

City Council, Regular Meeting
 Civic Center Council Chambers
 777 Cypress Avenue
 Redding, California
 May 4, 2010 6:00 p.m.

The Pledge of Allegiance to the Flag was led by Rob Burroughs.

The Invocation was offered by Police Chaplain Cyndee Thomas.

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

Also present were City Manager Starman, City Attorney Duvernay, Assistant City Manager Tippin, Transportation and Engineering Director Crane, Development Services Director Hamilton, Deputy City Clerk Mize, and Executive Assistant Grimm. The City Manager introduced all Department Directors that were present.

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PRESENTATION - West Point Military Academy

[A-050-060]

Jason Parker, a member of Congressman Herger’s Service Academy Selection Committee, gave a Power Point presentation regarding West Point Military Academy and the nomination process.

PRESENTATION- Mayor’s Proclamation regarding *AmeriCorps Week*

[A-050-060-600]

Mayor Jones presented a Mayor’s Proclamation plaque to Julie Wright on behalf of AmeriCorps, and declared May 8 through May 15, 2010, as *AmeriCorps Week*.

PRESENTATION - NorCal Bicycle Coalition regarding *Bike to Work Week*

[A-050-060]

Sara Sundquist and Tamy Quigley gave a Power Point presentation and provided information on bicycle paths in Redding and *Bike to Work Week* events being held May 14 through May 21, 2010.

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CONSENT CALENDAR

The following matters were considered inclusively under the Consent Calendar:

Approval of Minutes - Special meeting of March 15, 2010; and Regular meeting of April 20, 2010

Approval of Payroll and Accounts Payable Registers

[A-050-100-500]

It is the recommendation of the Finance Director that the City Council approve Accounts Payable Register No. 20, for check numbers 882759 through 883188, inclusive, ACH Transfer numbers 6786 through 6834, inclusive, and Wire Transfer numbers 2261 through 2276, inclusive, for a total of \$12,882,517.75, for the period of April 19, 2010, through April 30, 2010; and Payroll Register No. 21, for electronic deposit transaction numbers 277470 through 278293, inclusive, and check numbers 546330 through 546419, inclusive, in the amount of \$2,537,243.99, for the period April 4, 2010, through April 17, 2010.
 TOTAL: \$15,419,761.74

Treasurer's Report - March 2010

[A-050-100-600]

It is the recommendation of the City Treasurer that the City Council accept the Treasurer’s Report for the month of March 2010.

Total Treasurer's Accountability	-	\$133,708,351.79
Total City of Redding Funds, Funds Held in Trust, and Funds of Related Entities	-	\$225,671,780.36

ACR133 Report and Cash Reconciliation - March 2010

[F-205-095-650]

It is the recommendation of the Finance Director that the City Council accept the ACR133 Report and the Proof of Cash Reconciliation for March 2010.

Ordinance - Redevelopment Plan for the Canby-Hilltop-Cypress Project Area

[R-030-050-653]

It is the recommendation of the Assistant City Manager that the City Council adopt Ordinance No. 2454, an ordinance of the City Council of the City of Redding amending Ordinances (listed within) establishing and amending certain limitations with respect to the redevelopment plan for the Canby-Hilltop-Cypress Redevelopment Project area.

Ordinance - Redevelopment Plan for the Market Street Redevelopment Project Area

[R-030-145-652]

It is the recommendation of the Assistant City Manager that the City Council adopt Ordinance No. 2455, an ordinance of the City Council of the City of Redding amending Ordinances (listed within) establishing and amending certain limitations with respect to the Redevelopment Plan for the Market Street Redevelopment Project Area

Ordinance - Rezoning Application RZ-2-10

[L-010-230/C-110-100]

It is the recommendation of the Development Services Director that the City Council adopt Ordinance No. 2456, an ordinance of the City Council of the City of Redding amending Redding Municipal Code Title 7 - *Animals*, Section 7.04.120 - *Fowl and Gnawing Mammals*, and Title 18 - *Zoning*, Chapter 18.43 - *Standards for Specific Land Uses*, Section 18.43.040 - *Animals*, under Rezoning Application RZ-2-10, relating to the keeping of chickens.

