



CITY OF RED BLUFF

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CITY COUNCIL

MINUTES

Date of Meeting: Tuesday, May 3, 2016
Time of Meeting: 6:15 p.m. Closed Executive Session
7 p.m. Regular Meeting
Place of Meeting: Council Chambers, City Hall
555 Washington Street
Red Bluff, CA 96080

Councilmembers Present: Clay Parker, Mayor
Gary Jones, Mayor Pro Tem
Daniele Jackson
Rob Schmid
Suren Patel

Councilmembers Absent: None

Staff Present: Rick Crabtree, City Manager/City Attorney
Sandy Ryan, Finance Director
Ray Barber, Fire Chief
Kyle Sanders, Police Chief
Bruce Henz, Public Works Director
Donna Gordy, City Treasurer
Jo Anna Lopez, City Clerk

CLOSED EXECUTIVE SESSION:

1. **CONFERENCE WITH LEGAL COUNSEL – Government Code Section 54956.9 - EXISTING LITIGATION - WESTON - WORKERS COMP CLAIM NO. NCWA-555724**
2. **CONFERENCE WITH LEGAL COUNSEL - Government Code Section 54956.9 - EXISTING LITIGATION - NELSON - CASE NO. 70663**

Mayor Parker reported that the City Council had provided direction to staff during the closed Executive Session.

PLEDGE OF ALLEGIANCE:

Mayor Parker led the Pledge of Allegiance and the assembly joined in.

CITIZEN'S COMMENT:

Pastor Scott Camp provided a prayer for those in attendance.

PROCLAMATION:

1. **TEHAMA COUNTY PEACE OFFICERS' MEMORIAL DAY**

Police Chief Kyle Sanders read the proclamation for the Tehama County Peace Officers' Memorial Day and invited everyone to the service on May 18th at 7 p.m. at High Point Assembly (formerly Bethel Temple) on Luther Road.

CONSENT AGENDA:

M/S/C Councilmembers Jones and Jackson to approve the minutes as written.

AYES: Councilmembers Jackson, Jones, Parker, Patel and Schmid

NOES: None

ABSENT OR NOT VOTING: None

1. **APPROVAL OF MINUTES**

- a. **April 5, 2016**
- b. **April 19, 2016**

CURRENT BUSINESS:

1. ADOPTION OF THE BUDGET FOR FISCAL YEAR 2016-2017

Sandy Ryan, Finance Director, reviewed the staff report and provided staff's recommendation that the City Council adopt the Budget for Fiscal Year 2016-2017 as recommended by the Budget Committee.

The 2015/16 budget started with a general fund balance of \$1,432,922.00. The 2015/16 general fund budget is projected to end with \$1,644,528.00, an increase of \$211,106.00.

The 2016/17 budget **begins** with an estimated general fund balance of \$1,644,528.00. The 2016/17 general fund budget recommended by the Budget Committee **ends** with an estimated general fund balance of \$1,267,013.00.

This decrease of \$377,515.00 is mainly due to increased costs for a 1.5% salary increase for most City employees, a 29% increase in worker's compensation insurance, a 3% increase in liability insurance, a 3% increase in the City's portion of health insurance, increases in Public Employees Retirement System (PERS) of approximately 25%. These increases in costs are dictated by outside sources.

Some departments requested changes in their supplies and services budgets. The Budget Committee recommends approval of most of those changes, resulting in an increase in general fund spending of \$46,000.00. The Budget Committee also recommends approval of \$90,000.00 for a new roof for the City Hall, police and fire building complex.

Also, the State and Federal funding for streets has decreased over the last few years. This year the City is allocating approximately 20% of street salaries and benefits to the general fund, for employees to work on non-street related items (airport, banners, City Hall, police, and fire maintenance and repairs, and park and pool maintenance and repairs). If funding does not improve, the allocation will need to be increased to 40% for 2017/18.

The recommended budget includes \$35,000.00 for the Chamber Tourism Agreement, a reduction from \$70,000.00 in 2015/16.

The Government Finance Officers Association (GFOA) recommends that at a minimum, regardless of the size of the entity, the unrestricted general fund balance should be no less than two months of general fund expenditures. This amount is \$1.632 million for the City of Red Bluff. City of Red Bluff Policy is to reserve 15% (\$1.469 million) of general fund expenditures for contingencies and uncertainties. The expected general fund balance for 2015/16 will meet the GFOA recommendation. The proposed 2016/17 budget falls short of those goals.

The Budget Committee would like to thank the City Manager, Finance Director, Public Works Director, Police and Fire Chief, and all City staff for their help, input, and many hours of work that was done to produce this budget.

