

City Council, Regular Meeting
Civic Center Council Chambers
777 Cypress Avenue
Redding, California
April 21, 2009 7:00 p.m.

The Pledge of Allegiance to the Flag was led by Transportation and Engineering Director Crane.

The Mayor provided a moment of silence for personal invocations.

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, Police Chief Hansen, Electric Utility Director Hauser, Electric Manager Keener, Assistant to the City Manager Clark, City Clerk Strohmayer, and Executive Assistant Stribley.

RESOLUTION - Recognizing the 2009 Redding Regional Science Bowl winners
[A-050-060 & A-050-125]

Redding Electric Manager Keener introduced the Foothill High School Team 2 winners of the 2009 Redding Regional Science Bowl and thanked all participants, sponsors, and volunteers that made the Science Bowl a success. Mayor Bosetti presented the Foothill High School Team 2 with a plaque in recognition of winning the 2009 Redding Regional Science Bowl.

MOTION: Made by Council Member Jones, seconded by Council Member Stegall, adopting Resolution No. 2009-28, a resolution of the City Council of the City of Redding, commending Foothill High School Team 2 for winning Redding’s 2009 Regional Science Bowl Competition and thanking all participants, sponsors, and volunteers. The Vote:

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

Resolution No. 2009-28 is available in the Office of the City Clerk.

CONSENT CALENDAR

The following matters were considered inclusively under the Consent Calendar:

Approval of Minutes - Regular and Special Meetings of April 7, 2009

Approval of Payroll and Accounts Payable Registers

(A-050-100-500)

It is recommended that Accounts Payable Register No. 19, check numbers 872334 through 872909 inclusive, in the amount of \$10,273,359.18, for the period of April 1, 2009, through April 17, 2009; and Payroll Register No. 20 electronic deposit transaction numbers 252560 through 253431 and check numbers 543283 through 543365 inclusive, in the amount of \$2,531,982.24 for the period March 22, 2009, through April 4, 2009, be approved. TOTAL: \$12,805,341.42

Resolution - Making required findings to use tax increment funds from the Canby-Hilltop-Cypress Redevelopment Project Area for infrastructure improvements at Leila Avenue/Beverly Drive/Ramona Place

[R-030-050-310]

It is the recommendation of the Assistant City Manager that Resolution No. 2009-29 be adopted, a resolution of the City Council of the City of Redding, making required findings that infrastructure improvements at Leila Avenue/Beverly Drive/Ramona Place (Project): 1) the Project is of benefit to the Canby-Hilltop-Cypress Redevelopment Project Area (Area) or to the immediate neighborhood in which the Project is located; 2) there are no other reasonable means of financing the Project available to the community; and 3) the payment of funds for the improvements will assist in elimination of one or more blighting conditions

to the Area and is consistent with an adopted implementation plan; and approving the use of tax increment funds from the Area to construct infrastructure improvements on the south side of Leila Avenue and the intersections of Beverly Drive and Ramona Place.

Resolution - Authorizing the Redding Redevelopment Agency to sell property located at 2955, 2975, & 2995 Lanning Avenue
[R-030-050-310]

It is the recommendation of the Assistant City Manager that Resolution No. 2009-30 be adopted, a resolution of the City Council of the City of Redding authorizing the Redding Redevelopment Agency to sell real property located at 2955, 2975, and 2995 Lanning Avenue, Assessor Parcel Numbers 104-230-077, -078, and -079, pursuant to Section 33433(c) of the Health & Safety Code.

Resolution - Making required findings to use Market Street Redevelopment Project Area tax increment funds for infrastructure improvements on Sacramento Street
[R-030-145-350]

It is the recommendation of the Assistant City Manager that Resolution No. 2009-31 be adopted, a resolution of the City Council of the City of Redding, making required findings that infrastructure improvements on Sacramento Street (Project): 1) the Project is of benefit to the Market Street Redevelopment Project Area (Area) or to the immediate neighborhood in which the Project is located; 2) there are no other reasonable means of financing the Project available to the community; and 3) the payment of funds for the improvements will assist in elimination of one or more blighting conditions to the Area and is consistent with an adopted implementation plan; and to approve the use tax increment funds from the Area for infrastructure improvements on the north side of Sacramento Street, east of California Street.