The Vote:

AYES: Council Members - Bosetti, Stegall, and Jones

NOES: Council Members - Dickerson and McArthur

ABSTAIN: Council Members - None

ABSENT: Council Members - None

Project Status Report - April 2010

[A-050-080]

It is the recommendation of the City Manager that the City Council accept the Project Status Report for the month of April 2010.

Monthly Financial Report - Redding Electric Utility - March 2010

[B-130-070]

It is the recommendation of the Electric Utility Director that the City Council accept the Redding Electric Utility's Monthly Financial Report for March 2010. Billed retail revenue through March was \$108,857 or 0.2% above projections for the nine-month period and total wholesale sales were \$26,817,502 or 163.7% above projections. Overall, operating revenue through March came in \$27,415,778 or 30.5% above plan. The combined costs for generation, purchases from the Western Area Power Administration, contracts, and the spot market were \$28,182,918 or 44.0% above budget projections through March. Total operating expenses through March were \$3,611,593 or 16.9% below budget. The Utility's net operating results for the first nine months of the fiscal year are positive, as anticipated, and are \$2,844,453 better than budget projections. Capital expenditures through March were \$2,161,964 for revenue-funded projects and \$20,159,472 for bond-funded projects, most of which was for construction of the Redding Power Plant Generating Unit No. 6.

Bid Schedule No. 4210 - Electrical Infrastructure for Redding Power Plant Generating Unit No. 6

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

It is the recommendation of the Electric Utility Director that the City Council approve an increase to the contingency amount for the construction contract with Stephens Electrical, Inc., and authorize the City Manager, or his designee, to approve project construction change orders for Bid Schedule No. 4210, Electrical Infrastructure for Redding Power Plant Generating Unit No. 6, up to a revised not-to-exceed total of \$300,000.

Real Estate Purchase and Sale Agreement - For a portion of Meadow Creek Park (A-1-10)
[A-010-080]

It is the recommendation of the Community Services Director that the City Council approve a Real Estate Purchase and Sale Agreement with Billy and Laura Zirkle for approximately 3,263 square feet of real property at Meadow Creek Park (A-1-10), located at 6433 Oxbow Street (APN 050-660-009) for the purchase price of \$1,800, to be paid to the Park Development Fund, plus required improvements valued at \$3,500.

Lease Extension - Police Investigations Facility
[A-070-075/P-150-150/M-010-200]

It is the recommendation of the Chief of Police that the City Council approve a lease (C-3216) extension for the Police Investigations Facility located at 1516 Market Street, for an additional three-year period, to May 31, 2013, with the option to extend for two additional one-year periods at no increase in cost.

Monthly Financial Report - General Fund - March 2010
[B-130-070]

It is the recommendation of the Finance Director that the City Council accept the General Fund's Monthly Financial Report for March 2010. Total revenue to date is \$38.9 million or \$1,121,561 (2.9%) above staff's cash flow projection. Expenditures at month end, excluding encumbrances, total \$49,513,969 or \$5,447,820 (10.0%) below staff's projection. Encumbrances at month-end total \$1,043,340.

Award of Bid - Bid Schedule No. 4318 (Job No. 2362), 2010 Replace Asphalt Concrete (AC) Surfacing Project
[B-050-020]

It is the recommendation of the Transportation and Engineering Director that the City Council award Bid Schedule No. 4318 (Job No. 2362), 2010 Replace Asphalt Concrete (AC) Surfacing project, to Steve Manning Construction, Inc., in the amount of \$387,783; that an additional \$40,000 be approved for administration and inspection fees; and that \$115,000 be approved to provide construction contingency funding, for a total of \$572,783.

License Agreements - Experimental Aircraft Association and Hillside Aviation
[A-070-080/A-090-020]

It is the recommendation of the Transportation and Engineering Director that the City Council approve License Agreements (C-3100), with the Experimental Aircraft Association and Hillside Aviation for use of a portion of Benton Airpark to hold Aviation Day 2010, and authorize the Mayor to execute the license agreements.

