

City Council, Regular Meeting  
Civic Center Council Chambers  
777 Cypress Avenue  
Redding, California  
March 3, 2009 7:00 p.m.

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

The Invocation was offered by Police Chaplain Ray Foust.

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

Also present were City Manager Starman, Assistant City Manager Tippin, City Attorney Duvernay, Transportation and Engineering Director Crane, Economic Development Director Zauher, Police Chief Hansen, City Clerk Strohmayer, and Assistant City Clerk Mize.

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PUBLIC COMMENT

(A-050-700)

Cindy Clarke, former Redding Electric Utility (REU) Customer Service employee, and Sabrina Struth and Norm Ten, SEIU 1021 representatives, asked that City Council broaden the scope of the Ad Hoc committee currently reviewing REU billing policies or appoint a new committee to investigate numerous complaints related to management-employee relations in the Customer Service Division.

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CONSENT CALENDAR

The following matters were considered inclusively under the Consent Calendar:

Approval of Minutes - Special Meeting of February 17, 2009

Approval of Payroll and Accounts Payable Registers

(A-050-100-500)

It is recommended that Accounts Payable Register No. 16, check numbers 871150 through 871521 inclusive, in the amount of \$13,702,216.00, for the period of February 14, 2009, through February 27, 2009; and Payroll Register No. 17 electronic deposit transaction numbers 249831 through 250690 and check numbers 542926 through 543058 inclusive, in the amount of \$2,631,809.75 for the period February 8, 2009, through February 21, 2009, be approved. TOTAL: \$16,334,025.75

Treasurer's Report - January 2009

(A-050-100-600)

Total Treasurer's Accountability	-	\$150,354,536.18
Total City of Redding Funds, Funds Held in Trust, and Funds of Related Entities	-	\$288,703,216.41

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 January 2009 be accepted.

Turtle Bay Exploration Park - Quarterly Report

(C-070-250-250)

It is the recommendation of the Assistant to the City Manager that the City Council accept the Quarterly Report from Turtle Bay Exploration Park for the second quarter of the fiscal year ending June 30, 2009.

Assign Private Activity Bond Fair Share Allocation

(R-030-100-400)

It is the recommendation of the Assistant City Manager that the City Council approve assignment of the City's 2009 Single-Family Private Activity Bond Fair Share Allocation to the California Rural Home Mortgage Finance Authority's Homebuyers Fund (CHF), and

that a letter reflecting the assignment be sent to CHF and the California Debt Limit Allocation Committee.

Monthly Financial Report - Electric Utility  
(B-130-070)

It is the recommendation of the Electric Utility Director that the City Council approve the Electric Utility's Monthly Financial Report for January 2009. Retail power sales revenue was \$506,916 (0.9%) below projections and wholesale power sales through January totaled \$24,187,471 or 154.0% above projections. Operating revenue after energy costs was \$575,665 or 3.0% below expectations. The total cost of energy through January was \$24,284,631 or 47.1% above projections. The Utility's net operating results through January are negative \$3,450,560.

Report - Amendment to Redding Municipal Code Chapter 10.50 - Curfew Ordinance  
[P-150-150]

It is the recommendation of the Police Chief that the City Council accept the follow-up report on the amendment to Redding Municipal Code Chapter 10.50 (Curfew) that was approved on June 17, 2008.

Grant Application - California Alcoholic Beverage Control for the alcohol enforcement program  
[G-100-170 & P-150-150]

It is the recommendation of the Police Chief that the City Council authorize the Police Department to submit a grant application to the California Alcoholic Beverage Control in the amount of \$100,000 to fund overtime, training, and equipment designed to address enforcement of alcoholic beverage issues.

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 January 2009. Total revenue to date is \$37.6 million or \$2,063,268 (5.2%) below staff's cash flow projection. Expenditures at month end, excluding encumbrances, total \$45,296,658 or \$1,118,054 (2.5%) below staff's projection. Encumbrances total \$3,932,156.

Notice of Completion - Bid Schedule No. 4159, California Street Water Main Replacement  
[B-050-020 & W-030-725]

It is the recommendation of the Transportation and Engineering Director that Bid Schedule No. 4159 (Job No. 2310), California Street Water Main Replacement (Market Street to Gold Street) awarded to Cox and Cox Construction, Inc. 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 \$703,005.03.

