



CITY OF RED BLUFF

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CITY COUNCIL MINUTES

Date of Meeting: Tuesday, September 19, 2017

Time of Meeting: 6:15 p.m. Closed Session
7 p.m. Regular Meeting

Place of Meeting: Council Chambers, City Hall
555 Washington Street
Red Bluff, CA 96080

Councilmembers Present: Gary Jones, Mayor
Daniele Eyestone, Mayor Pro Tem
Rob Schmid
Amanda Jenkins
Clay Parker

Councilmembers Absent: None

Staff Present: Rick Crabtree, City Manager/City Attorney
Robin Kampmann, Public Works Director
Kyle Sanders, Police Chief
Sandy Ryan, Finance Director
Ray Barber, Fire Chief
Cassidy DeRego, City Clerk
Donna Gordy, City Treasurer

CLOSED EXECUTIVE SESSION:

Conference with Labor Negotiators:

Executive Session in accordance with Government Code Section 54957.6 for the purpose of instructing the City's designated representatives Richard Crabtree, City Manager/City Attorney; Bill May Labor Negotiator and Vi Cobb, Human Resources Analyst II regarding the salaries, salary schedules, or compensation paid in the form of fringe benefits. Employee Organizations: Red Bluff Police Officers' Association, Red Bluff Firefighters' Union, and the Operating Engineers Union Local No. 3 for the Miscellaneous Unit.

Conference with Legal Counsel:

Government Code Section 54956.9-Existing Litigation-Wierzbicki- Workers Comp Claim Nos. NCWA-555880 and NCWA-556792

Mayor Jones reported that during the Closed Executive Session the City Council provided direction to staff.

PLEDGE OF ALLEGIANCE:

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

CITIZEN'S COMMENT:

Pastor Scott Camp provided a prayer for those in attendance.

Michael Deckard spoke about various concerns he has within the community.

CONSENT CALENDAR:

M/S Councilmembers Jenkins and Eyestone to approve items one and three on the consent agenda.

AYES: Councilmembers Eyestone, Jenkins, Jones, Parker and Schmid

NOES: None

ABSENT OR NOT VOTING: None

1. Approval of August 15, 2017 Minutes

Recommendation:

Staff Recommends that City Council approve the August 15, 2017 minutes as written.

5-0-0

2. Open Market Purchase-Contracts-August 2017

Recommendation:

That City Council accepts the open market purchases, contract awards & purchases of \$1,000.00 or more for August 2017.

Pursuant to the City of Red Bluff's Code, Section 2.67-2, the Purchasing Officer shall, at least monthly, prepare and submit a report to the City Council of all open market purchases & contract awards made for the preceding month

Mayor Pro Tem Eyestone asked if the truck that was stolen from the Community Center has been found and returned.

Kyle Sanders, Police Chief, confirmed that it had been recovered and there was no vandalism of the vehicle.

Councilmember Schmid requested and received clarification on the 2018, 3500 Red Chassis Cab 4x2 purchase, and if it was budgeted.

Councilmember Schmid requested and received clarification on the cost of the Multi-point Inspection/Battery/Disc Brakes/Tires.

Councilmember Schmid requested and received clarification on the July City Engineer Services.

Councilmember Schmid requested and received clarification on the 2017/2018 Unfunded Accrued Liability.

Councilmember Schmid requested and received clarification on the 2018 Ford F150 Regular Cab 1/2 Ton purchase.

Councilmember Schmid requested and received clarification on the Resurfacing Project at South Jackson Street.

Councilmember Schmid requested and received clarification on the June Professional Planning Services.

Councilmember Schmid requested and received clarification on the two 2018 Ford F150 4x2 purchases and if they were budgeted.

M/S Councilmembers Schmid and Eyestone to approve the open market purchases, contract awards & purchases of \$1,000.00 or more for August of 2017.

AYES: Councilmembers Eyestone, Jenkins, Jones, Parker and Schmid

NOES: None

ABSENT OR NOT VOTING: None

3. Warrant Report-August 2017

Recommendation:

Approve Check Warrant No.87663 through 87944 dated August 1, 2017 thru August 31, 2017.

This is a normal procedure per California Government code section 41004 and General Warrants need to be approved by the City Council regularly.