Resolution - Accepting Streets in Highland Park Subdivision, Unit 1 (S-18-05)
[S-101-102/S-070-230]

It is the recommendation of the Transportation and Engineering Director that the City Council adopt Resolution No. 2010-43, a resolution of the City Council of the City of Redding accepting the streets in the Highland Park Subdivision, Unit 1 (S-18-05), for maintenance and operation.

Award of Bid - Bid Schedule No. 4321, Seven Automated Side-loaders; and
Authorize Sale - Fleet Nos. 01308, 01309, and 01387 from Residential Collection Division, and Fleet Nos. 01385, 01419, and 01473 from the Resource Recovery Division
[B-050-100/S-020-100]

It is the recommendation of the Municipal Utilities Director that the City Council: (1) reject the low bid of \$444,803.76 from Western Truck Parts & Equipment Company (Western) as non-responsive; (2) award Bid Schedule No. 4321, for two automated side-loaders to Western in the amount of \$467,003.67; (3) authorize exercising the City's option to purchase five additional units as provided in the bid specification for a total of seven units for a delivery cost of \$1,638,773.12; and (4) authorize sale of Fleet Nos. 01308, 01309, and 01387 from Residential Collection Division and Fleet Nos. 01385, 01419, and 01473 from the Resource Recovery Division, and deposit of surplus sale proceeds into the Solid Waste Utility's Rolling Stock Fund.

A MOTION WAS MADE by Council Member McArthur, seconded by Council Member Stegall, that the foregoing items on the Consent Calendar be approved and adopted as recommended, with the exception of the item(s) approved by separate vote as indicated above. The Vote:

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

Ordinance Nos. 2454 through 2456 and Resolution No. 2010-43 are on file in the Office of the City Clerk.

PUBLIC HEARING - 2010-14 Consolidated Plan; and
RESOLUTION - Accepting the Plan and authorizing submission to the U.S. Department of Housing and Urban Development

[G-100-030-100]

Assistant City Manager Tippin summarized the Report to City Council (staff report) dated April 20, 2010, incorporated herein by reference, and noted that no comments on the proposed plan had been received to-date. Mr. Tippin recommended that the Council adopt a resolution accepting the 2010-14 Consolidated Plan and authorizing the City Manager, or his designee, to sign all the necessary documents and submit the Plan to the U.S. Department of Housing and Urban Development.

At the hour of 6:37 p.m., Mayor Jones opened the public hearing to consider the 2010-14 Consolidated Plan and the 2010-11 Action Plan relating to Community Development Block Grant (CDBG) funding and HOME Investment Partnership Program (HOME) funding through the U.S. Department of Housing and Urban Development.

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 had been received.

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

A MOTION WAS MADE by Council Member Stegall, seconded by Council Member McArthur, adopting Resolution No. 2010-44, a resolution of the City Council of the City of Redding accepting the 2010-14 Consolidated Plan and authorizing the City Manager, or his designee, to sign all necessary documents and forward to the U.S. Department of Housing and Urban Development. The Vote:

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

Resolution No. 2010-44 is on file in the Office of the City Clerk.

PUBLIC HEARING - 2010-11 Action Plan; and
RESOLUTION - Accepting the Plan and authorizing submission to the U.S. Department of Housing and Urban Development

[G-100-030-100/G-100-030-055/G-100-075]

Assistant City Manager Tippin summarized the Report to City Council (staff report) dated April 20, 2010, incorporated herein by reference, and called out proposed Community Development Block Grant (CDBG) and Home Investment Partnerships Program (HOME) funding allocations for Fiscal Year 2010-11. Mr. Tippin recommended that the Council adopt a resolution accepting the 2010-11 Action Plan and authorizing the City Manager, or his designee, to sign all the necessary documents and submit the Plan to the U.S. Department of Housing and Urban Development (HUD).

At the hour of 6:37 p.m., Mayor Jones opened the public hearing to consider the 2010-14 Consolidated Plan and the 2010-11 Action Plan relating to CDBG funding and HOME Program funding through HUD.

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 had been received.