First Amendment to Disposition and Development Agreement - Community Revitalization and Development Corporation for project located at 657 Parkview Avenue
[G-100-075 & R-030-100-055]

It is the recommendation of the Assistant City Manager that the City Council approve the First Amendment to the Disposition and Development Agreement with the Community Revitalization and Development Corporation and the Redding Redevelopment Agency (Agency), eliminating the City as a funding source for the development of a mixed-use project located at 657 Parkview Avenue, and increasing the Agency's Housing Set-Aside Fund commitment from \$240,000 to \$480,000, and extending the time period in which to close escrow.

First Amendment to Agreement - RBF Consulting for an environmental impact report for the Salt Creek Heights Subdivision
[L-010-075 & S-101-068]

It is the recommendation of the Development Services Director that the First Amendment to the Consulting and Professional Services Agreement (C-4972) with RBF Consulting to prepare an environmental impact report for the Salt Creek Heights Subdivision be approved, extending completion time to October 15, 2009, with all other terms to remain in full force and effect.

Resolution - Proclaiming May 7 and 8, 2009, as "California Peace Officers' Memorial Days"; May 14, 2009, as "Shasta County Peace Officers' Memorial Day"; and May 10 - 16, 2009, as "National Police Week"
[A-050-060-600/ P-150-150/P-010-050]

It is the recommendation of the Police Chief that Resolution No. 2009-32 be adopted, a resolution of the City Council of the City of Redding, proclaiming May 7 and 8, 2009, as "California Peace Officers' Memorial Days"; May 14, 2009, as "Shasta County Peace Officers' Memorial Day"; and May 10, through May 16, 2009, as "National Police Week" to honor slain police officers.

First Amendment to the Agreement - Redflex Traffic Systems
[P-150-150]

It is the recommendation of the Police Chief that the City Council approve the First Amendment to the Agreement (C-4649) with Redflex Traffic Systems for red light enforcement, adding Customer Operating Costs of \$500 per month per approach to the cost-neutrality clause, and extending the Agreement for three years beginning April 21, 2009. Council Member Jones advised he will vote no on this matter for consistency with prior votes regarding the inability of this system to allow one to face their accuser.

The Vote:

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

Resolution - Approving issuance of 2009-2010 Tax and Revenue Anticipation Notes (TRANS) for the General Fund cash flow needs; and

Purchase & Trust Agreements

[D-050-430-014]

It is the recommendation of the Finance Director that Resolution No. 2009-33 be adopted, a resolution of the City Council of the City of Redding, authorizing and approving the borrowing of funds for fiscal year 2009-10, the issuance and sale of a 2009-10 Tax and Revenue Anticipation Note (TRANS), and participation in the California Communities Cash Flow Financing Program; and authorizing the Mayor, City Manager, or Assistant City Manager to execute same.

Second Amendment to the Restaurant Lease Agreement - Peter Chu at Redding Municipal Airport

[C-070-100 & A-090-100]

It is the recommendation of the Transportation and Engineering Director that the City Council approve the Second Amendment to the Restaurant Lease Agreement with Peter Chu located at the Redding Municipal Airport, reducing the rental fees by \$13,800 over a two-year period.

Resolution - Summarily vacating a storm drain easement on property located at 2515 and 2155 Park Marina Drive (A-4-08)

[A-010-040]

It is the recommendation of the Transportation and Engineering Director that Resolution No. 2009-34 be adopted, a resolution of the City Council of the City of Redding, summarily vacating a 15-foot storm-drain easement on property located at 2515 and 2155 Park Marina Drive (A-4-08) by Frances W. Kutras as it is no longer needed for the purposes for which it was granted.

