

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

The Pledge of Allegiance to the Flag was led by Mayor Bosetti.

The Invocation was offered by Police Chaplain Cindee Thomas.

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, Support Services Director Kersten, Deputy City Clerk Mize, Executive Assistant Stribley, and Executive Assistant Grimm.

PUBLIC COMMENT

[P-150-150]

Marj Cantrell, Redding resident, urged the City Council to allocate more funding for the Redding Police Department to ensure that the Department had sufficient resources to combat crime. She stated that she was recently a burglary victim and, although the police were working diligently, they did not have enough equipment to expeditiously investigate the crime at her residence or for any other victim the City.

[A-050-060]

Charles Alexander, Redding resident, expressed opposition to the Peripheral Canal, pointing out that water resources in the North State were already stretched thin due to three years of drought and that sending water to the southern portion of California was a grave mistake that could cause water rationing and loss of hydro power.

[E-090-100]

Ed Marek stated that Redding Electric Utility flat rate customers pay more than PG&E tiered rate customers at a usage level of more than 800KW per month and thinks an oversight board should look at this topic as one way to deal with peak demand.

PRESENTATION - National Probation Services Week

[S-010]

Police Chief Hansen introduced Brian Richart, Shasta County Chief Probation Officer, who described the costs of probation versus incarceration, effectiveness of proactive substance abuse treatment/rehabilitation programs, and gave details regarding the scope of services provided by the Shasta County Probation Department. He noted that approximately 2,200 adults and 600 juveniles are on probation in Shasta County and, through new programs, he hoped that number would reduce significantly.

CONSENT CALENDAR

The following matters were considered inclusively under the Consent Calendar:

Approval of Minutes - Special Meeting of June 16, 2009; Regular Meeting of June 2, 2009

Approval of Payroll and Accounts Payable Registers

[A-050-100-500]

It is recommended that Accounts Payable Register No. 24, check numbers 874379 through 874915 inclusive, in the amount of \$22,769,676.46, for the period of June 13, 2009, through June 30, 2009; and Payroll Register No. 25 electronic deposit transaction numbers 257314 through 258272 and check numbers 543846 through 543987 inclusive, in the amount of \$2,764,191.92 for the period May 31, 2009, through June 13, 2009, be approved.

TOTAL: \$25,534,524.28

It is further recommended that Accounts Payable Register No. 1, check numbers 874916 through 875395 inclusive, in the amount of \$10,114,107.46, for the period of July 1, 2009, through July 17, 2009; and Payroll Register No. 26, electronic deposit transaction numbers 258325 through 259266 and check numbers 543988 through 544088, inclusive, in the amount of \$2,846,696.00, for the period June 14, 2009, through June 27, 2009, and Payroll Register No. 1 electronic deposit transaction numbers 259316 through 260274 and check numbers 544098 through 544250 inclusive, in the amount of \$2,866,231.88 for the period June 28, 2009, through July 11, 2009, be approved.

TOTAL: \$15,827,035.34

Treasurer's Report for the month of May 2009

[A-050-100-600]

Total Treasurer's Accountability	-	\$142,345,729.85
Total City of Redding Funds, Funds Held in Trust, and Funds of Related Entities	-	\$274,363,757.26

ACR133 Report and Cash Reconciliation as of May 2009

[F-205-095-650]

It is the recommendation of the Finance Director that the ACR133 Report and the Proof of Cash Reconciliation for May 2009 be accepted.

Project Status Report

[A-050-080]

It is the recommendation of the City Manager that the City Council accept the June 2009 Project Status Report highlighting the current status of large capital projects and issues.

Amendment No. 6 to Funding Agreement - Superior California Economic Development District

[B-130-030 & B-080-500]

It is the recommendation of the Assistant to the City Manager that City Council approve Amendment No. 6 to the Funding Agreement (C-1336) with the Superior California Economic Development District (SCEDD) for fiscal year 2009-10 for economic development planning and business development services; and authorize a payment to SCEDD in the amount of \$10,720 for fiscal year 2009-10 activities.

Sale of Redding Redevelopment Agency Real Property - Located at 2955, 2975 and 2995 Lanning Avenue

[R-030-100-033]

It is the recommendation of the Assistant City Manager that City Council accept a report from the Redding Redevelopment Agency (RRA) pursuant to California Health and Safety Code Section 33433(c) for the sale of RRA real property located at 2955, 2975 and 2995 Lanning Avenue (Assessor's Parcel Nos. 104-230-077, -078, & -079) in the Parkview Neighborhood to the Shasta Builders-Exchange Community Fund to provided three single-family, low-income homes at an affordable housing cost.

Second Amendment to Memorandum of Understanding - Turtle Bay Exploration Park

[S-070-050-500]

It is the recommendation of the Support Services Director that City Council authorize the City Manager to execute the Second Amendment to the Memorandum of Understanding (C-4212) with Turtle Bay Exploration Park for the operation and maintenance of the Sundial Bridge and the north and south Bridge Plaza restrooms, modifying the term of the agreement to coincide with fiscal year end (July 1 to June 30), reducing the contracted amount for fiscal year 2009-10 to \$105,450 per year, and decreasing security patrol hours on the Bridge to 22 hours per week.

Increase Expenditure Allocations to Supply and Professional Services Agreement - Express Integrated Technologies, LLC

[E-120-150-676 & B-130-070]

It is the recommendation of the Electric Utility Director that City Council authorize a change order to increase expenditure allocations associated with the Supply and Professional Services Agreement (C-4902) with Express Integrated Technologies, LLC, for the Redding Power Plant Generation Unit No. 6 in a total amount to \$6,585,960, authorize expenditures of \$224,803.34 for changes to the contract scope, and authorize the City Manager to approve change orders in an aggregate amount not-to-exceed \$10,000.

Award of Purchase - Chemical Feed System for the Redding Power Plant Generation Unit No. 6 Project

[E-120-150-676 & B-050-100]

It is the recommendation of the Electric Utility Director that City Council award the purchase of a chemical feed system for Redding Power Plant Generation Unit No. 6 project to Garratt Callahan, Inc., in the amount of \$180,346.67, to protect equipment from corrosive substances in boiler feed water.

Monthly Financial Report - Electric Utility

[B-130-070]

It is the recommendation of the Electric Utility Director that the City Council accept the Electric Utility's Monthly Financial Report for May 2009. Retail power sales revenue was \$1,684,633 (2.1%) below projections and wholesale power sales through May totaled \$15,503,685 (36.4%) above projections. Operating revenue after energy costs was \$123,343 (0.6%) below expectations. The total cost of energy through May was \$13,881,254 (13%) above projections. The Utility's net operating results through May are negative \$21,098,107.

Resolution - Utility Billing Review Committee

[B-130-070]

It is the recommendation of the Electric Utility Director that Resolution No. 2009-114 be adopted, a resolution of the City Council of the City of Redding, approving and adopting the 1st amendment to City Budget Resolution No. 2009-61, appropriating an additional \$483,470 for fiscal year 2009-10 and \$340,660 for fiscal year 2010-11 to implement the recommendations of the Utility Billing Review Committee, as approved by the City Council at its special meeting of June 15, 2009, authorizing two full-time Customer Service positions and reallocating portions of the Public Benefits Program funding.

In response to Gary Cadd, former member of the Utility Billing Review Committee, City Manager Starman advised that the added Customer Service positions would not be working a full year for 2009-10 and, therefore, would receive less salary and benefits for the first partial year of employment as opposed to the following full year (2010-11). Mr. Cadd urged the City Council to institute an oversight board.

Consulting and Professional Services Agreement - Mears Group, Inc.