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

A MOTION WAS MADE by Council Member Stegall, seconded by Council Member McArthur, adopting Resolution No. 2010-45, a resolution of the City Council of the City of Redding accepting the 2010-11 Action Plan; approving allocations of 2010-11 U.S. Department of Housing and Urban Development (HUD) funding in the amounts of \$901,175 to the Community Development Block Grant (CDBG) Program and \$596,985 to the Home Investment Partnership (HOME) Program; and authorizing the City Manager, or his designee, to sign all necessary documents and forward to HUD.

The Vote:

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

NOES: Council Members - None

ABSTAIN: Council Members - Dickerson

ABSENT: Council Members - None

Resolution No. 2010-45 is on file in the Office of the City Clerk.

PUBLIC HEARING - Rezoning Application RZ-3-10 to amend Redding Municipal Code Title 18 - *Zoning*, Chapter 18.36 - "*PF*" *Public Facilities District*; and ORDINANCE - Amending Section 18.36.010 - *Purpose*, Schedule 18.36.030.A - *Land Use Regulations* and Chapter 18.60.030 - *Public and Semipublic Use Classifications* [L-010-230/L-010-500-050]

Development Services Director Hamilton summarized the Report to City Council (staff report) dated April 20, 2010, incorporated herein by reference, stating that proposed amendments to the Code would list transitional and supportive housing in Schedule 18.36.030.A as allowable uses in the "PF" District to comply with recent changes to state law, and list commercial uses that are supportive of public uses as allowable in the "PF" District. Mr. Hamilton called out that the proposed Turtle Bay Exploration Park Hotel project, if approved, would be included among allowable commercial enterprises operating on public properties and gave examples such as Big League Dreams, and Fed-Ex and Peter Chu's Skyroom at the Redding Municipal Airport. He noted that he had unintentionally neglected to emphasize the connection of the proposed amendments to the Turtle Bay project at the Planning Commission meeting on April 13, 2010. Mr. Hamilton relayed that explicit language relating to commercial uses was inadvertently omitted when Schedule 18.36.030.A was adopted in 2002 and recommended that the Council make the required environmental findings, adopt an Addendum to the Zoning Mitigated Negative Declaration, and offer an ordinance amending Redding Municipal Code Title 18, Chapter 18.36, Schedule 18.36.030.A and Chapter 18.60.030, for first reading by title only. Mr. Hamilton also responded to questions from Council Members.

At the hour of 6:43 p.m., Mayor Jones opened the public hearing to consider proposed amendments to Redding Municipal Code Title 18 - *Zoning*, Chapter 18.36 - "*PF*" *Public Facilities District* under Rezoning Application RZ-3-10.

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 had been received.

Charles Alexander and Gary Cadd voiced objections to the ordinance change.

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

Mayor Jones and Council Member Bosetti expressed interest in returning the item to the Planning Commission for confirmation due to the connection to the high-profile, for-profit Turtle Bay Hotel project.

A MOTION WAS MADE by Mayor Jones, seconded by Council Member Bosetti, to return this item to the Planning Commission for further review.

The Vote:

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

Motion failed due to lack of majority vote.

Council Member Dickerson reiterated that the Turtle Bay Hotel project will be subject to review by the Planning Commission and the Community Services Advisory Committee during the normal course of the use permit process, if/when an application is submitted. He stated that he voted against sending this item back to the Planning Commission for that reason.

A MOTION WAS MADE by Council Member Stegall, seconded by Council Member McArthur, adopting the Addendum to the Zoning Mitigated Negative Declaration, subject to determinations and findings contained in the staff report, and offering Ordinance No. 2457 relating to transitional and supportive housing facilities and commercial uses for first reading, and waiving the full reading.

The Vote:

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

City Attorney Duvernay read the full title of the uncodified ordinance.

PUBLIC HEARING - Specific Plan Amendment (SPA-1-10), Downtown Redding Specific Plan; and

ORDINANCE - Adopting the Specific Plan Amendment and an Addendum to the Negative Declaration
 [G-030-140]

Development Services Director Hamilton summarized the Report to City Council (staff report) dated April 20, 2010, incorporated herein by reference, and provided a PowerPoint presentation depicting examples of historical "Character" signs as referenced in Attachment D of the staff report. Mr. Hamilton recommended that the Council make the required environmental findings, adopt an Addendum to the Downtown Redding Specific Plan Negative Declaration, and offer an ordinance amending the Downtown Redding Specific Plan (SPA-1-10) as approved by the Planning Commission on April 13, 2010, for first reading by title only.