Award of Bid - Bid Schedule No. 4212, Willis Street Area Sewer Replacement

[B-050-020 & W-020-575]

It is the recommendation of the Transportation and Engineering Director that Bid Schedule No. 4212 (Job No. 2326), Willis Street Area Sewer Replacement be awarded to Sunrise Excavating and Paving in the amount of \$148,927, that an additional \$40,000 be approved for administration and inspection fees; and that \$25,000 be approved for a construction contingency fund, for a total amount of \$213,927.

Notice of Completion - Bid Schedule No. 4005, Sewer Sealing Project

[B-050-020 & W-020-575]

It is the recommendation of the Transportation and Engineering Director that Bid Schedule No. 4005 (Job No. 2289), Sewer Sealing Project, awarded to J.F. Pacific Liners, Inc. be accepted as satisfactorily completed and that the City Clerk be authorized to file a Notice of Completion. The final cost was \$476,110.51.

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

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

Resolution Nos. 2009-29 through 2009-34 are on file in the Office of the City Clerk.

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LETTER - Paul Bunyan Conservation Society, re support for the Paul Bunyan Natural Forest Initiative Act and the Paul Bunyan Forest Town U.S.A.

[A-050-060]

Steven J. Pelozza, President and Chief Executive Officer of the Paul Bunyan Conservation Society, requested support for the Paul Bunyan Natural Forest Initiative Act and the Paul Bunyan Forest Town U.S.A. to provide sensible forestry to the nation.

Mayor Bosetti advised that he would meet with Mr. Pelozza to develop a Mayor's Proclamation for the Paul Bunyan Conservation Society.

PUBLIC HEARING - Highland Park Subdivision;

RESOLUTION - Certifying Final Environmental Impact Report EIR-3-06;

RESOLUTION - Approving Tentative Subdivision Map Application S-18-05 and Planned Development Application PD-9-05;

ORDINANCE - Amending Redding Municipal Code Title 18, Zoning Map, approving Rezoning Application RZ-8-05; and

ORDINANCE - Approving the Highland Park Development Agreement

[S-101-102/L-010-211-022/L-010-230/L-010-075]

The hour of 7:00 p.m. having arrived, Mayor Bosetti opened the public hearing regarding Highland Park Subdivision S-18-05, Planned Development Application PD-9-05, Rezoning Application RZ-8-05, Final Environmental Impact Report EIR-3-06, and Highland Park Development Agreement, located east of Interstate 5 and north of Hilltop Drive, by S and J Development.

The following documents are on file in the Office of the City Clerk:

Affidavit of Publication - Notice of Public Hearing

Affidavit of Mailing - Notice of Public Hearing

City Clerk Strohmayer advised that no protests were received.

Development Services Director Hamilton provided a Powerpoint presentation describing the Highland Park Subdivision Project (Project) to subdivide approximately 95 acres to create building sites for a mix of housing types, totaling 420 residential units. It will consist of 206 standard single-family units, 48 single-family units built in clusters around common driveway courts, 110 townhomes, and a parcel for a 56-unit apartment complex. The Project will also include a six-acre public park, trails, and set-aside of open space totaling 33 acres. Major issues are traffic and circulation which are addressed by mitigation measures, conditions of approval, and the Development Agreement. In order to configure some of the lots advantageously, Mr. Hamilton pointed out that zoning changes are necessary which will rezone property at 850 Mission De Oro Drive from "RM-6" and "RM-12" Residential Multiple Family Districts to "RM-6-PD" and "RM-12-PD" Residential Multiple Family Districts with Planned Development Overlay, 520 Davis Ridge Road from "RS-3.5" Residential Single Family District and "RM-6" Residential Multiple Family District to "RS-3.5-PD" Residential Single Family District with Planned Development Overlay District and "RM-6-PD" Residential Multiple Family Districts with Planned Development Overlay, 670 Davis Ridge Road from "RM-6" Residential Multiple Family District to "RM-6-PD" Residential Multiple Family Districts with Planned Development Overlay, and 672 Davis Ridge Road from "RM-6" Residential Multiple Family District to "RM-6-PD" Residential Multiple Family Districts with Planned Development Overlay.