[E-120-150]

It is the recommendation of the Electric Utility Director that the City Manager be authorized to sign a Consulting and Professional Services Agreement with Mears Group, Inc., in the amount of \$136,540.40 to perform natural gas pipeline integrity testing and repairs at Redding Power and approve change orders in a total amount not-to-exceed \$13,654; and an additional amount not-to-exceed \$110,000 be approved for inspection or repair work to satisfy Redding Electric Utility's Integrity Management Plan (as required by California Department of Transportation regulations) and/or to mitigate any "Immediate Conditions".

Lease - U.S. Bureau of Land Management re: Buckeye Park

[A-070-075 & P-050-070]

It is the recommendation of the Community Services Director that the City Council authorize the City Manager to execute a ten-year lease with the U.S. Bureau of Land Management for 19.01 acres of public land off Lake Boulevard near Oasis Road, adjacent to Buckeye Park for recreation purposes.

Resolution - Proclaiming August 4, 2009, as ANational Night Out@

[A-050-060-600 & P-150-150]

It is the recommendation of the Police Chief that City Council adopt Resolution 2009-115 proclaiming August 4, 2009, as ANational Night Out@ in support of a police-community partnerships to prevent crime and drug abuse.

Appropriation Limit for Fiscal Year 2009-10

[B-130-070]

It is the recommendation of the Director of Finance that City Council adopt Resolution 2009-116 establishing the appropriation limit in the amount of \$171,868,138 for fiscal year 2009-10.

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 May 2009. Total revenue to date is \$59.8 million or \$4,166,314 (6.6%) below staff's cash flow projection. Expenditures at month end, excluding encumbrances, total \$70,193,090 or \$3,494,398 (4.8%) below staff's projection. Encumbrances total \$872,819.

Notice of Completion - Bid Schedule No. 4053, Redding Municipal Airport Taxiway A and B Reconstruction, Municipal Boulevard, and Taxi Lane Extension Project

[B-050-020 & A-090-100]

It is the recommendation of the Transportation and Engineering Director that Bid Schedule No. 4053 (Job Nos. 9456, 9547, 9548, 2272), Redding Municipal Airport Taxiway A and B Reconstruction, Municipal Boulevard, and Taxi Lane Extension Project, awarded to Tullis, 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 \$3,284,319.63.

Notice of Completion - Bid Schedule No. 4063, South Bonnyview Road Widening Project

[B-050-020 & S-070-100-708]

It is the recommendation of the Transportation and Engineering Director that Bid Schedule No. 4063 (Job No. 2220), South Bonnyview Road Widening Project, awarded to Tullis, 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 \$17,897,568.04.

Notice of Completion - Bid Schedule No. 4081, Foothill Water Treatment Plant Filtration System Improvements Project

[B-050-020 & W-030-425]

It is the recommendation of the Transportation and Engineering Director that Bid Schedule No. 4081 (Job No. 2301), Foothill Water Treatment Plant Filtration System Improvements Project, awarded to ERS Industrial Services, 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 \$2,552,687.27.

Award of Bid - Bid Schedule No. 4248, Browning Street Widening and Improvements Project

[B-050-020 & S-070-100]

It is the recommendation of the Transportation and Engineering Director that Bid Schedule No. 4248 (Job No. 2314), Browning Street Widening and Improvements Project be awarded to Tullis, Inc., in the amount of \$174,511.60, that an additional \$40,000 be approved for administration and inspection fees, and that \$25,000 be approved to provide construction contingency funding, for a total of \$239,511.60.

Award Request for Proposals - Purchase of Universal Rollout Waste Containers

[B-050-100 & S-020-100]

It is the recommendation of the Municipal Utilities Director that Request for Proposal (RFP) No. 4214, be awarded to Otto Environmental Systems, for purchase of universal rollout waste containers for the period July 1, 2009 through June 30, 2014, in the unit price submitted in the RFP.

MOTION: Made by Council Member Stegall, seconded by Council Member McArthur, that the foregoing items on the Consent Calendar be approved and adopted as recommended 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. 2009-114 through 2009-116 are on file in the Office of the City Clerk.

PUBLIC HEARING - Sanitary Sewer Maintenance District SSMD-01-07, Hope Lane Subdivision

RESOLUTION - Confirming and levying assessment for Fiscal Year 2009-10 [A-170-080-001 & S-101-062]

The hour of 7:00 p.m. having arrived, Mayor Bosetti opened the public hearing regarding the Sanitary Sewer Maintenance District SSMD-01-07, Hope Lane Subdivision, assessments for fiscal year 2009-10.

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

Affidavit of Publication - Notice of Public Hearing

Deputy City Clerk Mize advised that no protests were received.

Transportation and Engineering Director Crane recalled that Sanitary Sewer Maintenance District SSMD 01-07 was formed for the Hope Lane Subdivision (S-12-03) to provide sewer lift stations and ensure that the majority of maintenance responsibilities are borne by those using the services. The proposed annual assessment has been increased by an annual inflation adjustment, which is tied to the A20 Cities Construction Cost Index® from the most recent March Engineering News Record, as developed pursuant to a methodology established at the time of the formation of the District. He related that the levy amount for this fiscal year has been reduced due to the existing account balance and will be \$51.76 for each developable lot/remaining parcel, excepting state or federal properties.

Mr. Crane recommended that a resolution be adopted confirming the maps of the SSMD, approving the Engineer's Report, and ordering the levy and collection of assessments for fiscal year 2009-10 pursuant to the Improvement Act of 1911, Chapter 26, Maintenance Districts (Streets and Highways Code of California, Section 5820, et. seq.

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, adopting Resolution No. 2009-117, a resolution of the City Council of the City of Redding, confirming the map of the assessment district as contained in the Engineer's Reports for Sanitary Sewer Maintenance District SSMD 01-07 (Hope Lane Subdivision) and confirming and ordering the levy and collection of the annual assessment for Fiscal Year 2009-10 pursuant to the Improvement Act of 1911.

Resolution No. 2009-117 is on file in the Office of the City Clerk.

PUBLIC HEARING - Landscape Maintenance Districts for Fiscal Year 2009-10, re Landscape Maintenance Districts A, B, C, D, E, F, G, H/H1, J, K, L, M, N, O, P, Q, R, S, T, U, V, W, 01-06, 02-06, 03-06, 04-06, 05-06, 06-06, 07-06, 09-06, 11-06, 01-07, and 02-07.

RESOLUTIONS - Ordering and/or staying the levy and collection for Fiscal Year 2009-10 [A-170-075-050 through -057/-059 through -079/-081/-083/-084/-085]

The hour of 7:00 p.m. having arrived, Mayor Bosetti opened the public hearing regarding the assessments for Landscape Maintenance Districts (LMD) A, B, C, D, E, F, G, H/H1, J, K, L, M, N, O, P, Q, R, S, T, U, V, W, 01-06, 02-06, 03-06, 04-06, 05-06, 06-06, 07-06, 09-06, 11-06, 01-07, and 02-07, including the levy and/or staying the levy and collection for fiscal year 2009-10.

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

Affidavit of Publication - Notice of Public Hearing

Deputy City Clerk Mize advised that no protests were received.

Transportation and Engineering Director Crane provided highlights of the Report to City Council dated July 1, 2009, incorporated herein by reference, relating that Landscape Maintenance Districts (LMD) AA®, AB®, and AC® have no escalation clause and assessments have remained unchanged since fiscal year 1997-98; that LMDs AG®, AH1", AJ®, AL®, AS®, AT®, 01-06, 02-06, 04-06, 06-06, and 01-07 assessments are reduced due to an existing account balance, and LMDs AD®, AE®, AF®, AH®, AK®, AM®, AN®, AO®, AP®, AQ®, AR®, AU®, AV®, 07-06, 09-06, and 02-07 are increased by an annual inflation adjustment tied to the A20 Cities

Construction Cost Index® from the most recent March Engineering News Record. He stated that because the landscaping has not yet been accepted by the City, LMDs AW®, 03-06, 05-06, and 11-06 will be maintained by the developer until such acceptance, and that the order for levy will be stayed for fiscal year 2009-10.