The Budget Committee would also like to thank every department head and employee for their past, current and future efforts at keeping costs to a minimum, being conservative in their budgeting and spending within those budgets.

The recommendations by the Budget Committee will result in a General Fund Balance of approximately \$1,267,013.00 at June 30, 2017.

Dave Gowan, Chamber President/CEO, spoke on the work that the Chamber does for tourism and reported that the Chamber's tourism budget was \$104,000.00. He asked the City Council to continue the funding of \$70,000.00 to the Chamber for tourism.

Pastor Scott Camp, Chairperson of the Chamber Board of Directors, stated that the Chamber of doing a good job with more tourism and requested that the City Council continues to support the Chamber with \$70,000.00 annually.

The Hoteliers of Red Bluff presented a letter, signed by all, supporting the Chamber of Commerce and its promotion of tourism in the community.

Corky Kramer, Red Bluff Round Up Association, asked that the City Council restore the 16% of TOT to the Chamber of Commerce.

Kristen Gray stated that the Chamber of Commerce was a good investment for the City.

Councilmember Patel stated that the Chamber does a lot for the community and he supports the Chamber and was willing to push the contribution to the Chamber of Commerce back up to \$70,000.00.

M/S/C Councilmembers Jones and Jackson to restore the contribution to the Chamber of Commerce to \$70,000.00 and add an additional line item for Homeless issues to the budget.

AYES: Councilmembers Jackson, Jones, Parker and Patel

NOES: Councilmember Schmid

ABSENT OR NOT VOTING: None

2. CHAMBER 2016/2017 AGREEMENT

Rick Crabtree, City Manager, reviewed the staff report and provided staff's recommendation that the City Council consider the proposed 2016/2017 Agreement between the City of Red Bluff and the Red Bluff-Tehama County Chamber of Commerce as recommended by the Budget Committee.

The City has historically contracted with the local Chamber of Commerce to provide services related to promotion of tourism and visitor services. The current contract expires June 30, 2016. The proposed new Agreement would commence on July 1, 2016 for a period of one (1) year. The Agreement is renewable by mutual consent.

The Budget Committee is recommending a 50% reduction in the Chamber funding this year, to \$35,000.00. The Budget Committee is also recommending some changes regarding monthly billing and reporting. The changes recommended by the Budget Committee are reflected in "track changes" format.

The Chamber wishes to discuss various modifications to the proposed Agreement.

M/S/C Councilmembers Patel and Jones to approve the Chamber Agreement with changes to item 1 E - change from monthly written reports to quarterly written reports and 2 A to \$70,000.00 annually paid out quarterly (\$17,500.00).

AYES: Councilmembers Jackson, Jones, Parker and Patel

NOES: Councilmember Schmid

ABSENT OR NOT VOTING: None

3. REPORT ON PROPERTY TAX REVENUE UPDATE

Sand Ryan, Finance Director, reviewed the staff report and provided an informational update on Property Tax Revenue.

The taxable property values for 2015/16 are estimated to have increased 5.2% from the prior year. Prior year fluctuations are as follows: 2014/15 – 1.1% increase; 2013/14 – 2.4% increase; 2012/13 – 4.5% decrease; 2011/12 – 2.2% decrease; 2010/11- 7.2% decrease; 2009/10- 3.8% decrease. The main reasons for the 2015/16 increase are: 1) purchases at 460 Antelope Blvd., 265 Antelope Blvd., and 615 Antelope Blvd., increased values by \$3 million, \$583,750, and \$485,750, respectively; and 2) Prop 8 value restoration of 90 Sale Lane, 21 Gamay Court and 15 Cabernet Court combined, and 100 Lake Avenue by \$524,500, \$873,000 and \$387,000, respectively. The main decreases are: 1) a Tehama County property acquisition at 545 Diamond Avenue resulted in a taxable value decrease of \$735,000; and 2) successful appeals for decline in value at 520 Adobe Road, 2810 N. Main Street, and 82 Belle Mill Road by \$1.7 million, \$863,000, and \$665,700, respectively.

The median sale price (the price between the low and highest sale) decreased 1.1% in 2015, and 4.81% in 2016. This decrease relates to the variety of houses selling, and the large difference in the value of houses selling. The average sale price also decreased in 2015, down to \$134,229 from the 2014 high of \$140,619. The average sale price for 2016 increased significantly to \$157,857, however only 7 houses sold in January of 2016, so this may not be a good representation of the entire year.