Court Street Crosswalk Modifications at Butte Street; and Resolution - Prohibiting parking in certain designated areas adjacent to the Butte Street  
[T-080-300 & ^P-030-250]

It is the recommendation of the Transportation and Engineering Director that Resolution No. 2009-15 be adopted, a resolution of the City Council of the City of Redding prohibiting parking in certain designated areas, Court Street from 72 feet northeasterly from the intersection with Butte Street to 96 feet northeasterly on the easterly side of Court Street, and Court Street from 87 feet southwesterly from the intersection with Butte Street to 111 feet southwesterly from the intersection on the westerly side of Court Street as set forth in Redding Municipal Code Section 11.24.040.

Notice of Completion - Bid Schedule No. 4026, North Market Wastewater Lift Station Replacement  
[B-050-020 & W-020-560]

It is the recommendation of the Transportation and Engineering Director that Bid Schedule No. 4026 (Job No. 2249), North Market Wastewater Lift Station Replacement awarded to Ray Toney & Associates 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 \$3,118,941.32.

Resolution - Appropriating construction tax funds for the Downtown Mall parking structure repair work

[B-130-070 & M-010-200]

It is the recommendation of the Transportation and Engineering Director that Resolution No. 2009-16 be adopted, a resolution of the City Council of the City of Redding approving and adopting the 53<sup>rd</sup> amendment to City Budget Resolution No. 2007-127 appropriating \$19,000 to repair the north parking structure of the Midtown Mall (Downtown Parking Structure) for fiscal year 2008-09.

**MOTION:** Made by Council Member McArthur, seconded by Council Member Stegall, that all the foregoing items on the Consent Calendar be approved and adopted as recommended above. The Vote:

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

Resolution Nos. 2009-15 and 2009-16 are on file in the Office of the City Clerk.

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PUBLIC HEARING - Downtown Redding Business Improvement District

RESOLUTION - Confirming the Annual Report and levying the annual assessment for fiscal year 2009-10 in the Downtown Redding Business Improvement District (BID) (A-170-015-002)

The hour of 7:00 p.m. having arrived, Vice Mayor Jones opened the public hearing regarding the Annual Report and levying the annual assessment for fiscal year 2009-10 in the Downtown Redding Business Improvement District (BID).

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.

Senior Redevelopment Project Manager Morgon recalled that the City Council, at its meeting of February 17, 2009, received the Annual Report presented by the Downtown Redding Business Association (DRBA) declaring its intention to levy and collect the annual assessment for Fiscal Year 2009-10 in the Downtown Redding Business Improvement District (BID).

Mr. Morgon noted that the Annual Report proposes no changes to BID boundaries or the assessment formula as established in previous years. He advised that unless 50% plus one of the businesses located in the BID protest the proceedings, the resolution confirming the report and levying the assessments can be adopted to provide revenues for improvements and promote tourism in the BID pursuant to the Parking and Business Improvement Area Law of 1989.

Mr. Morgon recommended that the resolution confirming the Annual Report by the DRBA and levying the assessment for the BID be adopted.

Vice Mayor Jones 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 McArthur, adopting Resolution No. 2009-17, a resolution of the City Council of the City of Redding confirming the Annual Report for the Downtown Redding Business Association and levying the assessment for the Downtown Redding Business Improvement District for fiscal year 2009-10. The Vote:

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

Resolution No. 2009-17 is on file in the Office of the City Clerk.

UPDATE ON MAJOR PROJECTS - Shasta Biz and business retention program  
(E-050 & A-050-080)

Economic Development Director Zauher presented an overview of Shasta Biz, a county-wide effort to expand and retain local businesses. Partners include the Cities of Redding, Anderson and Shasta Lake, Shasta County, Economic Development Corporation (EDC), Smart Resource Center (Smart), California Employment Development Department, Shasta College, and other local groups. Mr. Zauher related that Shasta Biz offers local business owners services such as hiring resources, employee training, business counseling, financing advice, and information about Enterprise Zone Tax Credits and Employee Vouchers.

Michelle Peterson, EDC, and Debbie DeCoito, Smart, highlighted Shasta Biz activities including outreach seminars attended by 161 local businesses, processing 743 employee vouchers, and advising business owners of the availability of Enterprise Zone Tax Credits.

No action was required on this informational item.

CITY-OWNED SURPLUS PROPERTIES - 101/103/110 Kenyon Drive and 4801/4901 Aloe Vera Drive  
[C-070-200]

Assistant City Manager Tippin stated that in July 2008, staff received a letter from Paul Edgren, Signature-Northwest Real Estate Development, expressing an interest in purchasing City-owned property consisting of five parcels totaling 385 acres located in the Southwest Oregon Gulch area near the end of Kenyon Drive. At its closed session meeting on August 5, 2008, Council directed staff to initiate the process to determine if the property should be declared surplus. Mr. Tippin related that the parcels were acquired between 1983 and 1994 and were identified as a future landfill site. In the intervening years, he said Redding Municipal Utilities determined the site was not suited for a landfill.