At the hour of 6:57 p.m., Mayor Jones opened the public hearing to consider Specific Plan Amendment SPA-1-10, Downtown Redding Specific Plan.

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

Affidavit of Publication - Notice of Public Hearing

No protests were received.

Gary Cadd opined that Redding Redevelopment owned property in the Downtown area should be sold and proceeds used to pay off parking structure loans.

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

Staff answered Mayor Jones' questions.

A MOTION WAS MADE by Council Member Stegall, seconded by Council Member Bosetti, offering Ordinance No. 2458 adopting Specific Plan Amendment SPA-1-10, Downtown Redding Specific Plan amendments and an Addendum to the Negative Declaration, subject to determinations and findings contained in the staff report, for first reading and waiving the full reading. The Vote: Unanimous Ayes.

City Attorney Duvernay read the full title of the uncodified ordinance.

PUBLIC HEARING - General Plan Amendment GPA-1-10 and Rezoning Application RZ-1-10 by Randy Denham; and

RESOLUTION - Adopting an Addendum to the General Plan Environmental Impact Report and approving amendments to the Redding General Plan Community Development and Design Element (GPA-1-10); and

ORDINANCE - Amending Redding Municipal Code Title 18, adopting an Addendum to the Mitigated Negative Declaration for the Zoning Map, and adopting amendments to the Zoning Map of the City of Redding (RZ-1-10)

[G-030-010/^ L-010-230]

Development Services Director Hamilton summarized the Report to City Council (staff report) dated April 19, 2010, incorporated herein by reference, and described the North Market Street Focus Area of the General Plan as a visitor serving area that falls under "GC-VR" General Commercial-Visitor/Retail District restrictions. He relayed that the Planning Commission had found that a limited amount of additional automobile-oriented uses along the corridor would not be detrimental and had issued recommendations at its meeting on April 13, 2010, as detailed in the staff report. Mr. Hamilton recommended that the Council: (1) make the required environmental findings and adopt the Addendum to the General Plan Final Environmental Impact Report and the Addendum to the Zoning Map Mitigated Negative Declaration; (2) adopt a resolution amending the North Market Street Focus Area of the General Plan; and (3) offer an ordinance amending the City of Redding Zoning Map for first reading by title only. Mr. Hamilton also responded to questions from Council Members.

At the hour of 7:12 p.m., Mayor Jones opened the public hearing to consider General Plan Amendment GPA-1-10 and Rezoning Application RZ-1-10 by Randy Denham.

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

Deputy City Clerk Mize advised that Leslie Bryan had submitted a letter opposing the auto dealership expansion, and Roblee Irvine had sent an email favoring it.

Leslie Bryan opposed expansion of the existing Denham car dealership on North Market Street and urged Council to maintain the Miracle Mile as the northern gateway to the City and its focus as a primary tourist approach to parks, the trail system, museums, and the downtown boutique business district. Ms. Bryan further implored the Council to reinstate an unimproved lot on Loma Street to residential zoning, which is currently being used for Denham employee parking under a 22-year old unfulfilled use permit.

Charles Alexander supported expansion of the Denham auto dealership.

Chet Szymanski hoped that Council would consider this resolution with the same zeal as they had for the Turtle Bay Exploration Park Hotel and Restaurant at the last meeting.

Randy Denham stated that he had conversations with Mr. Hamilton and that concerns about the property behind the dealership will be addressed prior to any additional building on Market Street. He further stated that, due to the capital intensive nature of building an automobile dealership-which is more than just the building itself, a ten-year period is not a reasonable amount of time to recoup the investment of upgrading and developing a property that the community could be proud of. Responding to Council Member Dickerson, Mr. Denham conceded that employee parking could be relocated as part of the proposed expansion. Mr. Dickerson recommended that it be so.

