

MINUTES: of a regular meeting of the City Council of the City of Redlands held in the Council Chambers, Civic Center, 35 Cajon Street, on February 1, 2011 at 3:00 P.M.

PRESENT: Pete Aguilar, Mayor  
Paul Foster, Mayor Pro Tem  
Jon Harrison, Councilmember  
Jerry Bean, Councilmember  
Bob Gardner, Councilmember

ABSENT: None

STAFF: N. Enrique Martinez, City Manager; Dan McHugh, City Attorney; Sam Irwin, City Clerk; Carl Baker, Public Information Officer; Jim Bueermann, Police Chief; Jeff Frazier, Fire Chief; David Hexem, Chief Information Officer; Rosemary Hoerning, Municipal Utilities and Engineering Director; Les Jolly, Interim Quality of Life Director; Tina Kundig, Finance Director/City Treasurer; Oscar W. Orci, Community Development Director; Deborah Scott-Leistra, Human Resources Director

The meeting was opened with an invocation by Mayor Pro Tem Foster followed by the pledge of allegiance to the American flag.

PRESENTATIONS:

Redlands Animal Shelter - Volunteer Lynda Ackerman and Officer Bill Miller introduced Wishbone, a two year old male Parson Russell Terrier, who is available for adoption at the Redlands Animal Shelter along with forty-seven other dogs and twenty-seven cats. Ms. Ackerman informed the Council forty dogs and eight cats have been adopted since the last City Council meeting.

Scout Master Proclamation - Mayor Aguilar informed those present of a commendation to be presented at another time to James L. Gates for over 62 years in scouting including 18 years of service to the community as Scout Master of Troop 44, Boy Scouts of America.

PUBLIC COMMENTS:

None forthcoming.

CONSENT CALENDAR:

Minutes - On motion of Councilmember Harrison, seconded by Councilmember Gardner, the City Council unanimously approved the minutes of the regular meeting of January 18, 2010.

CUP Extension - On motion of Councilmember Harrison, seconded by Councilmember Gardner, the City Council unanimously agreed a one year extension of time for Conditional Use Permit (CUP) No. 836 does not require further environmental processing, pursuant to California Environmental Quality Act Guidelines, and approved the extension request.

Fee Waiver - On motion of Councilmember Harrison, seconded by Councilmember Gardner, the City Council unanimously approved a request from the Boy Scouts of America for a waiver of fees associated with the annual Lincoln Pilgrimage parade to be held on February 5, 2011.

Local Emergency Status - Fire Chief Frazier introduced Danielle Garcia, of the Quality of Life Department, who presented an update on the sources of funding to pay for the Local Emergency Declaration validated by the City Council at a special meeting on December 23, 2010. Federal and State Emergency Management Agency reimbursements are expected to cover 93.25% of the expenses resulting from the Emergency. To date \$92,062.38 has been charged to the storms, \$90,568.51 in salaries and benefits for overtime and \$1,493.87 for repair and maintenance supplies. There are encumbrances of \$178,600.00 with Larry Jacinto Construction for repair of damage in various locations; \$14,332.25 with RD Construction for damage along Lugonia Ave; \$27,907.50 with L. Curti Trucking for cleanup of San Timoteo Canyon; and \$4,000.00 with CHJ, Inc. for geologic evaluation services. On motion of Mayor Pro Tem Foster, seconded by Councilmember Harrison, the City Council unanimously agreed to receive and file the report.

#### COMMUNICATIONS:

Budget and Finance Policies - Councilmember Gardner presented a report from the budget committee comprised of himself and Councilmember Bean. He proposed a four phased approach to budget derivation. The first phase is to establish budget policies. The second phase deals with establishing budget goals and priorities. The third phase involves looking at the numbers associated with the goals and priorities. Finally, the fourth phase would be the budget review. The City Manager suggested a fifth phase would deal with an audit of the budget performance. Councilmember Gardner announced his intention to provide a draft list of budget policies at the February 15, 2011 council meeting. As a public comment, Steve Rogers expressed the importance of transparency during budget derivation.