5-0-0

CURRENT BUSINESS:

1. PJ Helicopter Request for Development Fee Waiver Reduction- Public Hearing

Rick Crabtree, City Manager, reviewed the staff report and provided staff's recommendation that the City Council:

1. Conduct a public hearing regarding the requested development fee waiver.
2. Adopt proposed Resolution No. 11-2017, waiving certain development impact fees for the PJ Helicopters Expansion Project, or give further direction to staff.

On or about May 16, 2017, the City Council voted to approve the PJ Helicopter Expansion Project. On or about June 6, 2017, the City Council adopted Resolution No. 04-2017, approving various components of the Project with supporting findings.

The Project site is directly adjacent to the existing developed PJ Helicopters facility (903 Langley Way) and will consist of a new ±31,905-square-foot steel building which will provide additional aircraft hangar and maintenance space, office space, storage areas, restroom facilities, employee exercise facilities (at the existing PJ Helicopters facility), and the Project will also include the development of new parking facilities, landscaped areas, a storm water retention pond, fire hydrants, and the extension of City water infrastructure from existing facilities on S. Jackson Street to the Project site.

City staff has calculated the DIF fees normally applicable to the PJ Expansion Project at a total of \$59,073.44. Those DIF fees are detailed in the attached Exhibit A. There currently is no City water service to the PJ Helicopters' site. For public and employee safety, PJ's has agreed to extend the existing water line on S. Jackson to the Project site. This will entail installation of over 2,000 feet of pipe, at an approximate cost of over \$250,000.00. PJ will also install various fire hydrants.

This will significantly improve the ability of the Fire Department to attack fires in the Project area. The extended water line may also be of future use to new development in the area.

Due to the unusually high cost of the Project's infrastructure improvements as well as the benefits to the City of extending the water line, PJ Helicopters has requested a waiver of the applicable DIF costs in the amount of \$59,073.44. (Exhibit B.) Staff supports this request.

The City Code provides that "A developer of any project . . . may apply to the City Council for a reduction, adjustment or waiver of any one or more of the [DIF] fees . . ." (City Code § 17.9(A)) "The fee adjustment request shall state in detail the factual basis for the claim of waiver, reduction or adjustment. The City Council shall consider the fee adjustment request at the public hearing on the development project application or at a separate public hearing held within 60 days after the filing of the fee adjustment request, whichever is later." (City Code § 17.9(B))

Mayor Jones opened the Public Hearing at 7:18 p.m.

Michael Deckard expressed his concerns that the City of Red Bluff had raised taxes in the past and he feels that these fees should not be waived. He stated that it appears the city needs the funds; and if he has to pay higher taxes, then PJ Helicopters should have to pay this fee as well.

Scott Camp stated that his understanding is that the reason for the developmental impact fees is because of the burden a larger or new business will put on the city infrastructure. He said he had the understanding that PJ Helicopters is not adding additional employees, so theoretically, there should be no Impact fees charged.

Rick Crabtree, City Manager, stated that sometimes businesses can be asked to install roads, sewer lines, water lines etc. The fees have to be related to the impact of the business. In this case, the extra water lines that PJ Helicopters is proposing to install is not something the City of Red Bluff is requiring. PJ Helicopters is going above and beyond what is actually required, which benefits the City of Red Bluff.

Mr. Camp asked if the fees are calculated because of employees who could be hired.

Mr. Crabtree stated that these fees are not necessarily tied to the amount of employees hired.

Councilmember Parker stated that PJ Helicopters is expanding to add another building to house their existing equipment. Nothing they are doing is going to have a negative impact on the City.

Mr. Camp asked if it is required that these fees be calculated and levied.

Mr. Crabtree stated that the fees are required to be calculated.

Mr. Camp asked and received clarification if the fees are not waived that PJ Helicopters would pay \$59,073.44. He stated that it seems there is a smaller impact with this project than with most other projects and that it is fair to waive the fees.

Mark Gunsauls, PJ Helicopters, stated that the cost of extending the water lines and placing fire hydrants is \$250,000. He said it is not required by the City that PJ's install waterlines; they have some other options that they could have done for fire suppression that would be less expensive. They have offered to work with the City of Red Bluff to increase the water line and add fire hydrants which would be beneficial to the City for future development and it would be more aesthetic than placing a water tank on the property. He also stated that they are not currently looking at hiring any additional employees, but like other business they are always hoping to continue to grow and in the future, they would like to have the ability to add to their staff. He said that PJ Helicopters helps the community and economy and if they did add additional employees in the future, it would only further help the economy. Mr. Gunsauls also added that he would hate to see their corporation be punished because they are successful and stated that this project benefits the City of Red Bluff.

