

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 July 19, 2005, at 3:00 P.M.

PRESENT

Susan Pepler, Mayor
Gilberto Gil, Mayor Pro Tem
Pat Gilbreath, Councilmember
Gary George, Councilmember
Jon Harrison, Councilmember

ABSENT

None

STAFF

John Davidson, City Manager; Daniel J. McHugh, City Attorney; Lorrie Poyzer, City Clerk; Beatrice Sanchez, Deputy City Clerk (evening session); Michael Reynolds, City Treasurer; Jim Bueermann, Police Chief (afternoon session); Captain Tom Fitzmaurice, Police Department (evening session) Jim Drabinski, Fire Chief; Don Gee, Redevelopment Agency Director; Tina Kundig, Finance Director (afternoon session); Tom Steele, Assistant Finance Director (evening session) Ronald C. Mutter, Public Works Director; Marjie Pettus, Administrative Services Director; Gary G. Phelps, Municipal Utilities Director; and Jeffrey L. Shaw, Community Development Director

The meeting was opened with an invocation by Councilmember Harrison followed by the pledge of allegiance.

CONSENT CALENDAR

Minutes - On motion of Councilmember Harrison, seconded by Councilmember Gilbreath, the minutes of the adjourned regular meeting of July 5, 2005, and the regular meeting of July 5, 2005, were approved as submitted.

Bills and Salaries - On motion of Councilmember Harrison, seconded by Councilmember Gilbreath, payment of salaries and bills was acknowledged.

Resolution No. 6409 - CFD 2001-1 (Northwest Development Project) - On motion of Councilmember Harrison, seconded by Councilmember Gilbreath, the City Council unanimously adopted Resolution No. 6409, a resolution of the City Council of the City of Redlands levying special taxes within the City of Redlands Community Facilities District No. 2001-1 (Northwest Development Project).

Resolution No. 6410 - CFD 2003-1 (Redlands Business Center) - On motion of Councilmember Harrison, seconded by Councilmember Gilbreath, the City Council unanimously adopted Resolution No. 6410, a resolution of the City Council of the City of Redlands levying special taxes within the City of

Redlands Community Facilities District No. 2003-1 (Redlands Business Center).

Resolution No. 6408 - Measure "O" Tax Rate - On motion of Councilmember Harrison, seconded by Councilmember Gilbreath, the City Council unanimously adopted Resolution No. 6408, a resolution of the City Council of the City of Redlands levying a tax rate for Fiscal Year 2005-06 to service the annual principal, interest and other charges relating to the Measure "O" 2003 General Obligation Refunding Bonds.

Planning Commission Actions - On motion of Councilmember Harrison, seconded by Councilmember Gilbreath, the report of the Planning Commission meeting held on July 12, 2005, was acknowledged as received.

Notice of Environmental Actions - On motion of Councilmember Gilbreath, seconded by Councilmember George, the report on pending environmental actions received from surrounding jurisdictions was acknowledged as received.

License Agreement - SANBAG/MTA - On motion of Councilmember Harrison, seconded by Councilmember Gilbreath, the City Council unanimously approved a license agreement with the San Bernardino Associated Governments with their agent being the Los Angeles County Metropolitan Transportation Authority for ongoing maintenance and operation of an earthen storm drain channel along the abandoned railroad right-of-way between Lincoln Street and Wabash Avenue.

Resolution No. 6418 - Traffic - On motion of Councilmember Harrison, seconded by Councilmember Gilbreath, the City Council unanimously adopted Resolution No. 6418, a resolution of the City Council of the City of Redlands establishing the following traffic regulations pursuant to Title 10 of the Redlands Municipal Code: restripe and create a left turn pocket on Colton Avenue at Berkeley Drive and relocate the existing crosswalk on Colton Avenue; create a no parking zone for approximately 200 feet on the south side of Colton Avenue, beginning 15 feet west of the entrance driveway to Franklin Elementary School and going east to the relocated school crosswalk at Berkeley Drive; and create a no parking zone on the east side of Division Street between Sylvan Boulevard and High Avenue.

Lien Agreement Release - 1013 North Orange Street - On motion of Councilmember Harrison, seconded by Councilmember Gilbreath, the City Council unanimously authorized the release of a lien agreement signed by Joseph O. Young, M.D. dated January 8, 1985, for off-site improvements at 1013 North Orange Street in exchange for payment of the current value of the lien in the amount of \$7,227.00.