Mr. Hamilton recommended that a resolution be adopted certifying the completeness and adequacy of Environmental Impact Report EIR-3-06 prepared for the Highland Park Subdivision Project, a resolution be adopted making findings that the Project:

1. is consistent with the Redding General Plan;
2. will not significantly alter existing land form;
3. is compatible with surrounding land use;
4. is compatible with the Code of the City and the Environmental Impact Report authorized by the Development Services Department;
5. carries out the intent of the Planned Development provisions by providing a more efficient use of the land and an excellence of architecture and site design greater than that which could be achieved through the application of the base district regulations;
6. will not have a significant effect on the environment; and
7. the Final Environmental Impact Report reflects the independent judgment and analysis of the City.

Mr. Hamilton further recommended that a resolution be adopted approving Tentative Subdivision Map Application S-18-05, subject to the Conditions of Approval, and Planned Development Application PD-9-05 for the Highland Park Subdivision Project; offer an ordinance for first reading and waive the full reading, amending Redding Municipal Code Title 18-Zoning by approving Rezoning Application RZ-8-05 rezoning certain real property at 850 Mission De Oro Drive, 520 Davis Ridge Road, 670 Davis Ridge Road, and 672 Davis Ridge Road adding Planned Development Overlay as set forth above; and offer an ordinance for first reading and waive the full reading approving a Development Agreement with Palomar Builders, Inc., and MCG, LP relative to the development known as Highland Park Subdivision.

Les Boyle, Redding resident, expressed concern that the Project may decrease property values for existing homes maintaining that it does not follow the covenants, conditions, and restrictions of the existing subdivisions.

Tim MacLean, Sharrah Dunlap Sawyer, advised that the developers are in agreement with the conditions of approval and restrictions for the Project.

In response to Council Member Jones, Mr. Hamilton advised that conditions of approval and mitigation measures have been made part of the development in consideration of fire possibilities in the area.

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

MOTION: Made by Council Member Stegall, seconded by Council Member McArthur adopting Resolution No. 2009-35, a resolution of the City Council of the City of Redding, certifying the completeness and adequacy of the Final Environmental Impact Report (FEIR) EIR-3-06 for the Highland Park Subdivision Project. The Vote:

AYES: Council Members - Dickerson, Jones, McArthur, Stegall, and Bosetti

NOES: Council Members - None

ABSTAIN: Council Members - None

ABSENT: Council Members - None

Resolution No. 2009-35 is on file in the Office of the City Clerk

MOTION: Made by Council Member Stegall, seconded by Council Member McArthur, adopted Resolution No. 2009-36, a resolution of the City Council of the City of Redding, adopting findings as set forth above to approve Tentative Subdivision Map Application S-18-05, subject to the Conditions of Approval, and Planned Development Application PD-9-05 for the Highland Park Subdivision Project. The Vote:

AYES: Council Members - Dickerson, Jones, McArthur, Stegall, and Bosetti

NOES: Council Members - None

ABSTAIN: Council Members - None

ABSENT: Council Members - None

Resolution No. 2009-36 is on file in the Office of the City Clerk

Council Member Stegall offered Ordinance No. 2432 for first reading, an ordinance of the City Council of the City of Redding amending Redding Municipal Code Title 18-Zoning, by approving Rezoning Application RZ-8-05 rezoning certain real property at 850 Mission De Oro Drive, 520 Davis Ridge Road 670 Davis Ridge Road, and 672 Davis Ridge Road adding Planned Development Overlay as set forth above.

MOTION: Made by Council Member Stegall, seconded by Council Member McArthur, that the full reading of Ordinance No. 2432 be waived, and that the City Attorney be instructed to read the full title. The Vote: Unanimous Ayes

Council Member Stegall offered Ordinance No. 2433 for first reading, an uncodified ordinance of the City Council of the City of Redding, approving the Development Agreement with Palomar Builders, Inc. and MCG, LP relative to the Highland Park Subdivision Project.

