

City Council, Regular Meeting  
 Civic Center Council Chambers  
 777 Cypress Avenue  
 Redding, California  
 June 1, 2010 6:00 p.m.

The Pledge of Allegiance to the Flag was led by Dan Bowie.

The Invocation was offered by Police Chaplain Ray Foust.

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, Transportation and Engineering Director Crane, Development Services Director Hamilton, City Clerk Mize, and Executive Assistant Grimm. The City Manager introduced Department Directors that were in attendance: Detwiler, Hansen, Hauser, Kersten, Kreitman, Niemer, and Strong.

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PRESENTATION - Rob Middleton for service on the Economic Development Corporation of Shasta County  
 [B-080-150]

On behalf of the City Council and staff, Mayor Jones presented an Appreciation Clock to Rob Middleton and thanked him for 10 years of service on the Economic Development Corporation of Shasta County.

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CONSENT CALENDAR

The following matters were considered inclusively under the Consent Calendar:

Approval of Minutes - Special meetings of April 19, 2010, and May 18, 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. 22, for check numbers 883647 through 883964, inclusive, ACH Transfer numbers 6862 through 6906, inclusive, and Wire Transfer numbers 2314 through 2361, inclusive, for a total of \$14,035,808.42, for the period of May 17, 2010, through May 28, 2010; and Payroll Register No. 23, for electronic deposit transaction numbers 279270 through 280139, inclusive, and check numbers 546523 through 546628, inclusive, in the amount of \$2,639,754.19, for the period May 2, 2010, through May 15, 2010.

TOTAL: \$16,675,562.61

Treasurer's Report - April 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 April 2010.

|   |   |                  |
|---|---|------------------|
| Total Treasurer's Accountability  | - | \$133,487,230.77 |
| Total City of Redding Funds, Funds Held in Trust, and Funds of Related Entities | - | \$223,546,134.17 |

ACR133 Report and Cash Reconciliation - April 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 April 2010.

Project Status Report - May 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 May 2010.

Resolution - Extending time for retention of agency-owned property located at 1081 Lake Boulevard

[R-030-100]

It is the recommendation of the Assistant City Manager that the City Council adopt Resolution No. 2010-50, a resolution of the City Council of the City of Redding extending the time period for the commencement of physical development of housing affordable to persons and families of low and moderate income to July 26, 2015, during which the Redding Redevelopment Agency may retain property identified as Assessor's Parcel Number 114-060-032 (1081 Lake Boulevard), as allowed by California Health and Safety Code Section 33334.16.

Monthly Financial Report - Redding Electric Utility - April 2010

[B-130-070]

It is the recommendation of the Electric Utility Director that the City Council accept Redding Electric Utility's Monthly Financial Report for April 2010. Billed retail revenue through April was \$319,200 ( 0.4%) below projections for the ten-month period and total wholesale sales were \$28,285,300 (155.3%) above projections. Overall, operating revenue through April came in \$28,814,933 (29.1%) above plan. The combined costs for generation, purchases from the Western Area Power Administration, contracts, and the spot market were \$30,786,276 (43.7%) above budget projections through April. Total operating expenses through April were \$4,043,878 (17.1%) below budget. The Utility's net operating results for the first ten months of the fiscal year are positive and are \$2,072,535 better than budget projections. Debt service payments to-date total \$2,568,356. Capital expenditures through April were \$2,362,331 for revenue-funded projects and \$20,612,290 for bond-funded projects, most of which is for construction of Redding Power Plant Generating Unit No. 6, which continues to be within the approved budget. The electric utility unrestricted cash balance at the end of April was \$36.5 million.

Notice of Completion - Bid Schedule No. 4288 - Redding Power Plant Fuel Gas Piping Modifications

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

It is the recommendation of the Electric Utility Director that the City Council accept the subject construction contract performed by TNT Industrial Contractors as satisfactorily complete and authorize the City Clerk to file a Notice of Completion with the Shasta County Recorder. Final cost was \$129,502.