Mr. Crane noted that Landscape Maintenance District “H” was advertised as LMD “H” and LMD “H-1”. LMD “H-1” is actually a part of LMD H (Zone 1) and is not a district unto itself; therefore, “H-1” does not exist (except within LMD “H”). This has been corrected in the resolution confirming the annual assessment and levy amount for LMD “H, Zone 1”.

Mr. Crane recommended that resolutions be adopted confirming the maps in the Engineer-s Reports for the LMDs and ordering levy and collection of the assessments for the LMDs as set forth above, and staying the levy as set forth above pursuant to the Landscaping and Lighting Act of 1972 (commencing with Section 22500 of the Streets and Highways Code).

City Manager Starman advised that correspondence regarding LMD AD® had been received from Pat Hersom earlier in the day and was provided to Council Members this evening. Mrs. Hersom, Redding resident, addressed the Council stating that damage caused by July 2008 lighting storms had never been cleaned up. Mrs. Hersom stated that she and her husband own 1.78 acres in LMD AD®, most of which has been deemed open space, and have hired a landscape contractor to clean up their property. Ms. Hersom submitted documents protesting the validity of Landscape Maintenance District AD® and subsequent levies, and asked for findings, in writing, on issues in the written material, and resolution of same.

City Attorney Duvernay responded that formation of special assessment districts is a multi-step process in which cities must follow constitutional requirements and state statutes, pursuant to Proposition 218. The most important step is the formation of a district, which requires rigorous notice, a public hearing, and a voting process. Once it is formed and in place, annual subsequent hearings are only to confirm assessments and transmit levy information to the County for collection. Mr. Duvernay counseled that issues raised at this meeting are not proper or timely since the statute of limitations is 30 days from the formation of a district, which in this case was in 2005, therefore time for protests has long expired. Since districts do not have to be reformed every year, it would not be proper for the City Council to make the findings Mrs. Hersom requested. Mr. Duvernay concluded that all necessary findings, with full transparency, will be made when forming landscape maintenance districts in the future.

Mr. Richard Lamken, Redding resident, offered an analogy depicting a city and a contractor who find that only one-third of contracted services have been provided when the contract term is ending. He wondered if questions would be asked about services not performed. He stated that he finds himself in that very situation and questioned why the assessment in LMD AV® is increasing when previous year-s services have not been acceptable and appropriate city staff has been notified. He asked for an explanation for the increase in the 2009-10 levy amount.

Transportation and Engineering Director Crane responded that proposed levy amounts are calculated based on estimates received from contract providers, with small administration costs, and compared to the allowable annual inflation adjustment as defined during the formation of the district, which is based on the A20 Cities Construction Cost Index®.

In response to Mayor Bosetti, regarding a situation with excessive weeds, missing plants, and a watering malfunction, Dan Cannon, Parks Superintendent, noted that the problems have been remedied, with the exception of plant replacement. He advised that the contractor plans to complete the replanting during the fall, when cooler weather will increase the probability of plant survival.

Mr. Mike Freeman, Redding resident, opposed the levy increase for LMD AV® and the Engineer-s report, and opined that contract requirements in fiscal year 2008-09 had not been fulfilled, providing photographs to support his point. He did not feel that services provided were a fair value for fees collected and questioned why the levy was increasing if services were not.

City Manager Starman and Transportation and Engineering Director Crane reiterated that levies are reduced in the following year if actual cost of services for a district is less than the assessment; that all districts are analyzed every year; and that for fiscal year 2009-10, eleven of thirty-four districts had levies reduced from allowable proposed assessment amounts.

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

Council Member Jones questioned if there was a wide-spread problem with landscape maintenance issues.

Support Services Director Kersten addressed existing contract performance issues and stated that the City currently has a Request-for-Proposal out for providing landscape maintenance.

City Manager Starman responded that, in general, City contracts have performance criteria and breach of contract provisions and that previous performance is evaluated as part of the bid process, but that issues brought up at this meeting have been resolved and the City cannot reduce compensation under the current contract.

City Attorney Duvernay commented on the feasibility of reducing current proposed levies below estimated actual costs, additional requirements on city crews to fill the gap, and the need for a thorough evaluation of the existing contractor before making a valid decision.

Council Member Stegall stated that the City Council is concerned about landscape maintenance performance issues and will address this situation. Ms. Stegall noted that city crews are already under duress due to staff layoffs dictated by economic conditions, and she felt it unwise to promise additional landscape maintenance work from this source.

Council Member Dickerson recused himself from voting on this item to avoid a conflict of interest.

MOTION: Made by Council Member Stegall, seconded by Council Member Jones, adopting:

Resolution No. 2009-118, a resolution of the City Council of the City of Redding confirming the maps of Landscape Maintenance District AA@ contained in the Engineer's Report, and ordering the levy and collection of annual assessments for fiscal year 2009-10 in the amount of \$29.46 per lot pursuant to the Landscaping and Lighting Act of 1972 (commencing with Section 22500 of the Streets and Highways Code).

Resolution No. 2009-119, a resolution of the City Council of the City of Redding confirming the maps of Landscape Maintenance District AB@ contained in the Engineer's Report, and ordering the levy and collection of annual assessments for fiscal year 2009-10 in the amount of \$71.00 per lot pursuant to the Landscaping and Lighting Act of 1972 (commencing with Section 22500 of the Streets and Highways Code).

Resolution No. 2009-120, a resolution of the City Council of the City of Redding confirming the maps of Landscape Maintenance District AC@ contained in the Engineer's Report, and ordering the levy and collection of annual assessments for fiscal year 2009-10 in the amount of \$7.46 per lot pursuant to the Landscaping and Lighting Act of 1972 (commencing with Section 22500 of the Streets and Highways Code);

Resolution No. 2009-121, a resolution of the City Council of the City of Redding confirming the maps of Landscape Maintenance District AD@, the Vistas, contained in the Engineer's Report, and ordering the levy and collection of annual assessments for fiscal year 2009-10 in the amount of \$703.64 per lot pursuant to the Landscaping and Lighting Act of 1972 (commencing with Section 22500 of the Streets and Highways Code).

Resolution No. 2009-122, a resolution of the City Council of the City of Redding confirming the maps of Landscape Maintenance District AE@, Blue Shield, contained in the Engineer's Report, and ordering the levy and collection of annual assessments for fiscal year 2009-10 in the amount of \$7,537.16 per lot pursuant to the Landscaping and Lighting Act of 1972 (commencing with Section 22500 of the Streets and Highways Code).

Resolution No. 2009-123, a resolution of the City Council of the City of Redding confirming the maps of Landscape Maintenance District AF@, Placer Pines, contained in the Engineer's Report, and ordering the levy and collection of annual assessments for fiscal year 2009-10 in the amount of \$162.46 per lot pursuant to the Landscaping and Lighting Act of 1972 (commencing with Section 22500 of the Streets and Highways Code).

Resolution No. 2009-124, a resolution of the City Council of the City of Redding confirming the maps of Landscape Maintenance District AG@, Quail Run, contained in the Engineer's Report, and ordering the levy and collection of annual assessments for fiscal year 2009-10 in the amount of \$97.34 per lot pursuant to the Landscaping and Lighting Act of 1972 (commencing with Section 22500 of the Streets and Highways Code).

Resolution No. 2009-125, a resolution of the City Council of the City of Redding confirming the maps of Landscape Maintenance District AH@, Clover Creek Village, contained in the Engineer's Report, and ordering the levy and collection of annual assessments for fiscal year 2009-10 in the amount of \$159.18 per lot pursuant to the Landscaping and Lighting Act of 1972 (commencing with Section 22500 of the Streets and Highways Code).