Budget Goals and Priorities - Mayor Pro Tem Foster presented a framework for establishing budget goals and priorities. Using terminology from presentations given at a recent California League of Cities Conference, he suggested levels of service provided by city government: core services, important services and value added services. The concept would involve categorizing budget items into groups identified by the different levels of service they provide and

prioritizing the items within their respective groups. David Hexem, as head of the Path to Excellence Team, was tasked to provide a core services discussion from the Fire Department, Police Department and Quality of Life Department to the Council at the March 1, 2011 regular meeting. As a public comment, Steve Rogers suggested an effort to update the City of Redlands General Plan would provide the same framework for establishing budget priorities.

#### UNFINISHED BUSINESS:

Emergency Response Equipment - This item had been returned to staff at a previous City Council meeting because it was not evident a lease purchase agreement for new cardiac monitors and defibrillators had been subjected to competitive bidding. Battalion Chief Scott MacDonald explained the rationale for choosing the selected vendor and pointed out the competitive bidding process had been applied at the state and county levels. On motion of Mayor Pro Tem Foster, seconded by Councilmember Bean, the City Council unanimously approved a lease purchase agreement between the City of Redlands and US Bancorp Equipment Finance, Inc. for the equipment.

#### NEW BUSINESS:

Finance Consulting - As a public comment, Don Wallace, speaking before any information had been presented on this item due to his need to leave the meeting early, expressed opposition to hiring a consultant to perform studies which he believes are either unnecessary or should be performed in house. Tina Kundig provided an overview of the requirement for an overhead cost allocation plan and comprehensive user fee study. Further discussion revealed a statutory requirement for the study and no qualified personnel within the Finance Department to perform the work. On motion of Councilmember Gardner, seconded by Mayor Pro Tem Foster, the City Council unanimously approved a cost increase appropriation for a consulting services agreement between the City of Redlands and MGT of America, Inc. to prepare the overhead cost allocation plan and perform the user fee study.

Encumbrances and Carryovers - On motion of Councilmember Bean, seconded by Councilmember Gardner, the City Council unanimously approved an additional appropriation for FY 2009-2010 year-end encumbrances and carryover balances.

Firefighting Grant - Chief Frazier provided an overview of a 2010 Assistance to Firefighters Grant received by the City of Redlands Fire Department. The grant provides \$636,000.00 for the purchase of a new ladder truck for the Department. The Chief's plan calls for solicitations and events to raise, through donations, the remaining \$159,000.00 necessary to acquire the truck. On motion of Mayor Pro Tem Foster, seconded by Councilmember Harrison, the City Council unanimously authorized acceptance of the grant.

Grant Application - On motion of Councilmember Bean, seconded by Mayor Pro Tem Foster, the City Council unanimously authorized the submission of a grant application to the California Department of Resources Recycling and Recovery. Any funds received from the grant would be used to enhance the City of Redlands use of rubberized asphalt concrete derived from recycled tires.

Water and Wastewater Rates - Ross Whitman, of the Municipal Utilities and Engineering Department (MUED), presented an overview of the rationale driving MUED staff recommendations for water and wastewater capital improvement projects and the associated rate increases. As a public comment, Jesse Siglow said the new rates would be killers to small business owners and asked for a better public information program to address unanswered questions about the rate increase. Phillip Naman appealed to Council not to allow the rate increase. Steve Rogers observed no mention of water usage conservation and the potential impact such emphasis might have on system costs. Further discussion revolved around the question of the impact of delaying capital improvements and not raising rates. On motions of Mayor Pro Tem Foster, seconded by Mayor Aguilar, the City Council voted to accept the recommendations of the staff, directed the preparation of ordinances for implementation of the recommended rates, and ordered the issuance of the required Proposition 218 notice for a public hearing. Councilmember Bean voted No on the motions insisting rate increases should be avoided during the current times of economic slowdown.

Sale of City Assets - On motion of Councilmember Bean, seconded by Councilmember Gardner, the City Council approved a stock purchase agreement between the City of Redlands and Rancho Ladero, LLC for the sale of 98 shares of common stock in Crafton Heights Pipeline Company. Councilmember Harrison recused himself from discussion and voting on this item due to his employment relationship with Rancho Ladero.