Zoning Amendment Application - to Shasta County requesting City-owned property located on Riverland Drive be designated as Open Space

[C-070]

It is the recommendation of the Community Services Director and the Community Services Advisory Commission that the City Council authorize submission of a rezoning application to Shasta County to change the designation of the City-owned parcel on Riverland Drive from Agriculture to Open Space. Letters of support for the rezoning application were received from Shasta Trinity Fly Fishers, California Native Plant Society, Churn Creek Bottom Home Owners Association and Friends, Wintu Audubon Society, and Shasta Land Trust.

Monthly Financial Report - General Fund - April 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 April 2010. Total revenue through April is \$43.5 million or \$1,040,273 (2.4%) above staff's cash flow projection. Expenditures at month end, excluding encumbrances, total \$54,220,837 or \$6,088,983 (10.1%) below staff's projection. Encumbrances total \$1,043,021.

Set Public Hearing - Adjustments to the Schedule of Fees and Service Charges

[F-205-600]

It is the recommendation of the Finance Director that the City Council set a public hearing for June 15, 2010, to consider adjustments to the City's Schedule of Fees and Service Charges.

Resolution - Summary Vacation - Churn Creek Road (A-3-09)

[A-010-100]

It is the recommendation of the Transportation and Engineering Director that the City Council adopt Resolution No. 2010-51, a resolution of the City Council of the City of Redding summarily vacating a portion of the old alignment of Churn Creek Road, south of Arizona Street and north of South Bonnyview Road.

Resolution - Summary Vacation - 608 Valleybrook Drive (A-2-09)

[A-010-040]

It is the recommendation of the Transportation and Engineering Director that the City Council adopt Resolution No. 2010-52, a resolution of the City Council of the City of Redding summarily vacating a portion of a 15-foot overflow easement on property located at 609 Valleybrook Drive.

Second Amendment to Lease Agreement - Williams Scotsman, Inc.

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

It is the recommendation of the Transportation and Engineering Director that the City Council approve the second amendment to the Lease Agreement (C-4390) with Williams Scotsman, Inc., to extend the agreement for the mobile office trailer at the Redding Municipal Airport for five years, to provide office space for the Transportation Security Administration.

Lease Agreement - U.S. General Services Administration

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

It is the recommendation of the Transportation and Engineering Director that the City Council approve the U.S. Government Lease for Real Property (C-4507) with the General Services Administration for the mobile office trailer located at the Redding Municipal Airport for use by the Transportation Security Administration (TSA) and authorize the Mayor to execute the agreement and the Airports Manager to initial where indicated; to provide the TSA with office space to meet its operational needs at the Redding Municipal Airport.

On-Call Consultants List - Professional Engineering and Architectural-related Services

[B-050-100/A-050-300]

It is the recommendation of the Transportation and Engineering Director that the City Council approve the list of qualified on-call consultants to provide professional engineering and architectural-related services, pursuant to City Council Policy No. 1501 - *Selection of Technical Consultants*, to expedite project delivery and reduce up-front costs associated with the preparation of individual Requests For Proposals for various projects.

Second Amendment to Agreement - SkyWest Airlines, Inc.

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

It is the recommendation of the Transportation and Engineering Director that the City Council approve the second amendment to the License and Permit for Commercial Activities (C-3628) with SkyWest Airlines, Inc., to adjust the covered exterior space used by SkyWest at the Redding Municipal Airport.

Award of Bid - Schedule No. 4333 (Job Nos. 2369 & 2361) - Parkview Neighborhood Alley Improvement Project

[B-050-020/S-070-020]

It is the recommendation of the Transportation and Engineering Director that the City Council award Bid Schedule No. 4333, to Fogle Enterprises, in the amount of \$189,228; that an additional \$40,000 be approved for administration and inspection fees and to obtain outside services for materials testing; and that \$30,000 be approved to provide construction contingency funding, for a total of \$303,228.