Resolution No. 2009-126, a resolution of the City Council of the City of Redding confirming the maps of Landscape Maintenance District AH, Zone 1@, Clover Creek Village, contained in the Engineer's Report, and ordering the levy and collection of annual assessments for fiscal year 2009-10 in the amount of \$66.90 per lot pursuant to the Landscaping and Lighting Act of 1972 (commencing with Section 22500 of the Streets and Highways Code).

Resolution No. 2009-127, a resolution of the City Council of the City of Redding confirming the maps of Landscape Maintenance District AJ@, Sunset Avenues Units 1 and 2, contained in the Engineer's Report, and ordering the levy and collection of annual assessments for fiscal year 2009-10 in the amount of \$331.96 per lot pursuant to the Landscaping and Lighting Act of 1972 (commencing with Section 22500 of the Streets and Highways Code).

Resolution No. 2009-128, a resolution of the City Council of the City of Redding confirming the maps of Landscape Maintenance District AK@, Nob Hill, contained in the Engineer's Report, and ordering the levy and collection of annual assessments for fiscal year 2009-10 in the amount of \$265.66 per lot pursuant to the Landscaping and Lighting Act of 1972 (commencing with Section 22500 of the Streets and Highways Code).

Resolution No. 2009-129, a resolution of the City Council of the City of Redding confirming the maps of Landscape Maintenance District AL@, Terra Vista Estates, contained in the Engineer's Report, and ordering the levy and collection of annual assessments for fiscal year 2009-10 in the amount of \$262.62 per lot pursuant to the Landscaping and Lighting Act of 1972 (commencing with Section 22500 of the Streets and Highways Code).

Resolution No. 2009-130, a resolution of the City Council of the City of Redding confirming the maps of Landscape Maintenance District AM@, Parkview/Leland, contained in the Engineer's Report, and ordering the levy and collection of annual assessments for fiscal year 2009-10 in the amount of \$276.96 per lot pursuant to the Landscaping and Lighting Act of 1972 (commencing with Section 22500 of the Streets and Highways Code).

Resolution No. 2009-131, a resolution of the City Council of the City of Redding confirming the maps of Landscape Maintenance District AN@, Villages at Shasta View Gardens, contained in the Engineer's Report, and ordering the levy and collection of annual assessments for fiscal year 2009-10 in the amount of \$53.98 per lot pursuant to the Landscaping and Lighting Act of 1972 (commencing with Section 22500 of the Streets and Highways Code).

Resolution No. 2009-132, a resolution of the City Council of the City of Redding confirming the maps of Landscape Maintenance District AO@, Nicolet Estates, contained in the Engineer's Report, and ordering the levy and collection of annual assessments for fiscal year 2009-10 in the amount of \$942.38 per lot pursuant to the Landscaping and Lighting Act of 1972 (commencing with Section 22500 of the Streets and Highways Code).

Resolution No. 2009-133, a resolution of the City Council of the City of Redding confirming the maps of Landscape Maintenance District AP@, Mill Pond Estates, contained in the Engineer's Report, and ordering the levy and collection of annual assessments for fiscal year 2009-10 in the amount of \$585.06 per lot pursuant to the Landscaping and Lighting Act of 1972 (commencing with Section 22500 of the Streets and Highways Code).

Resolution No. 2009-134, a resolution of the City Council of the City of Redding confirming the maps of Landscape Maintenance District AQ@, Clover Acres Unit 1 and 2, contained in the Engineer's Report, and ordering the levy and collection of annual assessments for fiscal year 2009-10 in the amount of \$204.86 per lot pursuant to the Landscaping and Lighting Act of 1972 (commencing with Section 22500 of the Streets and Highways Code).

Resolution No. 2009-135, a resolution of the City Council of the City of Redding confirming the maps of Landscape Maintenance District AR@, Cerro Vista, contained in the Engineer's Report, and ordering the levy and collection of annual assessments for fiscal year 2009-10 in the amount of \$288.40 per lot pursuant to the Landscaping and Lighting Act of 1972 (commencing with Section 22500 of the Streets and Highways Code).

Resolution No. 2009-136, a resolution of the City Council of the City of Redding confirming the maps of Landscape Maintenance District AS@, Fleur Du Lac Unit 1, contained in the Engineer's Report, and ordering the levy and collection of annual assessments for fiscal year 2009-10 in the amount of \$179.72 per lot pursuant to the Landscaping and Lighting Act of 1972 (commencing with Section 22500 of the Streets and Highways Code).

Resolution No. 2009-137, a resolution of the City Council of the City of Redding confirming the maps of Landscape Maintenance District AT@, Redwood Meadows, contained in the Engineer's Report, and ordering the levy and collection of annual assessments for fiscal year 2009-10 in the amount of \$583.80 per lot pursuant to the Landscaping and Lighting Act of 1972 (commencing with Section 22500 of the Streets and Highways Code).

Resolution No. 2009-138, a resolution of the City Council of the City of Redding confirming the maps of Landscape Maintenance District AU@, Bel Air Estates, contained in the Engineer's Report, and ordering the levy and collection of annual assessments for fiscal year 2009-10 in the amount of \$104.36 per lot pursuant to the Landscaping and Lighting Act of 1972 (commencing with Section 22500 of the Streets and Highways Code).

Resolution No. 2009-139, a resolution of the City Council of the City of Redding confirming the maps of Landscape Maintenance District AV@, Lakeside Avenues, contained in the Engineer's Report, and ordering the levy and collection of annual assessments for fiscal year 2009-10 in the amount of \$534.74 per lot pursuant to the Landscaping and Lighting Act of 1972 (commencing with Section 22500 of the Streets and Highways Code).

Resolution No. 2009-140, a resolution of the City Council of the City of Redding confirming the maps of Landscape Maintenance District AW@, Crown Meadows Estates Unit 2, contained in the Engineer's Report, and approving the annual assessments for fiscal year 2009-10 in the amount of \$131.08 per lot pursuant to the Landscaping and Lighting Act of 1972 (commencing with Section 22500 of the Streets and Highways Code) and staying the levy of same for fiscal year 2009-10.

Resolution No. 2009-141, a resolution of the City Council of the City of Redding confirming the maps of Landscape Maintenance District 01-06, Tarmac Ridge Villas, contained in the Engineer's Report, and ordering the levy and collection of annual assessments for fiscal year 2009-10 in the amount of \$192.22 per lot pursuant to the Landscaping and Lighting Act of 1972 (commencing with Section 22500 of the Streets and Highways Code).

Resolution No. 2009-142, a resolution of the City Council of the City of Redding confirming the maps of Landscape Maintenance District 02-06, Galaxy Way, contained in the Engineer's Report, and ordering the levy and collection of annual assessments for fiscal year 2009-10 in the amount of \$358.98 per lot pursuant to the Landscaping and Lighting Act of 1972 (commencing with Section 22500 of the Streets and Highways Code).

Resolution No. 2009-143, a resolution of the City Council of the City of Redding confirming the maps of Landscape Maintenance District 03-06, Hope Lane, contained in the Engineer's Report, and approving the annual assessments for fiscal year 2009-10 in the amount of \$400.96 per lot pursuant to the Landscaping and Lighting Act of 1972 (commencing with Section 22500 of the Streets and Highways Code) and staying the levy of same for fiscal year 2009-10.

Resolution No. 2009-144, a resolution of the City Council of the City of Redding confirming the maps of Landscape Maintenance District 04-06, Rivercrest Estates, contained in the Engineer's Report, and ordering the levy and collection of annual assessments for fiscal year 2009-10 in the amount of \$276.34 per lot pursuant to the Landscaping and Lighting Act of 1972 (commencing with Section 22500 of the Streets and Highways Code).