MOTION: Made by Council Member Stegall, seconded by Council Member McArthur, that the full reading of Ordinance No. 2433 be waived, and that the City Attorney be instructed to read the full title. The Vote: Unanimous Ayes

PUBLIC HEARING - Appeal of Tentative Subdivision Map Application S-3-08, Shearing Subdivision by Dianna and Michael Light
[S-101-139]

The hour of 7:00 p.m. having arrived, Mayor Bosetti opened the public hearing regarding an appeal by Dianna and Michael Light, of the Redding Planning Commission's approval of Tentative Subdivision Map Application S-3-08, Shearing Subdivision, located at 210 Shasta View Drive, south of Highway 299E and College View Drive.

The following documents are on file in the Office of the City Clerk:

Affidavit of Publication - Notice of Public Hearing
Affidavit of Mailing - Notice of Public Hearing

City Clerk Strohmayr advised that Brad and Molly Rupert submitted a letter and Daryl and Marilyn Odegard sent an email suggesting an alternate exit route at Stetson to Shasta View Drive instead of the proposed Ballard Way exit for the Project.

Development Services Director Hamilton explained that the Tentative Subdivision Map Application S-3-08 would allow Don Shearing to divide 2.4 acres into eight single-family residential lots, including an off-site extension of Ballard Way to College View Drive. He stated that the appeal by Mr. and Mrs. Light of that approval was based on their contention that:

1. the secondary access should be provided from Stetson Way to Shasta View Drive for safety of high school students accessing the bus stop on Shasta View Drive and Simpson Boulevard,
2. the Ballard Road access would not provide a slower response time from emergency vehicles,
3. it would be closer to extend Stetson Way to Shasta View Drive than Ballard Way to College View Drive,
4. Natomas Way is not a full-width City street,
5. it would conflict with a future overcrossing of Shasta View Drive at Highway 299,
6. the proposed lot sizes are not consistent with the existing subdivision,
7. plans do not currently exist to address the water table or mold issue in the area, and
8. the proposed extension of Ballard Way was not mentioned in the Notice of Public Hearing for the subdivision.

Mr. Hamilton recommended that the City Council uphold the Planning Commission approval of the Tentative Subdivision Map S-3-08 and deny the appeal by Mr. and Mrs. Light.

Tony Hurst, David Lundstrom Michael Flanery, Dianna Light, Mike Light, and Brad Ruppert, expressed the following: vehicle lights turning into the planned flag lots and the (dual) driveway will shine in the back of houses on Juarez Lane; traffic issues if Ballard Way is extended; the length of time before an overpass would be considered at Highway 299; a pedestrian access will be needed; traffic calming measures will be needed for Shasta View Drive and College View Drive.

Don Shearing, developer for the Highland Park Project, advised that, after many discussions with the City, it was determined that the preferred placement of the second ingress/egress for the subdivision was the extension of Ballard Way to College View Drive. He added that the extension of Stetson Way to Shasta View Drive would more than likely require eminent domain proceedings because the property owner, Mr. Dugger, has indicated he is unwilling to allow access. Mr. Shearing pointed out that Ballard Way was designed as a future exit site when the original subdivision was constructed and is the preferred exit by Simpson University.

Ron Cushman, Simpson University Engineer, advised that the University owns most of both properties that would be possible exits and has no preference and will uphold whichever site staff determines is the most satisfactory.

In response to Council Member Stegall, City Attorney Duvernay explained that the matter before the City Council is a land development planning process which at this time is a

Tentative Subdivision Map and not building permits. Therefore, any judgments must be relative to the Subdivision Map Act and the Tentative Subdivision Map, and the other issue of possible mold would be discussed during the building permit process. The design of the subdivision must be determined to be consistent with findings that need to be made and must meet standards of state law. He explained he had not heard anything that could conflict with proper findings, and the only grounds for denial would be public health problems from a credible traffic engineer, which has not occurred.