Award of Bid - Schedule No. 4335, three Live Floor Refuse Transfer Trailers; andAuthorize Sale of Surplus Equipment - Fleet Numbers 01301, 01647 and 01644

[B-050-100/B-050-100-700/S-020-650]

It is the recommendation of the Municipal Utilities Director that the City Council: (1) reject the four low bids from Interstate Manufacturing, Steco, General Trailer, and Mac Trailer Manufacturing as non-responsive; (2) award Bid Schedule No. 4335 to General Trailer for its next low, responsive bid of \$249,804.68; and (3) authorize the sale of Fleet Numbers 01301, 01647 and 01644 from the Transfer Station Division as surplus equipment and deposit the 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 above.

The Vote:

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

Resolution Nos. 2010-50 through 2010-52 are on file in the Office of the City Clerk.

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PUBLIC HEARING - Rezoning Application RZ-4-10; and  
ORDINANCE - Amending Title 18 *Zoning*, Chapter 18.31 *Residential Districts*, Section 18.31.030 *Site Development Regulations and Performance Standards*, Schedule 18.31.030-B *Density Regulations-Residential Uses*, relating to the density of projects affordable to lower income households; and adopting the Addendum to Zoning Ordinance Mitigated Negative Declaration

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

Development Services Director Hamilton summarized the Report to City Council (staff report) dated May 14, 2010, incorporated herein by reference, recalling that Council had adopted Resolution No. 2010-17 approving the 2009-2014 Housing Element Update on February 2, 2010. He pointed out that one crucial element is zoning enough land for medium and high-density, affordable housing. Mr. Hamilton described the creative approach proposed by the Development Services Department and requested that the Council consider rezoning Residential Multiple (RM) Family Districts RM-12, RM-15 and RM-18, in order to establish a base density of 20 residential units per acre for developments that reserve at least 35 percent of their units for lower income households, to encourage development of more affordable units and meet State Department of Housing and Community Development requirements. He relayed the Planning Commission’s recommendation to adopt the changes to the zoning ordinance and recommended that the Council adopt the Addendum to the Zoning Ordinance Mitigated Negative Declaration and adopt amendments to the “RM” Residential Multiple Family Districts by offering an ordinance for first reading by title only.

At the hour of 6:13 p.m., Mayor Jones opened the public hearing to consider Rezoning Application RZ-4-10, amending Zoning Code Chapter 18.31.

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

Affidavit of Publication - Notice of Public Hearing

No protests were 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 the Addendum to the Zoning Ordinance Mitigated Negative Declaration and adopting amendments to three Residential Multiple Family (“RM”) districts as detailed in Rezoning Application RZ-4-10, by introducing Ordinance No. 2461, an ordinance of the City Council of the City of Redding amending Title 18 *Zoning*, Chapter 18.31 *Residential Districts*, Section 18.31.030 *Site Development Regulations and Performance Standards*, Schedule 18.31.030-B *Density Regulations-Residential Uses*, relating to the density of projects affordable to lower income households, for first reading by title only and waiving the full reading. The Vote: Unanimous Ayes

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

PUBLIC HEARING - 2010 Edward Byrne Memorial Justice Assistance Grant (JAG) Application and Proposed Spending Plan; and

GRANT APPLICATION - U.S. Department of Justice [G-100-070/P-150-150]

Police Chief Hansen summarized the Report to City Council (staff report) dated May 14, 2010, incorporated herein by reference, and recommended that the Council approve application for, and accept award of, the 2010 grant from the U.S. Department of Justice in the amount of \$53,662, to be used to maintain Information Technology personnel for the Integrated Public Safety System, which is a joint agreement with the Shasta County Sheriff's Department and the Anderson Police Department for coordinated records management, a mobile data system, and communication between law enforcement vehicles.