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

A MOTION WAS MADE by Council Member Dickerson, seconded by Council Member McArthur, (1) adopting Resolution No. 2010-46 adopting an Addendum to the General Plan Final Environmental Impact Report and amendments to the Redding General Plan Community Development and Design Element (GPA-1-10) pertaining to the North Market Street Focus Area, subject to determinations and findings contained in the staff report and its attachments; (2) directing staff to work with Randy Denham to develop a fitting expansion; and (3) offering Ordinance No. 2459 adopting an Addendum to the Mitigated Negative Declaration prepared for the City of Redding Zoning Map and amendments to the City of Redding Zoning Map (RZ-1-10), rezoning certain parcels to be consistent with the policies of the North Market Street Focus Area of the General Plan, for first reading and waiving the full reading.

The Vote:

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

NOES: Council Members - None

ABSTAIN: Council Members - None

ABSENT: Council Members - None

City Attorney Duvernay read the full title of the uncodified ordinance.

Resolution No. 2010-46 is on file in the Office of the City Clerk.

BALLOT MEASURE - Pertaining to Retirement Benefits for City Employees
[A-050-060]

City Manager Starman introduced the Report to City Council (staff report) dated April 27, 2010, incorporated herein by reference, and opened Council discussion of City employee retirement benefits per Council Member Bosetti's request.

Council Member Bosetti stated that without trying to de-politicalize government worker benefit issues, no progress is being made. He asserted that labor unions, statewide, put forward candidates for office that favor their views. Mr. Bosetti concluded that he wants guidelines for retirement and health care benefits and significant raises to be set by the people of Redding.

Council Member Stegall agreed that changes were needed, but continued to strongly oppose a ballot measure. Ms. Stegall reiterated her viewpoint that modifications to health care and pension plans should be accomplished by negotiations between the elected City Council Members and union representatives. She also expressed her opinion that governing by initiative has failed repeatedly at the state government level. Ms. Stegall cautioned that this action would be disruptive and polarizing, and potentially unsuccessful.

Council Member McArthur supported a ballot measure, stating a general preference for asking the people what they think. Ms. McArthur commented that she wanted to hear from the people.

Council Member Dickerson advised that an initiative was more than asking the people what they think about a topic. He emphasized that initiatives make laws that cannot be changed without voter approval and oftentimes have unintended negative consequences, citing state initiatives Prop 98, Prop 13, and term limits as examples. Mr. Dickerson opposed a ballot measure and warned that expensive litigation and limitations on the Council's ability to govern as they see fit could be unintended results. He agreed that changes must be made to City employee's retirement and health care systems, but opposed tying the hands of elected representatives to govern as circumstances and conditions change.

Mayor Jones favored a ballot measure, saying that he does not want to "keep kicking the can down the road." He opined that dealing with City budget issues in twelve month segments does not work and that now is the opportune time to implement a long-term fix. Mr. Jones stated agreement with Council Member Bosetti's opinion that current benefits levels are not sustainable.

Council Members had further discussion and staff answered questions regarding fire personnel budget expenses.

Dave Law, Will Williams, Alice Hinson, Gary Moeckli, Rich Bates, and Francie Sullivan voiced concerns and opposed a ballot measure.

Dick Fieden, John Dixon, Bill Miller, Gary Cadd, and Dan Bowie expressed opinions relating to economic conditions, senior city staff, and city services.

A MOTION WAS MADE by Council Member McArthur, seconded by Council Member Bosetti, directing staff to move forward with an initiative relating to city employee retirement benefits and develop a detailed staff report and proposed ballot language for the November 2010 ballot. The Vote:

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

GENERAL FUND BUDGET - Plan to reduce by approximately \$2.3 million
 [B-130-070]

City Manager Starman summarized the Report to City Council (staff report) dated April 27, 2010, incorporated herein by reference, noting significant reductions to several of the City's General Fund revenue sources. The staff report outlines Part Three of a strategy initiated in February 2010, and specifically addresses California Public Employees' Retirement System (CalPERS) costs and organizational changes needed to balance the General Fund budget. Mr. Starman highlighted that temporary concessions given by fire and police unions will expire soon and additional reductions will be necessary if they are not renewed. He recommended that the Council adopt the plan to reduce the General Fund budget by approximately \$2.3 million, authorize the City Manager to implement proposed reductions and organizational modifications as soon as practical, and provide flexibility to account for unanticipated events such as retirements or additional savings elsewhere in the organization.