HdL is estimating a 0.62% increase in property tax revenues and a 6.5% increase in vehicle license fees for 2015/16.

Estimated property tax for 2015/16 Annual Budget by HdL is \$1,475,012, which decreased \$1,513 from the prior estimate in September. This amount is divided into \$1,409,073 for the General Fund and \$65,939 for the Airport.

Estimated Vehicle license fees for 2015/16 Annual Budget is \$1,057,083, which increased \$20,868 from the prior estimate in September.

New 2016-17 estimates from HdL are as follows:

Property Tax Revenue- \$1,502,778 an approximate 1.9% increase.

This amount is divided into \$1,436,778 for the General Fund and \$66,000 for the Airport.

Vehicle License Fees Revenue- \$1,078,228 an approximate 2% increase.

Informational.

4. ORDINANCE NO. 1043; AMENDING CHAPTER 13, MOTOR VEHICLES AND TRAFFIC; SECTION 13.8, DESIGNATING A NEW SPEED LIMIT ON A PORTION OF WALNUT STREET

Bruce Henz, Public Works Director, reviewed the staff report and provided staff's recommendation that the City Council waive the first reading and introduce Ordinance No. 1043; An Ordinance amending Chapter 13, Motor Vehicles and Traffic; ARTICLE I: GENERAL PROVISIONS, Section 13.8: SPEED LIMITS ON PORTIONS OF CERTAIN STREETS of the Code of the City of Red Bluff, and setting the speed limit on Walnut Street from Cemetery Lane to Paskenta Road at 25 MPH.

The portion of Walnut Street between Cemetery Lane and Paskenta Road lies adjacent to the soon to be completed new county courthouse. A traffic survey on this portion of Walnut Street was completed in 2012 and a speed limit of 35 MPH (mph) was designated at that time.

City Staff believes that this portion of Walnut Street will likely experience increases in vehicular and pedestrian traffic when the new courthouse opens. Based on the predicted traffic volumes that were provided as a part of the impact evaluations for the new courthouse, it is unlikely that the new traffic volumes will support a radar enforceable 25 mph designation.

The City has the authority to designate speed restrictions based upon a desire to enhance public safety. Based on available traffic and speed data, however, a 25 mph speed would not be enforceable by the Police Department using radar speed measuring devices. Nevertheless, a posted 25 MPH speed designation should decrease vehicle speeds.

The last comprehensive Traffic Survey was completed in December of 2011 and adopted with Am. Ord. 1019 on January 3, 2012. These surveys are generally good for (5) five to seven (7) years, so we would be looking to complete a new set of surveys in 2017 or 2018.

A single location traffic survey, focusing on the Walnut Street segment, may be appropriate after the new courthouse is fully occupied and operational.

Kathy Nelson stated that she was receiving comments from citizens regarding Walnut Street.

M/S/C Councilmembers Jackson and Jones to waive the first reading and introduce Ordinance No. 1043; An Ordinance amending Chapter 13, Motor Vehicles and Traffic; ARTICLE I: GENERAL PROVISIONS, Section 13.8; SPEED LIMITS ON PORTIONS OF CERTAIN STREETS of the Code of the City of Red Bluff, and setting the speed limit on Walnut Street from Cemetery Lane to Paskenta Road at 25 mph.

AYES: Councilmembers Jackson, Jones, Parker, Patel and Schmid

NOES: None

ABSENT OR NOT VOTING: None

5. **A TEMPORARY AIR COOLED CHILLER PACKAGE TO AUGMENT THE VENTILATION AND AIR CONDITIONING (HVAC) UNITS WITHIN THE RED BLUFF CITY HALL COMPLEX**

Bruce Henz, Public Works Director, reviewed the staff report and provided staff's recommendation that the City Council authorizes:

1. A supplemental appropriation in the amount of **\$24,909.00** into the 2015/2016 budget account for General Government Buildings; Fund No. 10-57-540-10, Machinery and Equipment.

And:

2. The award of an Emergency Repair Contract, to **Carrier Rental Systems**, in the amount of **\$24,909.00**.

The necessary air conditioning repair would essentially proceed in the following fashion:

- Provide a temporary portable “Chiller Unit” to maintain operational temperatures within the City Hall Complex.
- Develop the necessary performance specifications for the “New” replacement air conditioning units.
- Advertise and receive Bids; and award a construction contract for the installation of the new replacement air conditioning units.

While this work will provide for the replacement of one of the aspect of the Air Conditioning needs for the City Hall Building Complex it is only an initial increment repair. The heating components for the building are also in a decrepit state, and would most advantageously be replaced during this summer, to avoid having a similar situation with the buildings old heating system this winter. The Police Departments Server Room AC upgrade also needs to proceed.

