yuba Street and enhancing the crosswalk at Butte Street with additional signing and advance striping; and adopting Resolution No. 2009-05, a resolution of the City Council of the City of Redding prohibiting parking on Court Street from the intersection of Butte Street 127 feet south of and on the east side of Court Street, on Court Street from Yuba Street intersection 130 feet south and on the east side of Court Street, and on Court Street from the intersection of Yuba Street to 110 feet north of the intersection on the west side of Court Street pursuant to Redding Municipal Code Section 11.24.040. 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. 2009-05 is on file in the Office of the City Clerk

ORAL REPORT - City Council Member attending at conferences/meetings reimbursed at City expense (Requirement of Assembly Bill 1234)
(A-050-060)

Council Member McArthur reported attending the Sacramento Valley Division of the League of California Cities meeting on January 9, 2009, in Corning.

ADJOURNMENT

There being no further business, at the hour of 12:06 a.m., Mayor Bosetti declared the meeting adjourned.

APPROVED

Mayor

ATTEST:

City Clerk