Resolution No. 6422 - Measure "I" - On motion of Councilmember Harrison, seconded by Councilmember Gilbreath, the City Council unanimously adopted Resolution No. 6422, a resolution of the City Council of the City of Redlands adopted the five year capital improvement program and twenty year transportation plan, relating to Measure "I."

Farming and Conservation Easement - Barton House Citrus Grove - On motion of Councilmember Harrison, seconded by Councilmember Gilbreath, the City Council unanimously approved a farming and conservation easement with Theron L. Vines, Jr. and Geneil Vines which requires them to be the responsible party for all farming cultural practices to maintain the Barton House Citrus Grove substantially in its present state as an orange grove and in an aesthetically pleasing condition.

Agreement - Redlands Municipal Airport - On motion of Councilmember Harrison, seconded by Councilmember Gilbreath, the City Council unanimously approved a consent to assignment agreement with Adjusters Service Corporation (dba Redlands Aviation, and Rancho Pacific Properties, LLC for portions of property located at the Redlands Municipal Airport.

OSC 05-01 - Mark Buoye - On motion of Councilmember Gilbreath, seconded by Councilmember Gilbreath, the City Council unanimously determined that Outside City Case 05-01, APN 299-211-21, is consistent with the City of Redlands General Plan and that the public health, safety, and welfare, and best interests of the citizens of Redlands, are served by the City's continued processing of the application for a residential development located at the northeast corner of Wabash Avenue and Panorama Drive.

Contract - Senior Transportation Program - On motion of Councilmember Harrison, seconded by Councilmember Gilbreath, the City Council unanimously approved a contract with the County of San Bernardino, Department of Aging and Adult Services, for providing transportation to senior citizens through the City's Senior Transportation Program and authorized the Mayor to execute, and the City Clerk to attest to, the document on behalf of the City.

Funds - ABC Grant Assistance Program - On motion of Councilmember Harrison, seconded by Councilmember Gilbreath, the City Council unanimously accepted \$19,272.00 from the State of California Department of Alcoholic Beverage Control for the Grant Assistance Program, Agreement No. 05G-LA12, and authorized an additional appropriation in the same amount to the Police Department to pay for overtime, travel and decoy funds.

Tentative Agreement - Redlands Professional Firefighters Association - On motion of Councilmember Harrison, seconded by Councilmember Gilbreath, the City Council unanimously approved a tentative agreement with the

Redlands Professional Firefighters Association and authorized the Mayor to execute, and the City Clerk to attest to, the document on behalf of the City.

Resolution No. 6415 - Salary - On motion of Councilmember Harrison, seconded by Councilmember Gilbreath, the City Council unanimously adopted Resolution No. 6415, a resolution of the City Council of the City of Redlands establishing a salary schedule and compensation plan for City employees and rescinding Resolution No. 6387.

Agreement - Air Conditioning Replacement - On motion of Councilmember Harrison, seconded by Councilmember Gilbreath, the City Council unanimously approved an agreement with FM Thomas for air conditioning replacement at the City's Water Reclamation Facility and authorized the Mayor to execute, and the City Clerk to attest to, the document on behalf of the City.

PUBLIC HEARINGS

Resolution No. 6374 - Street Lighting Assessment District No. 1 - Public hearing was continued to this time and place to consider Resolution No. 6374, a resolution of the City Council of the City of Redlands confirming a diagram and assessment for the 2005-06 fiscal year in connection with Street Lighting Assessment District No. 1. Public Works Director Mutter reported the preliminary report for the Street Lighting Assessment District No. 1 was presented to the City Council on March 15, 2005. Resolution No. 6372 was adopted on June 7, 2005, granting preliminary approval to the Engineer's Report and Resolution No. 6373 was also adopted on June 7, 2005, declaring the City's intention to levy and collect assessments for Fiscal Year 2005-06 pursuant to the Lighting and Landscaping Act of 1972. The final step in the process is to conduct a public hearing and receive testimony from the public on the proposed assessments. Adoption of Resolution No. 6374 gives approval to the Engineer's Report and confirms the assessment for Fiscal Year 2005-06. Mayor Pepler declared the meeting open as a public hearing for any questions or comments. None being forthcoming, the public hearing was declared closed. Councilmember Harrison moved to adopt Resolution No. 6374. Motion seconded by Councilmember Gil and carried unanimously.