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

MOTION: Made by Council Member Stegall, seconded by Council Member Jones, denying the appeal by Dianna and Michael Light and upholding the Redding Planning Commission approval of Tentative Subdivision Map Application S-3-08, Shearing Subdivision, located at 210 Shasta View Drive, by Don Shearing. The Vote: Unanimous Ayes

APPOINTMENTS - Redding Planning Commission
[B-080-300]

MOTION: Made by Council Member McArthur, seconded by Council Member Jones, appointed Cameron Middleton and reappointed Chris Young to the Redding Planning Commission to serve four-year terms ending May 1, 2013. The Vote: Unanimous Ayes

LISTING AGREEMENT - Cushman & Wakefield of California, Inc. for the Stillwater Business Park
[E-050-500]

Economic Development Director Zauher recalled that the Real Estate Listing Agreement with Cushman & Wakefield of California, Inc. for the Stillwater Business Park will expire on May 31, 2009. On March 16, 2009, the Stillwater Business Park Broker/Listing Review Committee met with staff and John Troughton, of Cushman & Wakefield, for a report on the Stillwater Business Park and the work accomplished to date.

Mr. Troughton provided an update on the work performed to date on behalf of the Stillwater Business Park including mailing more than 20,000 informational brochures and making presentations at various conferences.

Mr. Zauher recommended that the City Council approve a 12-month real estate listing agreement with Cushman & Wakefield for the Stillwater Business Park.

Council Member Jones advised he would vote no on this matter as he did not believe public monies should be expended on this type of venture.

MOTION: Made by Council Member McArthur, seconded by Council Member Stegall, approving the Real Estate Listing Agreement with Cushman & Wakefield of California, Inc. for the Stillwater Business Park for an additional 12 months. The Vote:

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

NOES: Council Members - Jones

ABSTAIN: Council Members - None

ABSENT: Council Members - None

GRANT APPLICATION - U.S. Department of Energy, Energy Efficiency and Conservation Block Grant Program for a low-income residential energy audit and retrofit program
[G-100-070 & E-120-030]

Assistant to the City Manager Clark related that the U.S. Department of Energy released funding guidelines for its Energy Efficiency and Conservation Block Grant (EECBG) program as part of the American Recovery and Reinvestment Act (ARRA). The City has been allocated \$892,700 for projects and programs that fulfill the intent of job creation, energy efficiency/conservation, and long-term leveraging of funds for jobs and greenhouse gas reduction. In order to receive these funds, he advised that the City must submit a grant application which will direct funds to the Audit and Retrofit program to partner with the City, private sector such as Shasta Builders' Exchange and regional agencies such as the Northern California Power Agency. He stated that the program would: 1) target low-income residential units for home energy retrofits, 2) work with the Builder's Exchange to train and certify contractors to perform audits, 3) conduct energy audits to locate where buildings lose energy, 4) provide free or low-cost home retrofits, 5) generate new private-sector job opportunities for home retrofits, and 6) track and report energy-related outcomes associated

with energy savings and greenhouse gas reductions. He pointed out that funds must be obligated within 18 months of receiving the award, which if successful, will be June 25, 2009.

Mr. Clark recommended that the City Council authorize staff to prepare an Energy Efficiency and Conservation Strategy and a grant application in the amount of \$892,700 to the U.S. Department of Energy through the Energy Efficiency and Conservation Block Grant program funding number DE-FOA-0000013, to plan and implement a low-income residential energy audit and retrofit program.

Council Member Dickerson expressed concern that this grant could require the program to continue even when funding from the federal governments expires or create future obligations associated with the funding.

Kent Dagg, Chief Executive Officer of the Shasta Builders' Exchange, supported the grant and believed the funds will assist contractor survival for the area. He suggested a Shasta Stimulus Team to include the cities of Redding, Anderson, Shasta Lake, the County, and the Redding Rancheria, as well as the private sector.

MOTION: Made by Council Member McArthur, seconded by Council Member Stegall, authorizing staff to prepare an Energy Efficiency and Conservation Strategy and a grant application in the amount of \$892,700 to the U.S. Department of Energy through the Energy Efficiency and Conservation Block Grant program funding number DE-FOA-0000013, to plan and implement a low-income residential energy audit and retrofit program.

The Vote: Unanimous Ayes

It was the concurrence of the City Council to direct staff to work toward developing a Shasta Stimulus Team and report back.