At the hour of 6:16 p.m., Mayor Jones opened the public hearing to consider a proposed spending plan for funds available through the 2010 Edward Byrne Memorial Justice Assistance Grant from the U.S. Department of Justice, by the Redding Police Department.

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

Affidavit of Publication - Notice of Public Hearing

No protests were 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, approving application for and acceptance of the U.S. Department of Justice 2010 Edward Byrne Memorial Justice Assistance Grant in the amount of \$53,662 and approving the proposed spending plan for utilization of grant funds for support of Integrated Public Safety System personnel. The Vote: Unanimous Ayes

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APPOINTMENT - Shasta Public Library Citizens' Advisory Committee [B-080-600-244]

**A MOTION WAS MADE** by Council Member McArthur, seconded by Council Member Bosetti, approving the Mayor's recommendation to appoint Janet W. Albright to the Shasta Public Library Citizens' Advisory Committee to serve an unexpired term ending November 30, 2012. The Vote: Unanimous Ayes

CONTRACT - Haven Humane Society - Animal Regulation Services through 2015 [A-130-150]

Assistant to the City Manager Clark summarized the Report to City Council (staff report) dated May 21, 2010, incorporated herein by reference, outlining all the services provided by Haven Humane and noted the addition of the dog licensing program in October 2009. He recommended that the Council extend the current five-year agreement (C-1618) for another five years, through September 30, 2015. Staff responded to questions from Council Member McArthur.

**A MOTION WAS MADE** by Council Member McArthur, seconded by Council Member Stegall, approving a five-year contract extension with Haven Humane Society in the amount of \$600,840 annually, for the enforcement of Redding Municipal Code Title 7 - *Animals*, as related to animal regulation, through September 30, 2015. The Vote: Unanimous Ayes

AWARD OF BID - Bid Schedule 4331 - Mechanical Erection for Redding Power Plant Generating Unit No. 6 [B-050-020/E-120-150-676]

Electric Utility Director Hauser summarized the Report to City Council (staff report) dated May 25, 2010, incorporated herein by reference, and recommended that the Council: (1) award a contract to complete the mechanical erection of the Redding Power Plant Generating Unit No. 6, in the amount of \$3,739,215, to Cerrudo Services, Inc. (CSI); (2) authorize the Mayor to sign a standard City of Redding Public Works Agreement for Item No. 1 work; and (3) authorize the City Manager, or his designee, to approve project construction change orders, if needed, up to a not-to-exceed total of \$374,000 (10 percent of contract). Mr. Hauser observed that a protest to the bid award had been received from Performance Mechanical Inc. (PMI) and rebutted the allegations in PMI's letter of May 26, 2010,

maintaining that the bid from CSI was valid and responsive. The letter from PMI and the response letter from Redding Electric Utility were incorporated into the record by mention.

A. Robert Rosin, attorney for Performance Mechanical Inc. (PMI), addressed the Council and submitted documentation, incorporated herein by reference, reiterating that PMI submitted the lowest responsive bid from a qualified and responsible contractor.

Denny Hollison, PMI Quality Control Manager, commented on “S” stamp criteria and his 35 years of industry experience in the field.

Patrick Jones, PMI Senior Vice President, commented on bid requirements, “S” stamp certification process, Bay City Boiler, and Cerrudo Services, Inc.

Mike Teague, PMI General Manager, expressed his opinions about advantages a long-term and experienced contractor like PMI can provide and referenced the list of power plant projects that PMI has been involved with, as submitted in the above-referenced documentation packet.

John Wilson, PMI, commented on the company’s ability to perform and “S” stamp certification maintenance.

Robert A. Ellery, Bay City Boilers (BCB), asserted that BCB is a qualified company with over 20 years of “S” stamp certification and experience and a track record of work on 15 power plants.