Resolution No. 2009-145, a resolution of the City Council of the City of Redding confirming the maps of Landscape Maintenance District 05-06, Monopoly Estates, contained in the Engineer's Report, and approving the annual assessments for fiscal year 2009-10 in the amount of \$740.20 per lot pursuant to the Landscaping and Lighting Act of 1972 (commencing with Section 22500 of the Streets and Highways Code) and staying the levy of same for fiscal year 2009-10.

Resolution No. 2009-146, a resolution of the City Council of the City of Redding confirming the maps of Landscape Maintenance District 06-06, Lowes HIW, contained in the Engineer's Report, and ordering the levy and collection of annual assessments for fiscal year 2009-10 in the amount of \$9,474.20 per lot pursuant to the Landscaping and Lighting Act of 1972 (commencing with Section 22500 of the Streets and Highways Code).

Resolution No. 2009-147, a resolution of the City Council of the City of Redding confirming the maps of Landscape Maintenance District 07-06, Buckeye Pines, contained in the Engineer's Report, and ordering the levy and collection of annual assessments for fiscal year 2009-10 in the amount of \$522.68 per lot pursuant to the Landscaping and Lighting Act of 1972 (commencing with Section 22500 of the Streets and Highways Code).

Resolution No. 2009-148, a resolution of the City Council of the City of Redding confirming the maps of Landscape Maintenance District 09-06, Buenaventura Park (formerly Airpark Manor), contained in the Engineer's Report, and ordering the levy and collection of annual assessments for fiscal year 2009-10 in the amount of \$459.90 per lot pursuant to the Landscaping and Lighting Act of 1972 (commencing with Section 22500 of the Streets and Highways Code).

Resolution No. 2009-149, a resolution of the City Council of the City of Redding confirming the maps of Landscape Maintenance District 11-06, Tuscany Villas, contained in the Engineer's Report, and approving the annual assessments for fiscal year 2009-10 in the amount of \$259.92 per lot pursuant to the Landscaping and Lighting Act of 1972 (commencing with Section 22500 of the Streets and Highways Code) and staying the levy of same for fiscal year 2009-10.

Resolution No. 2009-150, a resolution of the City Council of the City of Redding confirming the maps of Landscape Maintenance District 01-07, State Compensation Insurance, contained in the Engineer's Report, and ordering the levy and collection of annual assessments for fiscal year 2009-10 in the amount of \$594.56 per lot pursuant to the Landscaping and Lighting Act of 1972 (commencing with Section 22500 of the Streets and Highways Code).

Resolution No. 2009-151, a resolution of the City Council of the City of Redding confirming the maps of Landscape Maintenance District 02-07, Hilltop Center, contained in the Engineer's Report, and ordering the levy and collection of annual assessments for fiscal year 2009-10 in the amount of \$581.46 per lot pursuant to the Landscaping and Lighting Act of 1972 (commencing with Section 22500 of the Streets and Highways Code).

The Vote:

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

Resolution Nos. 2009-118 through 2009-151 are on file in the Office of the City Clerk.

PUBLIC HEARING - Westridge Master Plan

ORDINANCE - Rezoning Application RZ-11-03

RESOLUTION - Certification of the Revised Final Environmental Impact Report (FEIR) EIR-2-03 and Mitigation Monitoring and Reporting Program;

RESOLUTION - Initiation of annexation and detachment proceedings AN-1-04 (Greenview and Campo Calle areas);

RESOLUTION - Approve Tentative Subdivision Map S-04-04, Westridge II Subdivision

RESOLUTION - Approve Tentative Subdivision Map S-19-03, Westridge III and Park In-Lieu Fee Credit Agreement; and

RESOLUTION - General Plan Amendments GPA-7-03 and GPA-3-04

(S-101-068/S-101-073/L-010-075/G-030-010/L-010-230/A-150)

The hour of 7:00 p.m. having arrived, Mayor Bosetti reopened the public hearing continued from June 16, 2009, regarding the Westridge Master Plan: Certification of the Revised Final Environmental Impact Report (FEIR) EIR-2-03; Initiation of annexation proceedings AN-1-04; General Plan Amendments GPA-7-03 and GPA-3-04; Rezoning Application RZ-11-03; and Tentative Subdivision Maps S-04-04, Westridge II by Guiton, Gerboth and Guiton; and S-19-03, Westridge III by Greenview Development, Inc., located northeast of Power Line Road, east of Placer Road, and west of the Canyon Creek Road terminus at Blazingwood 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

Development Services Director Hamilton recalled that this item was presented to Council in great detail at the previous meeting. He provided highlights of the Report to the City Council dated July 21, 2009, incorporated herein by reference, noting that responses to letters submitted to Council on June 16, 2009, from Friends of Canyon Creek and the Sierra Club are included as "Attachment C". He gave a PowerPoint presentation reviewing the actions being presented for Council's consideration, which included: (1) Certification of the Revised Final Environmental Impact Report (FEIR) EIR-2-03; (2) Initiation of annexation proceedings AN-1-04; (3) General Plan Amendments GPA-7-03 and GPA-3-04; (4) Rezoning Application RZ-11-03; and (5) Tentative Subdivision Maps S-04-04, Westridge II with 66 lots, and S-19-03, Westridge III with 132 lots and a Facilities Impact Fee Credit Agreement with Greenview Development to construct park improvements on 13 acres of land within the Westridge Estates Subdivisions.

Mr. Hamilton reiterated that the City's Master Sewer Plan had been modified to reduce any environmental impact to the Canyon Creek stream corridor and is now proposed for the ridgeline above Canyon Creek, to include the construction of a lift station, and noted that the current line design crosses parcels of private property.

Mr. Hamilton explained that with the various recommendations, certain findings must be made as follows:

1. Project is compatible with the Redding General Plan;
2. Project will not significantly alter existing land form;
3. Project is compatible with surrounding land use;
4. Project is compatible with the Code of the City of Redding, California
5. Final Environmental Impact Report (FEIR) has been completed in conformance with the California Environmental Quality Act (CEQA)
6. FEIR was presented to the City Council, who reviewed and considered the information contained in the FEIR
7. There is no substantial evidence that the Project, as proposed, together with the mitigations listed in the FEIR, will have a significant effect on the environment
8. FEIR reflects the City's independent judgment and analysis
9. That pursuant to Government Code Section 66473.7(e), the Centerville Community Services District has the ability to deliver treated water to the Project at full buildout

Mr. Hamilton recommended that the City Council: (1) adopt a resolution making findings and certifying the completeness and adequacy of Revised Environmental Impact Report EIR-2-03 prepared for the Westridge Master Plan and Annexation Area Project, and adopting the Mitigation Monitoring and Reporting Program for the Westridge Master Plan Project; (2) adopt a resolution making findings and approving Tentative Subdivision Map Application S-4-04 for the Westridge II Subdivision Project subject to Conditions of Approval by Guiton, Gerboth, and Guiton; (3) adopt a resolution making findings and approving Tentative Subdivision Map Application S-19-03 for the Westridge III Subdivision Project subject to Conditions of Approval and approving the Park In-Lieu Fee Agreement with Greenview Development, Inc. for construction of a 13-acre park site as set forth in the Westridge Master Plan; (4) adopt a resolution requesting that the Local Agency Formation Commission (LAFCO) initiate proceedings for the reorganization of territory for Annexation No. AN-1-04 (Westridge Master Plan - Greenview and Campo Calle areas and detachment of County Service Area No. 15 - Street Lighting and County Service Area No. 1 - Fire Protection), generally located east of Placer Road, northeast of Power Line Road, and west of Canyon Creek Road terminus at Blazingwood Drive; (5) offer an ordinance for first reading and waive the full reading, amending Redding Municipal Code Section 18.01.050 (Zoning Map) by approving Rezoning Application RZ-11-03, rezoning and pre-zoning property identified as the Westridge Master Plan and Annexation Area site generally located northeast of Power Line Road, east of Placer Road, and west of Canyon Creek Road terminus at Blazingwood Drive, rezoning from "RS-2" and "RS-3" Residential Single Family District to "RS-3" Residential Single Family District and "OS" Open Space District and pre-zoning to "RE-1" Residential Estate District, "RS-3" Residential Single Family District, and "OS" Open Space District, and (6) adopt a resolution approving General Plan Amendment Applications GPA-7-03 and GPA-3-04.