Resolution No. 6413 - Appropriations Limit - Public hearing was advertised for this time and place to consider Resolution No. 6413, a resolution of the City Council of the City of Redlands establishing an appropriation limit for the Fiscal Year 2005-2006 pursuant to Article XIII B of the California Constitution. Finance Director Kundig in November, 1979, California voters approved Proposition 4, which places limits on the amount of revenue to be spent by all entities of government. Each year, generally upon submittal of the adopted budget, the City Council must adopt an appropriations limit, commonly referred to as a "Gann Limit" or Proposition 4 Limit. She reported the City of Redlands has consistently maintained an exceedingly wide and comfortable margin

between its limits and its proceeds of taxes subject to the limit. This is attributed to annual increases in the limit, based upon California Per Capita Income and the higher of the County's or City's population growth which are in excess of the increases in proceeds of taxes received each year. Mayor Pepler declared the meeting open as a public hearing for any questions or comments. None being forthcoming, the public hearing was declared closed. Councilmember Gilbreath moved to adopt Resolution No. 6413 establishing a \$72,470,755.00 appropriations limit for Fiscal Year 2005-06 pursuant to Article XIII B of the California Constitution. Motion seconded by Councilmember Harrison and carried unanimously.

UNFINISHED BUSINESS

Consolidation of SBVWCD and SBVMWD - Municipal Utilities Director Phelps reported staff recommends approval of the LAFCO initiated consolidation of the San Bernardino Valley Water Conservation District and the San Bernardino Valley Municipal Water District. Chief of Water Resources Douglas Headrick again explained the process and recommendations. Since the July 5, 2005, Council meeting, staff has conducted discussions with the Water Conservation District. After hearing the responses from the Water Conservation District, staff is still firmly convinced that a consolidation provides multiple long-term benefits to the City of Redlands and its recommendations presented for the City Council's consideration on July 5, 2005, remain unchanged. The Municipal Utilities Commission met on July 18, 2005, and adopted a motion recommended the City Council approve the staff recommendation for the consolidation. Mr. Headrick also reported the West Valley Water District in Fontana and the City of San Bernardino have indicated supporting the status quo as there is no impact on their agencies. The City of Riverside has not taken a position and asked for more evaluation. The Bear Valley Mutual Water Company will meet on Thursday (July 21, 2005) to discuss this matter. A letter was received from G. Louis Fletcher urging the City Council to approve the staff's recommendation in this matter. Cheryl Tubbs, President of the Board for the Conservation District, again addressed the City Council disagreeing with the staff's recommendation and supporting the status quo. She felt that a detailed economic analysis should be done and also expressed liability concerns. Councilmember Pepler moved that the City Council authorize the Mayor to send a letter to LAFCO supporting the consolidation of the San Bernardino Valley Water Conservation District with the San Bernardino Valley Municipal Water District. Motion seconded by Councilmember Harrison and carried with Councilmember Gil voting NO. Councilmember Pepler moved that the City Council authorize the Mayor to send to send a letter to the San Bernardino Valley Municipal Water District requesting that they enter into negotiations with the City of Redlands regarding the terms of a consolidation of the San Bernardino Valley Water Conservation District. Motion seconded by Councilmember Harrison and carried with Councilmember Gil voting NO. Councilmember Pepler moved that the City

Council authorize staff to negotiate the terms of an agreement with the San Bernardino Valley Water Conservation District. Motion seconded by Councilmember Harrison and carried with Councilmember Gil voting NO.