RESOLUTION - Adopting City Council Policy No. 1413 - Identity Theft Prevention Program

[A-050-060-555 & P-150-150]

Electric Utility Director Hauser stated that the Fair and Accurate Credit Transactions Act (FACT Act) was passed in 2003. He advised that it was recently determined that public agency utility accounts would be included in the FACT Act therefore, the City would be required to implement a program for compliance. He explained that identity thieves often establish utility accounts in a victim's name as fraudulent proof of a utility account that can be used to support false identification for government services, financial services, and many others. He indicated there is an urgency for consideration of the matter as the FACT Act requires the City to have a program in place no later than May 1, 2009, or there is a probability of fines for each day of delay.

Mr. Hauser recommended that a resolution be adopted establishing City Council Policy No. 1413-Identity Theft Prevention Program pursuant to the federal FACT Act and that this policy should be updated annually.

Gary Cadd, Redding resident, expressed concern that the policy was originally scheduled for the Consent Calendar and the public would not have an opportunity to discuss it. He believed the new policy was not necessary, particularly the use of social security numbers, and any consideration should have been done much earlier to give the community an opportunity to provide input. If it must be passed this evening, he asked that the full document come back at a future meeting, possibly July, to allow more scrutiny by the community.

Mr. Hauser clarified that the FACT Act requires tax identification numbers; and, if the City was lax, it would be non compliant and possibly make the City civilly liable for any use of a false identity utility account in the future.

City Attorney Duvernay explained that the rationale for social security numbers is to provide the ability to perform a fraud check when a request to open an account is initially received.

MOTION: Made by Council Member Stegall, seconded by Council Member Dickerson, adopting Resolution No. 2009-37, a resolution of the City Council of the City of Redding, establishing City Council Policy No. 1413-Identity Theft Prevention Program, as required by the Fair and Accurate Credit Transactions Act of 2003.

The Vote:

AYES: Council Members - Dickerson, Jones, McArthur, Stegall, and Bosetti

NOES: Council Members - None

ABSTAIN: Council Members - None

ABSENT: Council Members - None

Resolution No. 2009-37 is on file in the Office of the City Clerk.

RESOLUTION - Authorizing execution of the Statement of Interest among Trinity Public Utilities District, Trinity River Lumber Company
[E-120-300]

Electric Utility Director Hauser recalled that in 2002, the California legislature passed Senate Bill 1078 (SB1078) which requires investor-owned utilities to supply 20% of their customers' energy needs from renewable energy resources by 2017. In 2006, Senate Bill 107 (SB107) accelerated the requirement to 20% by 2010. Mr. Hauser related that although Redding Electric Utility (REU) currently has 31% of its customers' energy in renewable resources, it continues to seek available renewable energy resources to increase and diversify its portfolio. To that end, REU has been in preliminary discussions regarding development of a biomass-fire electric generator in Trinity County.

In order to demonstrate the City's interest in further development, Mr. Hauser recommended that a resolution be adopted authorizing the Electric Utility Director to execute the Statement of Interest with Trinity Public Utilities District and the Trinity River Lumber Company to develop a renewable biomass generation project in Trinity County. He noted that the fiscal impact to the City would not exceed \$75,000.

MOTION: Made by Council Member McArthur, seconded by Council Member Stegall, adopting Resolution No. 2009-38, a resolution of the City Council of the City of Redding, authorizing the Redding Electric Utility Director to execute the State of Interest with Trinity Public Utilities District and Trinity River Lumber Company to develop a renewable biomass project. The Vote:

AYES: Council Members - Dickerson, Jones, McArthur, Stegall, and Bosetti

NOES: Council Members - None

ABSTAIN: Council Members - None

ABSENT: Council Members - None

Resolution No. 2009-38 is on file in the Office of the City Clerk.