Bruce Waggoner, Sierra Club, opined that sufficient availability of water to support this project is uncertain and suggested the possibility of initiating future litigation.

Susan Weale, Friends of Canyon Creek, asked questions regarding annexation, sewer, park size, and water customers.

Bill Cox, ranch owner, objected to eminent domain procedures and his perceived loss of privacy resulting from this project. Mr. Cox stated that no face-to-face negotiations have taken place between him and the project developers regarding obtaining his land.

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

Council Member Jones asserted that he would continue to oppose this development to be consistent with previous actions and because the annexation represents urban sprawl, and maintained that the developer had an obligation to successfully negotiate with Mr. Cox in good faith and failure to do so would not justify any eminent domain action; therefore he would not support the findings or resolutions on this item.

Director Hamilton explained the City's findings of adequate water supply in detail and described sewer line easement responsibility and developers' alternatives.

City Attorney Duvernay responded that there were no legal requirements that would prevent Council from approving this project and that it was fairly common for large projects to have offsite improvements and for a project to be conditioned on acquiring easements from neighbors. Mr. Duvernay clarified that eminent domain is a last resort, which requires the City's satisfaction that all reasonable effort has been exhausted before a Resolution of Necessity would be brought before Council, and further relayed that the law allows property owners to hire an appraiser of their choice for a second opinion at the City's expense.

Council Members Dickerson and Stegall stated their strong opposition to eminent domain proceedings.

MOTION: Made by Council Member Dickerson, seconded by Council Member Stegall, adopting Resolution No. 2009-152 certifying Revised Final Environmental Impact Report EIR-2-03; adopting Resolution No. 2009-153 amending the General Plan Diagram by adopting General Plan Amendments GPA-7-03 and GPA-3-04; adopting Resolution No. 2009-154 approving Tentative Subdivision Map Application S-19-03, subject to the Conditions of Approval, and approving a Park Fee Credit Agreement for the Westridge III

Subdivision project; adopting Resolution No. 2009-155 approving Tentative Subdivision Map Application S-4-04, subject to the Conditions of Approval, for the Westridge II Subdivision project; adopting Resolution No. 2009-156 requesting Local Agency Formation Commission approval of Annexation Application AN-1-04 (Greenview and Campo Calle Area), resolutions of the City Council of the City of Redding.

The Vote:

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

Resolution Nos. 2009-152 through 156 are on file in the Office of the City Clerk.

Council Member Dickerson offered Ordinance No. 2437 for first reading, an ordinance of the City Council of the City of Redding, amending the zoning map of the Redding Municipal Code as described in Rezoning Application RZ-11-03.

MOTION: Made by Council Member Dickerson, seconded by Council Member Stegall, that the full reading of Ordinance No. 2382 be waived, and that the City Attorney be instructed to read the full title. The Vote:

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

PRIVATIZATION AD HOC COMMITTEE

[B-080]

City Manager Starman recalled that the City has successfully privatized a number of services in the past, e.g., animal regulation, library, transit, and museums. In addition, the Community Services Advisory Commission (CSAC) has recently undertaken an evaluation process regarding privatization of the Convention Center and/or the Convention and Visitors Bureau. Mr. Starman relayed that Mayor Bosetti requested Council discussion on creating an ad hoc committee to conduct a review of City services relative to privatization.

Mayor Bosetti observed that current economic conditions demand creative solutions and supported the formation of an ad hoc committee.

Council Member McArthur supported formation of a committee to explore ways to stretch taxpayer dollars.

Council Member Dickerson concurred that examining all possibilities for reducing operational expenses (including privatization) is a good idea, although he questioned the efficiency of delivery of services. Mr. Dickerson expressed concern that a committee would be asked to do the Council's work and preferred that the City Council hold special meetings to gather unfiltered ideas from the public. He favored Council's completion of this analysis as opposed to a committee.

Council Member Stegall agreed that possibilities for privatization are worth considering and affirmed that it was Council's responsibility to complete the research and analysis.

Council Member Jones concurred with Ms. Stegall and Mr. Dickerson, and favored Council's study of this topic.

Ms. McArthur favored citizen involvement in exploring this subject, liking it to the recent (REU) Utility Billing Review Committee.

Mayor Bosetti recommended that Council Members each appoint an individual with a specific skill set for the information gathering process, to provide expertise in areas of City operations, so that a comprehensive and balanced analysis can be completed and submitted for a Council decision.

MOTION: Made by Council Member McArthur, seconded by Council Member Jones, to establish a 10 member ad hoc committee, comprised of the five City Council Members and five individuals appointed by Council Members, to (1) conduct a high-level review of how

the City currently provides various services; (2) identify three to six specific services that could benefit from privatization; (3) develop a comprehensive list of “pros and cons” associated with each idea; and (4) report back to City Council within six months with recommendations.

The Vote:

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

NOES: Council Members - Stegall

ABSTAIN: Council Members - None

ABSENT: Council Members - None

PERSONNEL COSTS

[A-050-060-555]

City Manager Starman provided background information on the percentage of total General Fund budget expenditures for employee salaries and benefits for fiscal year 2009-10. He pointed out that the City is a service organization, and, as is typical for cities, counties, and schools, the bulk of operating expenses is employee related. Mr. Starman noted that costs may increase over time due to conditions beyond the City’s control, such as health care, health insurance, CalPers rates, and pensions.

Mr. Starman relayed Mayor Bosetti’s observation that the City of Vallejo has encountered financial difficulty associated with salary and benefit costs increasing disproportionately to revenue, and noted that the Mayor’s objective is to constrain personnel costs in order to avoid this problem. Mr. Starman noted that the Mayor proposed a City Council Policy stating that it is the Council’s intention to cap personnel costs at a pre-determined percentage of the total General Fund budget.

Mayor Bosetti stated that the City Attorney had confirmed that no legal obstruction existed to setting a fixed number for personnel costs and opened the item to Council discussion.

Council Member Jones supported the idea and questioned how fluctuating annual grant funds affect the projections for personnel costs and if projections were available for future years.

Mr. Starman responded that some positions are paid for via grant funds and annual fluctuations could distort the 70.4% figure stated in the staff report from year-to-year. Although analysis for future years was not yet complete, Mr. Starman felt it would be reasonable to believe that the trend of increases of aforementioned costs would continue over time.

City Manager Starman cautioned the Council against unintentionally restricting the City’s ability to respond to unanticipated changes in economic and operational circumstances by setting a hard number on personnel costs, citing issues in state government as an example of rigid formulas resulting in unintended consequences.

Council Member Stegall likened this potential policy to the City Council Policy that guides the contingency reserve on the General Fund, and stated her support for an intent policy.

Council Member Dickerson did not think a policy was needed to declare intent because Council’s intent is demonstrated by its actions, but would concede if Council was in majority. Mr. Dickerson cited existing City Council Policy 206 and suggested an amendment versus a new policy. Mr. Dickerson further recognized that personnel costs must be controlled and only questioned the method, not the concept.

Council Member McArthur supported the suggested new Council Policy and referenced her experience in the private sector.

Mayor Bosetti directed City Manager Starman to provide a proposal for Council’s review, and interjected his concern over anticipated funding requirements for CalPers.

Mr. Starman advised that he would provide a proposal for Council’s review in two to four weeks.