Thomas Pervot, Cerrudo Services Inc. (CSI) owner, described his experiences as a federal contractor for 15 years, and mentioned some of the difficult protocol projects he had been involved with. He commented on his good experiences working with Bay City Boilers, who he asserted had successfully completed over 60 U.S. Army Corp. of Engineer jobs. Mr. Pervot stated that his bid documents had no disqualifying abnormalities and affirmed that CSI would complete the job to specifications and contract requirements.

Staff and company representatives responded to questions from Council Members.

**A MOTION WAS MADE** by Council Member Dickerson, seconded by Council Member Stegall, awarding Bid Schedule 4331, for completion of the mechanical erection of the Redding Power Plant Generating Unit No. 6, to Cerrudo Services Inc. (CSI), in the amount of \$3,739,215; and authorizing the Mayor to sign a Public Works Agreement with CSI; and authorizing the City Manager, or his designee, to approve construction change orders in an amount not-to-exceed \$374,000. The Vote:

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

**REDDING RANCHERIA** - Extension of Electrical Services to the Redding Rancheria [E-090]

Electric Utility Director Hauser summarized the Report to City Council (staff report) dated May 25, 2010, incorporated herein by reference, recalling that Redding Electric Utility and Redding Rancheria have been discussing electric services for over five years. Proposed Proposition 16 advertising, and possible imminent approval by California voters, has increased the level of urgency for the Rancheria to move forward on the issue. Mr. Hauser recommended that the Council approve the Tribal Council’s request and authorize REU to enter into an agreement to extend electrical services to the Rancheria.

**A MOTION WAS MADE** by Council Member Stegall, seconded by Council Member Bosetti, approving the request of the Tribal Council of the Redding Rancheria and authorizing the Redding Electric Director to enter into an agreement(s) with Redding Rancheria Utility Corporation (RRUCO) to extend electrical services to the Rancheria, provided that the agreement(s) include indemnification to the City of Redding for such services and are executed on or before June 4, 2010. The Vote: Unanimous Ayes

COUNCIL TRAVEL REPORT(S)

City Council Member attendance at conferences/meetings reimbursed at City expense  
 {Requirement of Assembly Bill 1234}  
 [A-050-060]

Council Member Stegall reported attending the Northern California Power Agency (NCPA) Federal Policy Forum in Washington, DC on April 24-28, 2010; and the NCPA Legislative and Regulatory Committee, the NCPA Commission Meeting, and a Solar Project Dedication in Middletown, CA on May 26-27, 2010.

CLOSED SESSION

At the hour of 8:02 p.m., Mayor Jones announced that Council would adjourn to Closed Session.

At the hour of 8:45 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 California Sportfishing Protection Alliance re the West Central Landfill and the Solid Waste Transfer Station. 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 54956.8:

CONFERENCE WITH REAL PROPERTY NEGOTIATOR

Property: 2810 West Street (APNs 104-450-001 & 022)

Agency Negotiators: City Manager Starman and Senior Redevelopment Project Coordinator Haddox

Negotiating Parties: City of Redding and FaithWORKS Community Coalition, Inc.

Under Negotiation: Price and Terms

[C-070-200]

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. 10-100-861 by John Humphrey re a water main break that caused flooding at 3345 Magnums Way

[L-100]

By a unanimous vote, the City Council approved a settlement with Mr. John Humphrey for payment in the amount of \$31,908.19 for damages arising out of a 12- inch cast iron water main break that occurred on March 25, 2010, and caused significant flooding to property located at 3345 Magnums Way.

Closed session pursuant to California Government Code Section 54957.6:

CONFERENCE WITH LABOR NEGOTIATOR

Designated Agency Representative: Assistant City Manager Tippin

Employee Organization: RPOA-Miscellaneous and IBEW-Maintenance

[P-100-050-120/P-100-050-070]

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 8:46 p.m.

APPROVED:

\_\_\_\_\_  
 Mayor

ATTEST:

\_\_\_\_\_  
 City Clerk