RESOLUTION - Approving a Joint Exercise of Powers Agreement creating the Balancing Authority of Northern California (BANC); and

APPOINTMENT - Redding Electric Utility representatives to the BANC Commission
[E-120]

Electric Utility Director Hauser provided highlights of the Report to City Council dated April 21, 2009, incorporated herein by reference, relating that as a result of the 2002 power blackouts in the Northeast region of the United States, the federal government has aggressively mandated reliability standards intended to prevent recurrences of massive blackouts. Mr. Hauser related that Congress enacted The Energy Policy Act of 2005 and directed the Federal Energy Regulatory Commission (FERC) to create and enforce new reliability standards.

Mr. Hauser advised that reliability standards required a utility provider to match load and generation at all times and to report to a larger utility which acted as a Balancing Authority. He stated that previously Redding Electric Utility (REU) reported to Sacramento Municipal Utilities District (SMUD) and Western Area Power Administration (Western), but the North American Electric Reliability Corporation (NERC) created a set of nationwide reliability standards which requires REU to either create its own Balancing Authority, which would be cost prohibitive, or join an Authority such as the California Independent Systems Operator (ISO). In November 2008, REU entered into a Reliability Standards Performance Agreement with Roseville Electric, Modesto Irrigation District, and SMUD. To further federal compliance, the members of the Performance Agreement are establishing a Joint Exercise of Powers Agreement to create the Balancing Authority of Northern California (BANC). He stated that the initial cost to REU is \$10,400 annually, although substantial increases are anticipated due to increased federal regulation. He added REU may appoint one commissioner to the BANC Commission and one alternate.

Mr. Hauser recommended that a resolution be adopted authorizing the Mayor to execute a Joint Exercise of Powers Agreement on behalf of REU with SMUD, the Modesto Irrigation

District, and Roseville Electric to create the Balancing Authority of Northern California; and appoint the Electric Utility Director to represent the City as a commissioner on the BANC Commission and the Assistant Electric Utility Director/Resource Planning as an alternate commissioner.

MOTION: Made by Council Member Stegall, seconded by Council Member Jones, adopting Resolution No. 2009-39, a resolution of the City Council of the City of Redding, authorizing the Mayor to execute a Joint Exercise of Powers Agreement on behalf of REU with SMUD, the Modesto Irrigation District, and Roseville Electric to create the Balancing Authority of Northern California (BANC); and appointing the Electric Utility Director to represent the City as a commissioner on the BANC Commission and the Assistant Electric Utility Director/Resource Planning as an alternate commissioner. The Vote:

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

Resolution No. 2009-39 is on file in the Office of the City Clerk

RESPONSES - 2008/2009 Shasta County Grand Jury Report - Ready, Set, Stop: Running Red Lights Kills and Injures
 [B-080-600-800 & P-150-150]

Police Chief Hansen related that the recently released 2008/2009 Shasta County Grand Jury Report contained an investigative report entitled Ready, Set, Stop: Running Red Lights Kills and Injures which requires a response from the City Council to two Grand Jury Recommendations. He proposed the following responses: Recommendation 1 - the City will incorporate red light photo enforcement statistics into the annual crime statistics report published at the beginning of each year; and Recommendation 2 - the City plans to continue the red light photo enforcement program and will monitor statistics to determine additional locations for red light photo enforcement.

Chief Hansen recommended that the City Council authorize the Mayor to transmit responses to the Presiding Judge of the Shasta County Superior Court regarding the 2008/2009 Shasta County Grand Jury Report - Ready, Set, Stop: Running Red Lights Kills and Injures.

Council Member Jones advised he would vote no as he did not support red light camera enforcement because he believed a person has the right to meet their accuser and police officers should do actual enforcement.

MOTION: Made by Council Member McArthur, seconded by Council Member Stegall, authorizing the Mayor to transmit responses to the 2008/2009 Shasta County Grand Jury Report - Ready, Set, Stop: Running Red Lights Kills and Injures to Presiding Judge Stephen H. Baker of the Shasta County Superior Court, prior to May 26, 2009. The Vote:

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

ADJOURNMENT

There being no further business, at the hour of 10:13 p.m., Mayor Bosetti declared the meeting adjourned.

APPROVED:

 Mayor

ATTEST:

 City Clerk