BOARDS, COMMISSIONS, AND COMMITTEES - Role and responsibility of Council Members who serve on various boards and commissions

[B-080]

City Manager Starman introduced this topic at Mayor Bosetti's request and commented on an article published by the Institute for Local Government Ethics Project entitled, "*Balancing Local and Regional Interests When You're Asked to Serve Both*", which was attached to the staff report.

Mr. Starman noted that City Council Members are asked to sit on various boards and serve as liaisons to City departments and provided a list of current Council responsibilities.

Mayor Bosetti stated that a letter, with attachments, signed by Council Member Dickerson in his capacity as Chair of Shasta County's Regional Transportation Planning Agency (RTPA), had prompted concerns about direct competition between the City and RTPA for federal highway money. He questioned the legitimacy of the document's use by the RTPA and a possible conflict of interest.

Council Member Dickerson rebutted that there was no conflict in signing the RTPA's application for state funds to improve I-5, which benefits residents of all local cities-including Redding. The RTPA is charged with receiving and dispensing federal and state dollars for transportation projects within Shasta County, and, as the RABA representative and current chair of that agency, he was bound to ask for available funding. Mr. Dickerson stated that Dan Little, RTPA Executive Director, had adhered to principals adopted by the RTPA board and had acted within the authority given to him by the board.

Council Member Stegall stated that when serving on boards and committees, as all Council Members do, one cannot be territorial and must act as a board member, not a council member, ultimately voting their conscience based on what is good for the whole. She further opined that Mr. Dickerson had served the RTPA board appropriately.

Council Member Jones observed that a key point in this discussion was the competition between City of Redding and RTPA interests for the same limited state funds.

Mr. Dickerson responded that the heart of the issue was regarding Council Members serving on boards, and whether their responsibility is to that board or to the City Council.

The discussion ended without action.

DESIGNATION OF VOTING DELEGATE/ALTERNATE - 2009 Annual League of California Cities Conference

[L-040-150]

City Manager Starman related that the 2009 Annual League of California Cities Conference will be held in San Jose on September 16-18, 2009, and the City must select a voting delegate and alternate for the Conference and provide this information to the League by August 21, 2009.

Mr. Starman relayed that Council Member McArthur is planning to attend the meeting in her capacity as Council liaison alternate for the League of California Cities and has agreed to serve as the City's voting delegate. Mr. Starman is also planning to attend the meeting and offered to serve as the voting alternate, at the Council's pleasure.

MOTION: Made by Council Member Stegall, seconded by Council Member Jones, appointing Council Member McArthur as voting delegate for the 2009 Annual League of California Cities Conference in San Jose on September 16-18, 2009, and appointing City Manager Starman as voting alternate.

The Vote: Unanimous Ayes

REDDING TOURISM MARKETING BUSINESS IMPROVEMENT DISTRICT RENEWAL

[A-170-015-004]

Support Services Director Kersten advised that state law requires that a Public Meeting be held to receive public comment regarding renewal of the Redding Tourism Marketing Business Improvement District (TMBID) and recommended that Council hold the Public Meeting in consideration of such renewal at this Council meeting.

Mr. Kersten stated that the TMBID had been successful over the last year and had generated \$380,000, which was partly used to advertise and promote Redding as a tourist destination area. He also relayed his belief that these efforts had mitigated some effects of the economic recession because Redding has not experienced a steep drop in TOT taxes as seen in other cities; Redding has had a year-over-year decline of approximately 8 percent versus 25-45 percent as observed in other communities. Mr. Kersten relayed that representatives from the lodging properties within the TMBID have expressed support for the renewal of the district for an 18-month period beginning July 1, 2009. He informed Council that the purpose of this public meeting was to see if there was any public testimony relative to the renewal as outlined above. As also required by state law, a Public Hearing for this item is scheduled for August 4, 2009.

MOTION: Made by Council Member Stegall, seconded by Council Member Jones to hold a public meeting to receive public comment in consideration of the renewal of the Tourism Marketing Business Improvement District.

The Vote: Unanimous Ayes

No members of the public requested to speak at the public meeting.

INTEGRATED LAND MANAGEMENT SYSTEM (ILMS)

[B-130-070/A-070-400/A-050-122/A-050-120]

Development Services Director Hamilton provided a PowerPoint presentation describing the Integrated Land Management System (ILMS) software, a program designed to manage development of community land use, which is a topic that has been under Council consideration since 2005. Mr. Hamilton outlined details of the background, implementation alternatives, and fiscal impact of improvements to the City's land use management capabilities as reflected in the staff report, which is incorporated herein by reference.

Mr. Hamilton recommended that EnerGov Solutions, LLC, be selected as the single source vendor for the ILMS project in compliance with Section 4.20.080(5) of the Redding Municipal Code and that Council direct staff to return with a budget resolution establishing a five-year financing program in an amount not-to-exceed \$1,010,000 to fund Alternative 1. He further recommended that an allocation of an additional \$302,000 for the purchase of computer hardware and software services necessary to support system implementation be authorized.

Mr. Brian Hoefler applauded the idea of improving land use management but opposed ILMS, opining that a fair bid/request for proposal process was not used and recommended that a full RFP process be utilized to consider local partnering solutions.

MOTION: Made by Council Member Stegall, seconded by Council Member McArthur, to (1) select EnerGov Solutions, LLC, as sole source provider for Integrated Land Management System software and computer system in compliance with Redding Municipal Code 4.20.080(5); (2) authorize City Manager to negotiate an agreement for same in an amount not-to-exceed \$1,010,000; (3) allocate an additional \$302,000 to purchase computer hardware and software for necessary support; and (4) to direct staff to return with a resolution establishing a five-year financing program to fund a full system implementation and maintenance.

The Vote:

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

NOES: Council Members - Jones

ABSTAIN: Council Members - None

ABSENT: Council Members - None

IDENTITY THEFT PREVENTION PROGRAM

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

Electric Utility Director Hauser recalled that Resolution No. 2009-37 was adopted on April 21, 2009, establishing City Council Policy No. 1413 that implemented an Identity Theft Prevention Program as required by the Fair and Accurate Transactions Act of 2003, because City of Redding utilities are considered creditors by definition of the Federal Trade Commission. At Council's direction, staff provided an additional public review period after implementation of the approved program to allow customer input and additional recommendations regarding the collection of personal information necessary for fraud check requests. Mr. Hauser reported that no public comments had been received and recommended that full implementation of the program be completed.

Gary Cadd questioned the security of any data transfer and suggested that only the last four digits of customers' social security number be used.

Responding to comments, City Attorney Duvernay clarified the difference between a public hearing and public testimony regarding regular action items on a posted agenda and pertinent Brown Act requirements.

MOTION: Made by Council Member Jones, seconded by Council Member Stegall, to accept staff's informational report and allow completion of the implementation of the Identity Theft Prevention Program as required by the Fair and Accurate Credit Transactions Act of 2003.

The Vote: Unanimous Ayes

ICE BEAR THERMAL ENERGY STORAGE SYSTEMS

[B-050-100/E-120]

Electric Utility Director Hauser showed a video detailing the function and benefits of Thermal Energy Storage (TES) Systems. As outlined in the staff report, incorporated herein by reference, Ice Bear TES Systems shift consumption to off-peak periods, thereby reducing the amount of costly peak power Redding Electric Utility (REU) must purchase to meet customers' peak demand requirements. Mr. Hauser highlighted the technical aspects of TES technology, pointing out that ice storage receives significant California Title 24 energy credits.

Based on substantial research, REU's unique load characteristics, and evaluations of numerous technologies and products, including the performance of existing TES systems in Redding, Director Hauser recommended that Council authorize the purchase of 50 Ice Bear 30 (IB30) TES systems from Ice Energy, Inc, for installation at City and customer facilities in the amount of \$451,556.25.