COMMUNICATIONS

In-Vessel Composting Facility - Chief of Water Resources Douglas Headrick reported the City owns and operates a Water Reclamation Facility located on Nevada Street near the Santa Ana River. This facility treats 6.5 million gallons per day of domestic and commercial sewage and produces recycled water for use in industrial and irrigation applications. As part of this treatment process, biosolids, also known as sludge, are produced and must be disposed or composted in an environmentally friendly manner. Up until a year ago, the biosolids were dried in beds located at the Water Reclamation Facility and then delivered to the City's California Street Landfill. However, in an effort to attain the 50 percent landfill diversion requirements of AB 939, the Municipal Utilities Department began dewatering the biosolids in a centrifuge and then hauling the dewatered sludge to an off-site composting facility. This has resulted in increased costs of approximately \$350,000.00 per year. In April, Municipal Utilities staff learned that ABT-Haskell, LLC was planning to build a state-of-the-art-in-vessel composting facility on a parcel on Alabama Street near the Santa Ana River. After some preliminary discussions it became apparent that there was an opportunity for the City to partner with ABT-Haskell on their project. A PowerPoint presentation was made describing the technology and proposed facility in detail. The partnership as proposed would provide the City guaranteed, no-cost processing of all its biosolids for the term of the agreement in return for a land lease on City-owned property adjacent to the Water Reclamation Facility. Mr. Headrick presented a PowerPoint explaining the problem, the process (which will be the first of its kind in California), the proposal, the benefits for the City and ABT-Haskell, and the staff's recommendation. Councilmembers discussed this proposal with Councilmember Gil expressing concern about the truck traffic in his neighborhood and wanted input from the Calvary Baptist School located on Alabama Street and Lugonia Avenue. It was noted traffic would be addressed during the CEQA process as well as notification to the Calvary Baptist School. Former Councilmember Bill Cunningham noted it could be a significant revenue source. Councilmember Gilbreath moved to approved a memorandum of understanding with ABT-Haskell related to the construction of an in-vessel composting facility on land adjacent to the City's Water Reclamation facility and authorized the Mayor to execute, and the City Clerk to attest to, the document on behalf of the City, authorized staff to negotiate a land lease with ABT-Haskell, and authorized ABT-Haskell to file an application with the County of San Bernardino for the project on City-owned land adjacent to the Water Reclamation Facility. Motion seconded by Councilmember Pepler and carried unanimously.

JOINT MEETING - CITY COUNCIL AND REDEVELOPMENT AGENCY

Resolution No. 6417 - Great Neighborhood Program - Due to a potential conflict of interest, Councilmember Gil retired from the Council Chambers and did not participate in this matter; a Public Disclosure of Potential Conflict of Interest form is on file in the City Clerk's Office. Councilmember Gilbreath moved to adopt Resolution No. 6417, a resolution of the City Council of the City of Redlands authorizing the use of low- and moderate-income housing funds outside the Redlands Project Area. Motion seconded by Councilmember George and carried with Councilmember Gil having abstained. (Also see Resolution No. 396 in the Redevelopment Agency minutes for July 19, 2005.)

CLOSED SESSION

The City Council meeting recessed at 4:04 P.M. to continue the Redevelopment Agency meeting and reconvened at 7:00 P.M.

PRESENTATIONS

Accolades - On behalf of the City Council and the citizens of Redlands, Mayor Pepler presented proclamations to Assemblyman Bill Emmerson, Assemblyman Russ Bogh's representative and Senator Bob Dutton expressing our utmost gratitude and appreciation for their tireless efforts in securing the re-appropriation of grant funds for the City of Redlands that will allow the completion of Phase I of the Redlands Sports Park facility. Special thanks were also extended to Doug Headrick, Municipal Utilizes Department and Bill Hemsley, Public Works Department, for their efforts. Mr. Emmerson thanked Councilmembers and City staff for working with them as this project was extremely important to Redlands. Mr. Dutton complimented Councilmembers and City staff noting the citizens were very fortunate in Redlands.

PUBLIC COMMENTS

State Resolution Honoring Mel Enslow - Senator Bob Dutton and Assemblyman Bill Emmerson made a special presentation of a resolution they authored that was passed by the State Senate and Assembly honoring retired Fire Chief Mel Enslow for his many years in fire service.

ANNOUNCEMENTS/REPORTS

Councilmembers reported on their activities and attendance at meetings during the past two weeks.