Ideally the HVAC design for the entire building should finally be undertaken to assure an integrated, efficient and economical design for the overall building’s operation. The completion of the overall HVAC design would basically proceed as follows:

- Develop a precise budget for the next step in the process; a detailed design for the overall City Hall HVAC system
- Provide the detailed design for the overall City Hall HVAC system that would also include recommendations for incremental phasing and provide engineered cost estimates for the suggested phasing of the construction.
- The third step would entail the programming and implementation of a phased HVAC improvement program for City Hall complex improvements
- And finally, advertise, receive the Bids and award the construction contracts for the installation of the necessary HVAC facilities for the entire building

All of these necessary steps and procedures will be brought back to the Council for their consideration, when accurate information becomes available.

M/S/C Councilmembers Jones and Jackson to authorize a supplemental appropriation in the amount of \$24,909.00 into the 2015/2016 budget account for General Government Buildings; Fund No. 10-57-540-100, Machinery and Equipment and award an Emergency Repair Contract to Carrier Rental Systems, in the amount of \$24,909.00.

AYES: Councilmembers Jackson, Jones, Parker, Patel and Schmid

NOES: None

ABSENT OR NOT VOTING: None

6. POLICE DEPARTMENT'S 2015 ANNUAL REPORT

Kyle Sander, Police Chief, provided the City Council with a power point presentation of the Police Department's 2015 Annual Report.

The purpose of the annual report is to provide department members, City leaders and our community with a one year synopsis of the Police Department. It also creates a historical document that can be referred to as desired.

Informational.

7. PARKS AND RECREATION USER FEES

Bruce Henz, Public Works Director, reviewed the staff report and provided staff's recommendation that the City Council adopt Resolution No. 14-2016, adopting a Revised Fee Schedule for Participation in City Recreational Programs.

The existing fee schedule includes redundant fees, fees for services that are no longer offered, and does not allow for expanded services such as new classes, sports or clubs.

Staff proposes the new fee schedule for Parks & Recreation to recover costs to provide services and to allow for flexibility to offer new class topics, leagues and/or competitions.

Fees 1-12 are approximately 2/3 of the existing fees for adult sports leagues to allow us to change from a 12 game summer season to an 8 game spring and summer seasons.

Fees 22, 23, and 35 have been created to recover additional costs associated with the preparation, cleanup and/or supervision of large groups.

Fee 32 would allow staff to conduct a lifeguard certification course that is open to the public.

M/S/C Councilmembers Jackson and Patel to adopt Resolution No. 14-2016, adopting a Revised Fee Schedule for Participation in City Recreational Programs.

AYES: Councilmembers Jackson, Jones, Parker, Patel and Schmid

NOES: None

ABSENT OR NOT VOTING: None

8. CANCELLATION OF JULY 5, 2016 CITY COUNCIL MEETING

Rick Crabtree, City Manager, reviewed the staff report and provided staff's recommendation that the City Council consider cancelling the City Council meeting on July 5, 2016 and give direction to staff.

This year the first City Council meeting in July falls on the day after the July 4th holiday. The week of July 4th is normally a popular time for staff vacations. Also, it is anticipated that the agenda for the July 5th City Council meeting would be light in any event.

M/S/C Councilmembers Jackson and Jones to cancel the City Council meeting of July 5, 2016.

AYES: Councilmembers Jackson, Jones, Parker, Patel and Schmid

NOES: None

ABSENT OR NOT VOTING: None

STAFF ITEMS:

None.

COMMITTEE REPORTS/COUNCIL COMMENTS:

Reports by City Council members on the activities of their assigned agencies and/or committees.

Local Agency Formation Commission (LAFCO) - *No Meeting*

3 Core - *No Meeting*

Tehama County Transportation Commission - *met on April 28th - general items*

Downtown Red Bluff Business Association - *discussed hourly parking*

Community Action Agency - *discussed Children's Fair*

Tehama Economic Development Corporation - *No Meeting*

Executive Committee - Tehama County Solid Waste Management Agency - *No Meeting*

Tehama County Solid Waste Management Agency (JPA II) - *No Meeting*

Chamber of Commerce - *meet on May 24th*

ADJOURNMENT:

There being no further business Mayor Parker adjourned the meeting at 8:55 p.m. until the Meeting of May 17, 2016.



Clay Parker, Mayor

ATTEST:

for Cheryl Smith, Deputy City Clerk
Jo Anna Lopez, City Clerk