Pursuant to Council direction, Mr. Tippin advised that the proposal was circulated to all City departments for review. He reported that the Community Services Department advised the property includes an area designated as the Oregon Gulch Open Space Interest Area in the Parks Trails and Open Space Master Plan and provides for a trail system through the property. In addition, the Development Services Department noted two conflicts with the Redding General Plan that would need to be remedied should the property be sold for private purposes. Several of the parcels are classified as "Public Facilities", and General Plan Policy CDD2F would need to be eliminated or amended as it restricts the use of the parcels. A General Plan amendment and rezoning would require environmental review under the California Environmental Quality Act (CEQA). Mr. Tippin added that, should the property be sold to a developer, the probable use would be one-acre single family home sites.

Assistant City Manager Tippin recommended that the City Council declare City-owned property located at 101, 103, and 110 Kenyon Drive, and 4801 and 4901 Aloe Vera Drive as surplus properties and direct staff to initiate a General Plan amendment to delete General Plan Policy CDD2F, revise the land use classification, initiate a rezoning of the property, and defer appraisal and disposition of the property until the real estate market improves.

Council Member Jones supported staff's recommendation with one exception. He opined that when the 106-acre parcel was acquired in 1983-84, it was identified as a future firing range. He maintained that any proceeds from the sale of that parcel should be set aside for a firing range.

In response to Council Member McArthur, Mr. Tippin related that there was no stipulation for a specific future use associated with the parcel that was donated to the City.

Council Member Dickerson asked if there are records stating that 106 acres were specifically designated for a firing range. Mr. Tippin responded that the March 18, 1985, City Council minutes mentions a landfill, firing range, or fire suppression training area as three possible uses for the 106-acre parcel purchased by the general fund.

While Council Member Stegall did not oppose a firing range, she felt the use of proceeds from the sale of the 106-acre parcel should be a decision made by Council at the time the property is sold. Council member Dickerson concurred.

**MOTION:** Made by Council Member McArthur, seconded by Council Member Jones, to declare the City-owned property located at 101, 103, and 110 Kenyon Drive, and 4801 and

4901 Aloe Vera Drive as surplus properties, direct staff to initiate a General Plan amendment to delete General Plan Policy CDD2F, revise the land use classification, initiate a rezoning of the property, defer appraisal and disposition of the property until the real estate market improves and upon sale of the property, and set aside proceeds from the sale of the 106-acre parcel located at 1100 Kenyon Drive (APN: 203200006) to be used for a firing range.

The Vote:

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

Motion failed.

**MOTION:** Made by Council Member McArthur, seconded by Council Member Jones, to table this issue. The Vote:

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

Motion failed.

**MOTION:** Made by Council Member Stegall, seconded by Council Member Dickerson, to declare the City-owned property located at 101, 103, and 110 Kenyon Drive, and 4801 and 4901 Aloe Vera Drive as surplus properties, direct staff to initiate a General Plan amendment to delete General Plan Policy CDD2F, revise the land use classification, initiate a rezoning of the property, and defer appraisal and disposition of the property until the real estate market improves. The Vote:

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

Motion failed.

Council Member McArthur expressed concern about losing an opportunity to pursue a firing range site. City Manager Starman indicated that while the motions failed this evening, this item would be returned to the full Council membership for consideration.

CONTINGENCY WORK FOR REDDING POWER PLANT GENERATING UNIT 5 - Level C Maintenance with Siemens Demag Delaval Turbomachinery, Inc. (Siemens) (E-120-150-500)

Assistant Electric Utility Director Cummings recommended that the City Council authorize the City Manager to approve contingency work for Level C maintenance on Redding Power Plant Generating Unit 5 with Siemens in an amount not to exceed \$600,000. Mr. Cummings noted that, since the Level C maintenance contract was issued in December 2007, there have been reliability, performance, and safety improvements that Siemens recommends REU include in the April 2009 Level C project. Mr. Cummings stated that Unit 5 is a key element in REU's energy portfolio and prudent and timely maintenance is imperative to the ability of the Unit to deliver safe, reliable, and cost-effective energy.

**MOTION:** Made by Council Member Dickerson, seconded by Council Member McArthur, to authorize the City Manager to approve contingency work for Level C maintenance on Redding Power Plant Generating Unit 5 with Siemens in an amount not to exceed \$600,000. The Vote: Unanimous Ayes

AMENDMENT TO CONSULTANT SERVICES AGREEMENT - Nichols Melburg & Rossetto (NMR) re potential police facility retrofit proposals (C-050-550 & A-050-060)

Assistant City Engineer Aukland recalled that at its meeting on February 3, 2009, the City Council directed staff to prepare an amendment to the agreement with NMR which would provide for final, but less detailed, schematic drawings and updated cost estimates for a new police facility and additional services to support City efforts in soliciting and analyzing potential retrofit candidate buildings.