Scott Mayberry, Sarah Tumelson, Tyler Lanham, Chris Mills, and Michael Allen opposed staff reductions and objected to Council majority's insistence on union concessions to CalPERS contributions and their refusal to negotiate in good faith or consider any other budget reducing actions.

A MOTION WAS MADE by Council Member Dickerson, seconded by Council Member Stegall, rejecting all budget cuts contained in the staff report and directing staff to reopen negotiations with all union bargaining units. The Vote:

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

Motion failed due to lack of majority vote.

Council Member Dickerson stated that he could not vote for layoffs in the name of budget reductions when Council has refused all monetary concessions offered by employees over the last two months. He maintained that making a political point and the idea of gaining a perceived advantage in future negotiations is not what Council should be focused on at this time. Mr. Dickerson asserted that the primary responsibility of City government is to maintain city services and that is why workers are important, and he reiterated his desire to reopen negotiations with union representatives to find money to sustain services and mitigate staff reductions.

Council Member Stegall agreed with Mr. Dickerson's principal points and added that she opposed putting the community at risk to make a political point. She reiterated that it was a time to balance the budget, not a time to negotiate labor contracts. Ms. Stegall expressed her opinion that the City should be turning over every stone to find money to save essential city services and that the community's welfare was at stake.

Council Member McArthur stated that she did not support the motion because it was time to deal with looming financial issues and make people toe the line. She remarked on the need to control the budget going forward and opined that senior police staffers could give concessions to keep young officers on the job and avoid layoffs.

Council Member Bosetti explained that he was centered on the CalPERS contribution for purely financial reasons and gave an example of how much the City has to pay for a retiring police captain.

A MOTION WAS MADE by Council Member McArthur, seconded by Council Member Bosetti, approving Alternative No. 1 of the staff report to reduce the General Fund budget by approximately \$2.3 million, and authorizing the City Manager to implement budget reductions and organizational modifications as soon as practical, including related changes to job duties/titles and associated Executive Management Pay-for-Performance Salary Plan modifications. The Vote:

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

FIRST AMENDMENT TO AGREEMENT - PB Americas, Inc., related to the Cypress Avenue Bridge Project

[S-070-050-050]

Transportation and Engineering Director Crane summarized the Report to City Council (staff report) dated April 20, 2010, incorporated herein by reference, stating that a slow start caused issues as detailed in the staff report. Mr. Crane responded to questions from Council Members and recommended that the Council approve an \$880,000 contract increase and authorize the Mayor to execute an amendment to the Consultant Services Agreement (C-4672) with PB Americas, Inc., related to Bid Schedules 3987 and 3965 for the Cypress Avenue Bridge Replacement project, to allow continuation of uninterrupted construction management services through project completion.

A MOTION WAS MADE by Council Member McArthur, seconded by Council Member Bosetti, amending the Consultant Services Agreement (C-4672) with PB Americas, Inc., increasing the not-to-exceed amount of the Agreement by \$880,000 for construction management support on the Cypress Avenue Bridge Replacement project, and authorizing the Mayor to execute same. The Vote: Unanimous Ayes

ORDINANCE - Amending Redding Municipal Code Title 2 - *Administration and Personnel*, Chapter 2.16 - *City Clerk*

[A-050-055]

City Attorney Duvernay summarized the Report to City Council (staff report) dated April 23, 2010, incorporated herein by reference, and recommended that the Council introduce an ordinance amending Redding Municipal Code (RMC) Title 2, Chapter 2.16, relative to describing the duties and functions for the elected position of City Clerk and the appointed position of Administrator of the Office of the City Clerk, by title only and waive the full reading. Mr. Duvernay reviewed the background of RMC Title 2, which has not been amended for over 50 years, and the historical functioning of the office of the City Clerk over the last 30 years. He stated that based on Council's recent decision to maintain the City Clerk as an elected position, it would be appropriate to amend RMC Chapter 2.16 to clarify the separate and distinct duties of the elected position versus the administrator position and conform the Code to accurately reflect the current duties and functions of the two positions prior to the November 2010 election.