Resolution No. 7023 - Crosswalk Striping - On motion of Mayor Pro Tem Foster, seconded by Councilmember Bean, the City Council approved Resolution No. 7023 authorizing installation of a white striped crosswalk on the East side of the intersection of State Street and New York Street. Councilmember Harrison recused himself from discussion and voting on this item due to his employment relationship with parties requesting the crosswalk striping.

Land Use Negotiations - Graeme Bethell, President of North American Biomass Company, LLC, provided an overview of his company's proposal to construct a gasification facility capable of processing approximately 4.7 tons of City-generated biosolids and 60,000 tons of municipal solid waste annually and to sell all of the electricity generated by the gasification facility to the City of Redlands at a discount to Southern California Edison Company rates. As a public comment, several speakers suggested the taxpayers' interests would be

better served if the opportunity to build such a facility were opened to competition. Further discussion revealed the proposed Memorandum of Understanding would not preclude other entities from making their own proposal to provide the gasification service. On motion of Councilmember Bean, seconded by Councilmember Harrison, the City Council unanimously approved adding stipulation to a proposed Memorandum of Understanding (MOU) between the City of Redlands and North American Biomass, LLC stating all solid waste used by the proposed facility will be provided by the City of Redlands or parties authorized by the City. On motion of Councilmember Harrison, seconded by Mayor Pro Tem Foster, the City Council unanimously approved the MOU as amended for exclusive negotiations for the possible lease of approximately six acres of real property located immediately south of, and contiguous to, the City's Wastewater Treatment Plant.

#### COUNCILMEMBER ACTIVITIES:

Energy Conservation - Councilmember Harrison and Mayor Aguilar attended a forum entitled Expanding Innovation: Public Policy Opportunities for Growing Clean Tech Jobs and Businesses. Discussions highlighted Energy Upgrade California, a \$2 billion program to assist homeowners with whole house upgrades for energy conservation.

Rooftop Solar Panels - Mayor Aguilar helped flip the switch on a Prologis program which provides for rental of large building rooftops for installation of solar panels to generate electricity.

Future of Redevelopment - Mayor Aguilar attended a California League of Cities event which focused on ways to protect the future of redevelopment agencies in California.

Storm Damage - Mayor Pro Tem Foster thanked the Redlands Conservancy for their tour of Oakmont Park and the damage resulting from recent storms.

Core Values - Councilmember Gardner commended the staff for their efforts to display the City of Redlands Core Values in conspicuous around City Hall. He solicited feedback from the staff and the public as to the City Council's performance in exhibiting the values.

#### LATE BREAKING ITEM:

Real Property Negotiation - On motion of Mayor Pro Tem Foster, seconded by Councilmember Harrison, the City Council unanimously authorized the addition of Item 3 on the closed session agenda.

#### CLOSED SESSION:

The City Council meeting recessed at 7:27 P.M. to a closed session to discuss the following:

1. Conference with legal counsel: Anticipated Litigation - Government Code §54956.9(b)(2)(B)
  - a. One Case - Facts and circumstances: Threat of litigation by Redlands Country Club regarding non-potable water rates
2. Conference with legal counsel: Anticipated Litigation - Government Code §54956.9(b)(2)(C)
  - a. Two Cases - Facts and circumstances: Consideration of government claims by Charles Holcombe and Harry Schwimmer
3. Conference with real property negotiator – Government Code §54956.8
  - Property: APN 0167-511-26 (1455 Research Drive)
  - Agency negotiators: N. Enrique Martinez and Oscar Orci
  - Negotiating party: Sorensen Engineering
  - Under negotiation: Terms for payment and price for interest in real property (recorded land use operating covenant)

CLOSED SESSION REPORT:

City Attorney McHugh announced there would be no reportable action taken during the closed session.

ADJOURNMENT:

There being no further business, the City of Redlands City Council meeting adjourned at 7:33 P.M. The Council will meet next at their regularly scheduled meeting on February 15, 2011.