In response to Council Member Jones, Mr. Hauser explained that the purchase of the units would be funded through REU's state-mandated, energy efficiency funds under the existing Public Benefits Program and the amended Section 9615 of the Public Utilities Code per Assembly Bill 2021 regarding new program development requirements, and would not affect any monies designated for specific use(s) by the Utility Billing Review Committee (UBRC).

In response to Council Member McArthur, Mr. Hauser relayed that the IB30 units could be used on large residential to moderate commercial size buildings, further offering that Redding has thousands of potential sites to utilize this technology.

Council Member Dickerson inquired how REU would determine locations for unit installation and how interested parties could apply for a unit. Mr. Hauser stated that locations with the lowest installation cost to highest estimated benefit ratios will be emphasized and encouraged interested parties to contact REU for information or evaluation.

MOTION: Made by Council Member McArthur, seconded by Council Member Jones, to authorize Redding Electric Utility (REU) staff to execute a Sales Agreement in the amount of \$451,556.25, through REU Public Benefit Program to purchase fifty Ice Bear 30 thermal energy storage systems from Ice Energy, Inc., to reduce peak demand costs.

The Vote: Unanimous Ayes

TRANSMISSION AGENCY OF NORTHERN CALIFORNIA (TANC)

[E-120-250]

Electric Utility Director Hauser briefly referenced recent events leading to TANC's termination of the high-voltage transmission project, as outlined in the staff report, and noted Western Area Power Authority's action in kind from a federal notice standpoint. Mr. Hauser recommended that the City notify TANC in writing, to officially end its support for the exploratory phase of the project, cap expenses, and terminate its participation in the proposed transmission project.

Mr. Steven Kerns, speaker, asserted that the original agreement with TANC was approved as a single-page consent calendar item and opined that there should have been more up-front discussion.

Council Member Dickerson responded that the referenced consent calendar item was an authorization to study a potential transmission line, which ultimately revealed issues that

led to the conclusion related by Mr. Hauser, and that no misinformation or lack of information to Council ever occurred; and, Council had in fact discussed the TANC project several times prior to the meeting at which it approved the study as a consent item. Mr. Dickerson explained that research done on this project met criteria for state and federally mandated action to explore alternative sources for cheap, green energy and that REU met part of that responsibility through its agreement with TANC to look at the possibility of a high-voltage transmission line.

Donna Caldwell, speaker, thanked Council for terminating the TANC project.

MOTION: Made by Council Member Jones, seconded by Council Member Stegall, to notify the Transmission Agency of Northern California that the City of Redding is terminating its participation in the high-voltage transmission project entered into under a Project Development Agreement (C-4894) in 2008.

The Vote: Unanimous Ayes

COMMERCIAL VENDOR LICENSE AGREEMENT FOR MOBILE VENDORS AT REDDING AIRPORTS

[A-070-080/A-090-100/A-090-020]

Transportation and Engineering Director Crane advised that Redding Municipal Code requires vendors who use the Airport for revenue-producing activities to receive City Council approval. Numerous mobile vendors provide sales and service to on-airport businesses and hangar tenants. The purposed vendor license agreement would approve the form of the license agreement in advance and authorize the Airports Manager to execute the agreements. He noted that this action would streamline the licensing process and benefit the Airport, the vendors, and the tenants who use their services.

Council Member McArthur inquired about City liability and screening of airport vendors.

City Manager Starman described the card-key entry system and other security measures currently in operation at the airport and noted that the vendor license agreement is a component of the City's overall program to maximize airport security.

City Attorney Duvernay responded that the vendor license agreement contains an indemnification provision that protects the City and that vendors carry their own insurance.

Transportation and Engineering Director Crane clarified that vendors have a screening process for their employees which is conducted prior to them receiving badge access to the airport.

MOTION: Made by Council Member McArthur, seconded by Council Member Jones, to approve Commercial Vendor License Agreement form for mobile vendors who provide sales and services to on-airport businesses and hangar tenants and authorize the Airports Manager to execute all future agreements.

The Vote: Unanimous Ayes

TRANSPORTATION INFRASTRUCTURE GENERATING ECONOMIC RECOVERY (TIGER) GRANT APPLICATION

[G-100-070]

Transportation and Engineering Director Crane provided background information regarding the American Recovery and Reinvestment Act (ARRA), the \$1.5 billion Transportation Investment Generating Economic Recovery (TIGER) discretionary grant program, and the California Department of Transportation (Caltrans) guidelines for application submittal to the U.S. Department of Transportation (USDOT). He further outlined the types of eligible projects throughout the state and nation, the intent of the program, and applicable deadlines. Mr. Crane recalled that the Oasis Road Interchange had been identified as the City's highest priority ARRA transportation candidate project.

Mr. Crane recommended that the City Council authorize staff to submit a TIGER grant application for the reconstruction of the Oasis Road Interchange and authorize the City Manager to sign a mutual letter of general support for the City of Anderson and the Regional Transportation Planning Agency (RTPA) TIGER grant applications, in order to increase project viability for all three applications. The City of Anderson has identified the Deschutes Road interchange and RTPA has designated the South Redding Six (widening of I-5) as priority projects.

Mary Machado, Shasta Voices, stated full support for the City of Redding's TIGER grant application and the Oasis Road Interchange Reconstruction. Ms. Machado also expressed support for the Deschutes Road Interchange project, but opposed the identification of the South Redding Six project as appropriate for TIGER grant funding.

MOTION: Made by Council Member McArthur, seconded by Council Member Stegall, to authorize staff to submit an application for a Transportation Investment Generating Economic Recovery (TIGER) Discretionary Grant through the American Recovery and Reinvestment Act for the construction of the Oasis Road Interchange and authorize the City Manager to sign a reciprocal letter of general support for like applications that will be submitted by the City of Anderson and the Shasta County Regional Transportation Planning Agency (RTPA).

The Vote: Unanimous Ayes

EMPLOYMENT AND BENEFIT POLICIES FOR UNREPRESENTED EMPLOYEES

[P-100-050-100]

Electric Utility Director recalled that language in Article 3.13 of the Employment and Benefit Policies for Unrepresented Employees relating to emergency call-out pay was adopted on November 18, 2008, by Resolution 2008-183, noting that the resolution stated that the language was to sunset in May 2009.

Mr. Hauser recommended that a new resolution be adopted to extend the provision to sunset when an agreement is reached with the International Brotherhood of Electrical Workers-Electric, Local 1245.

MOTION: Made by Council Member Jones, seconded by Council Member McArthur, to adopt Resolution No. 2009-157 amending the language in Article 3.13 of the Employment and Benefit Policies for Unrepresented Employees to extend the provision for specific Electric Department Distribution Division employees emergency call-out pay (as adopted on November 18, 2008, by Resolution 2008-183) to sunset when an agreement is reached with the International Brotherhood of Electrical Workers-Electric, Local 1245.

The Vote: Unanimous Ayes

PUBLIC COMMENT REOPENED

[B-080]

Carl Arness recalled that he had served the City as a staff member for 27 years and as a Council Member for four years and had witnessed many conversations dealing with difficult issues. Mr. Arness stated that he thought the discussion this evening regarding the role and responsibility of Council Members who serve on various boards and commissions was irresponsible, and it reminded him of a comment someone made to him about "what is good for the City isn't necessarily good for the community, but what is good for the community is probably good for the City of Redding".

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

[A-050-060]

Mayor Bosetti and Council Member Dickerson reported attending the Local Government Summit on Governance & Fiscal Reform in Sacramento, California, on July 17-19, 2009.

ADJOURNMENT

There being no further business, at the hour of 11:07 p.m., Mayor Bosetti declared the meeting adjourned.

APPROVED

Mayor

ATTEST

Deputy City Clerk