Council Member McArthur suggested that election duties be managed by the County Clerk's office and requested that the City Attorney research arrangements that the City of Anderson and the City of Shasta Lake appear to have for the County Clerk to perform as their election official.

Denise Young, Charles Alexander, Richard Fyten, Roy Martin, Gary Cadd, John Dixon, and Bill Miller expressed opinions supporting a fully functional elected City Clerk and opposed the bi-furcation of duties.

Council Members Stegall and Dickerson provided comments explaining the protection bifurcation of duties allows to mitigate the effects of an unqualified candidate being elected and noted that minimal standards exist to run for the elected position.

Mayor Jones stated he did not support bifurcation of the duties in the Office of the City Clerk and would vote no on this item.

A MOTION WAS MADE by Council Member Dickerson, seconded by Council Member Stegall, offering Ordinance No. 2460 amending Redding Municipal Code Title 2 - *Administration and Personnel*, Chapter 2.16 - *City Clerk*, by repealing Section 2.16.010 - *Duties* and adding new Sections 2.16.010 through 2.20.060, all relating to defining and describing the duties of the elected position and the administrator position in the Office of the City Clerk, for first reading and waiving the full reading.

The Vote:

AYES: Council Members - Dickerson, McArthur, and Stegall

NOES: Council Members - Bosetti and Jones

ABSTAIN: Council Members - None

ABSENT: Council Members - None

City Attorney Duvernay read the full title of the uncodified ordinance.

OFFER OF RESIGNATION - Office of the City Clerk – Consideration of Appointment
[A-050-055]

City Attorney Duvernay offered his resignation from the position of City Clerk, effective May 15, 2010, and recommended that the Council appoint Ms. Pamela Mize, Administrator of the Office of the City Clerk, to fill the unexpired term of the Office of the City Clerk, resulting from the retirement of Connie Strohmayer in June 2009, until the November 2010 General Election.

A MOTION WAS MADE by Council Member McArthur, seconded by Council Member Stegall, accepting the resignation of City Attorney Duvernay from the position of City Clerk and appointing Administrator of the Office of the City Clerk Mize to fill the unexpired term of the Office of the City Clerk until the November 2010 General Election.

The Vote: Unanimous Ayes

CLOSED SESSION

At the hour of 9:52 p.m., Mayor Jones announced that Council would adjourn to Closed Session.

At the hour of 10:46 p.m., Mayor Jones reconvened the Regular meeting to Open Session and reported on:

Closed session pursuant to California Government Code Section 54956.9(b)(3)(E):

CONFERENCE WITH LEGAL COUNSEL- THREATENED LITIGATION

The City Council will discuss with its attorney a threat of litigation from a developer re the Oasis Towne Center project. Documentation of the threat is available for public inspection in the Office of the City Clerk pursuant to Section 54957.5

[L-100]

The City Council did not take any reportable action on this item.

Closed session pursuant to California Government Code Section 54956.9(b)(3)(A):

CONFERENCE WITH LEGAL COUNSEL-ANTICIPATED LITIGATION

Significant exposure to litigation

Claim No. 10-089-874 by Campbell Properties for Sewer Backup at 630 Twin View Blvd.

[L-100]

By unanimous vote, the City Council authorized settlement of a sewer backup claim with Campbell Properties in the amount of \$32,651.79 with respect to an incident that occurred at 630 Twin View Boulevard on February 5, 2010.

Closed session pursuant to California Government Code Section 54957.6:

CONFERENCE WITH LABOR NEGOTIATOR

Designated Agency Representative: Personnel Director Speer

Employee Organization: All Represented and Unrepresented Employees

[P-100-050]

The City Council did not take any reportable action on this item.

ADJOURNMENT

There being no further business, Mayor Jones declared the meeting adjourned at the hour of 10:47 p.m.

APPROVED:

Mayor

ATTEST:

Deputy City Clerk