NEW BUSINESS

Report - Potential Fiscal Impact Analysis - Proposed Initiative - Community Development Director Shaw reported a proposed voter initiative has been filed by The Redlands Association with the City to further clarify and refine provisions contained in Measure U, a voter initiative that was adopted in November, 1997. On April 19, 2005, the City Council authorized contracting with the Redlands Chamber of Commerce to hire an independent consultant to complete an analysis of the proposed initiative. The analysis has been completed by the Rose Institute of State and Local Government. Chamber of Commerce Executive Director Kathie Thurston introduced Dr. Steven B. Frates of the Rose Institute. Dr. Frates complimented the gracious and superb help provided by the Redlands City staff in the preparation of this report. In every instance, they promptly provided the requested information and also were very generous with their time answering questions and explaining municipal operations. He then reviewed the 67-page analysis of the potential fiscal impact on the City of Redlands of a proposed initiative to amend the City's General Plan (said initiative was filed by The Redlands Association and will be on the November 8, 2005, ballot). The report covered the financial condition of the City, the impact this initiative will have, an analysis of the proposed initiative ordinance, and their conclusions that the proposed initiative will restrain options available to the City and that if it passes, services will be cut or taxes raised in order to maintain service levels. It was noted this report did not include an analysis on land use. Following discussion, Councilmember Harrison moved to accept the report as prepared by the Rose Institute of State and Local Government which provides an analysis of the potential fiscal impact of a proposed initiative to amend the City's General Plan. Motion seconded by Councilmember Pepler and carried unanimously.

Certification of Referendum Petition - Zone Change No. 390 - Karen Thomas addressed the City Council regarding the approval of the Covington Project and stated she was against Zone Change No. 390. City Clerk Poyzer reported that on June 1, 2005, Theodora Banta and Amanda Frye filed a referendum petition against Ordinance No. 2606, adopting Zone Change No. 390, a change of zone from A-1 (Agricultural) District (five-acre lots) to R-R (Rural Residential) District (one-acre lots) on four contiguous lots totaling 180.9 acres located south of Highview Drive and east of Freya Drive for the Covington Project. The signature examination of the initiative petition has been completed by the San Bernardino County Registrar of Voters. The statistical sampling and the calculations to determine the sufficiency of the petition are as follows:

A. Number of signatures filed	6,332
B. Number of signatures needed to qualify *	3,594
C. Number of signatures examined	500
D. Number of good signatures	417
E. Percentage of good signatures (D divided by C = E)	83.4%
F. Multiply total of signatures filed by percentage of signatures good to determine the number of signatures which would have been good (A times E = F)	5280
G. Divide the number of good signatures by the number of signatures needed to determine the percentage of petition qualification (F divided by B = G)	147%

* Total voter registration as of April 28, 2005 = 35,944

The statistical sampling shows the number of valid signatures is 147 percent; therefore, the referendum petition is sufficient. Councilmember Pepler moved to acknowledge the certification of the results of the examination of the referendum petition against Ordinance No. 2606, adopting Zone Change No. 390, a change of zone from A-1 (Agricultural) District (five-acre lots) to R-R (Rural Residential) District (one-acre lots) on four contiguous lots totaling 180.9 acres located south of Highview Drive and east of Freya Drive for the Covington Project. Motion seconded by Councilmember Harrison and carried unanimously.

Resolution No. 6420 - Call and Give Notice of Election - At this time, the City Council is required to do one of the following: repeal Ordinance No. 2606, or submit Ordinance No. 2606 to the voters at the next regular municipal election. Councilmember Pepler moved submit Ordinance No. 2606 to the people of Redlands and adopt Resolution No. 6420 calling and giving notice of the holding of a special municipal election for the ordinance on November 8, 2005. Motion seconded by Councilmember George and carried unanimously.

Resolution No. 6421 - Ballot Arguments - City Clerk Poyzer said in accordance with Section 9219 of the California Elections Code, Councilmembers may submit an argument for and/or against an initiative ordinance. Councilmembers will need to complete Section One, identifying which, if not all, Councilmembers will be authorized to submit the argument regarding the referendum against Ordinance No. 2606, adopting Zone change No. 390. Wishing to reserve the option of submitting an argument in favor of Ordinance No. 2606, Councilmember Pepler moved to adopt Resolution No. 6421, a resolution of the City Council of the City of Redlands setting priorities for filing a written argument regarding a City measure. Motion seconded by Councilmember Harrison and carried unanimously.

PUBLIC COMMENTS

None forthcoming.

ADJOURNMENT

There being no further business, the City Council meeting adjourned at 7:55 P.M. The next regular meeting will be held on August 2, 2005.

/s/ Lorrie Poyzer, City Clerk
Redlands, California