Mr. Aukland provided a PowerPoint presentation outlining the proposed evaluation process. He stated that to accurately assess the retrofit candidates on a fair and equitable basis, the information analyzed must be comprehensive and will involve potential costs, to be borne at least in part by the proposers, for architects and engineers to determine the buildings ability to meet Essential Services Act requirements and environmental determinations such as CEQA.

According to Mr. Aukland, Step One of the process involves soliciting and evaluating initial proposals and establishing a "short-list" of the preferred candidate, along with one or two other viable candidates. Step Two requires much more detailed information and will involve compliance with CEQA. He said an Evaluation Team is proposed and should be composed of a variety of expertise and viewpoints including two members from the City Council, City Staff, and a member from the former Police Facility Review Committee.

Mr. Aukland recommended that the City Council authorize the Mayor to execute an amendment to the consultant services agreement with NMR to provide assistance with the analysis of potential buildings to be retrofitted for a police building, approve the proposed two-step process to analyze the potential alternative, and consider the possibility of selecting two Council Members to participate in the process as part of the Evaluation Team.

Council Member McArthur stated that the full Council should review and negotiate the contract with NMR and she did not favor voting on this issue tonight due to the absence of Mayor Bosetti.

Council Member Stegall was opposed to the Council negotiating the contract with NMR and preferred to rely on the expertise of staff. She suggested adding a retired real estate expert to the Evaluation Team.

Council Member Dickerson remarked that the City Council's responsibility is to set goals and direction for staff, and he opposed having Council negotiate the NMR contract.

City Manager Starman related that Mayor Bosetti suggested that the Evaluation Team include all five Council Members and that all the proposals be reviewed in a workshop.

Council Member Jones opposed the agreement with NMR stressing that he did not want to consider building a new police facility, only a retrofit option.

**MOTION:** Made by Council Member Dickerson, seconded by Council Member Stegall that the City Council authorize the Mayor to execute an amendment to the consultant services agreement with NMR to provide assistance with the analysis of potential buildings to be retrofitted for a police facility, approve the proposed two-step process to analyze the potential alternatives, and postpone deciding the number of Council Members to serve on the Evaluation Team until the full Council is present. The Vote:

AYES: Council Members - Dickerson and Stegall

NOES: Council Members - Jones and McArthur

ABSTAIN: Council Members - None

ABSENT: Council Members - Bosetti

Motion failed.

**MOTION:** Made by Council Member Stegall, seconded by Council Member McArthur to defer this item to the March 17, 2009, City Council Meeting. The Vote:

AYES: Council Members - Jones, McArthur, and Stegall

NOES: Council Members - Dickerson

ABSTAIN: Council Members - None

ABSENT: Council Members - Bosetti

LICENSE AGREEMENT - Exchange Club of Redding for Air Show 2009  
(A-090-100)

City Manager Starman stated that the Exchange Club of Redding was able to book the Blue Angels to perform at Air Show 2009 on September 26 and 27, 2009, and requested permission to hold the show at the Redding Municipal Airport (RMA). Mr. Starman noted that to permit this activity, a License Agreement is required and recalled that at past air shows, in recognition of the benefit to the community, the City has funded the costs associated with staff support.

Mr. Starman recommended that the City Council approve the Exchange Club of Redding's request to hold Air Show 2009 at RMA, authorize the Mayor to execute the License Agreement, and to include \$31,000 in the Community Special Events fund in fiscal year 2009-10 budget to cover the cost of City staff support for the event.

Bill Wagner, Exchange Club of Redding Chair and Director of Air Show 2009, related that in past years the Exchange Club has donated in excess of \$850,000 to non-profits groups, schools and other charities in the area from the proceeds of the air shows. In addition, RMA has directly benefitted from donations of equipment and use of a storage building built by the Exchange Club at the airport.

**MOTION:** Made by Council Member McArthur, seconded by Council Member Stegall that the City Council approve the Exchange Club of Redding's request to hold Air Show 2009 at RMA, authorize the Mayor to execute the License Agreement, and to include \$31,000 in the Community Special Events fund in fiscal year 2009-10 budget to cover the cost of City staff to support the event. The Vote: Unanimous Ayes

ADJOURNMENT

There being no further business, at the hour of 9:09 p.m., Vice Mayor Jones declared the meeting adjourned.

APPROVED:

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Vice Mayor

ATTEST:

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City Clerk