Mayor Pro Tem Eyestone asked if \$250,000 is an estimated cost.

Mr. Gunsauls confirmed that it is an estimated cost and is more likely to be between \$250,000 and \$300,000. He also added that if the City does not agree to waive these development impact fees, that most likely PJ Helicopters would make the decision to install a less expensive option for fire suppression.

Mayor Pro Tem Eyestone asked what the fire hydrants cost.

Mark Gunsauls stated it is about \$5,500.00 per fire hydrant and they are purchasing around five.

Mayor Jones stated that if the City of Red Bluff had to extend the water line it would cost them a lot more due to prevailing wage. He also stated that PJ Helicopters has been paying their fair share for years, it only make sense to support them, they are large part of the community and they sponsor many local events.

Mark Gunsauls stated they signed a check in the amount of \$650,000.00 three weeks ago for personal property taxes and they pay the City to lease the property as well.

Councilmember Parker stated that several years ago the City Council had said that they would not charge anyone developmental impact fees.

Mr. Crabtree explained that was for a one-year period during the economic downturn.

Mr. Deckard stated that he feels PJ Helicopters should pay the fees that they owe.

Robert Rowe stated that PJ Helicopters is a good company and he agrees that the fees should be waived.

Mr. Camp stated that he is in favor of this project and any statements that he made were for clarification purposes.

Mayor Jones closed the Public Hearing at 7:44 p.m.

Councilmember Eyestone stated that the other option would be to have a large tank filled with water, but instead PJ Helicopter wanted to work with the City of Red Bluff to avoid an eyesore. Regardless, if they hire additional employees, they are benefiting the City of Red Bluff and in the end, and that is the reason that these fees should be waived.

Mayor Jones stated that the fees should be waived because if the City of Red Bluff had to do the work, it would cost well over \$400,000 due to prevailing wage; it is a large savings to the City.

Councilmember Schmid stated that he understands that the concern is, what about the next person who wants developmental impact fees waived, but he said this should always be taken as a case-by-case basis. The developmental impact fees are to cover infrastructure, PJ Helicopters has done a lot with the money, and we don't want to drive them away. They are great for the community and we need to keep them here.

M/S Councilmembers Jenkins and Eyestone to adopt proposed Resolution No. 11-2017, waiving certain development impact fees for the PJ Helicopters Expansion Project.

AYES: Councilmembers Eyestone, Jenkins, Jones, Parker and Schmid

NOES: None

ABSENT OR NOT VOTING: None

2. Homeless Grant Award

Rick Crabtree, City Manager, reviewed the staff report and provided the staff's recommendation that the City Council consider the various applications and distribute the available \$5,000.00 funds as follows:

- PATH (Poor and Homeless Tehama County Coalition): \$4,000.00
- Faith Works: \$1,000.00

Applications were received from the following entities/organizations:

- Children First - Solutions for Youth Fund: requested \$5,000.00 to be used to assist homeless high school students from Red Bluff High and Salisbury High. When a school official identifies a homeless student in need, they can contact Children First. Children First will then purchase items the students may need.
- PATH (Poor and The Homeless Tehama County Coalition): requested \$5,000.00 to help fund its winter homeless shelter services, and to provide transportation e.g. bus tickets to return homeless individuals to family members or services elsewhere.
- Salt Ranch: requested \$3,600.00 to assist with transportation, food delivery, weekend meals, provide clothing, bicycles, etc and other services.
- Faith Works: requested \$2,500.00 to help homeless or at risk families and individuals to get into housing, stay in housing, or transition to far away families in order not to become or remain homeless in Tehama County

The Ad-Hoc Committee (Councilmembers Jones and Parker) met on September 8, 2017 and heard presentations by representatives from each of the organizations identified above. Thereafter, the Committee agreed to recommend to the full Council distribution of the available \$5,000 as follows:

- PATH (Poor and Homeless Tehama County Coalition): \$4,000.00
- Faith Works: \$1,000.00

Mayor Pro Tem Eyestone stated she would like to see this year's funds used the same way last year's funds were used (the men's shelter). Instead of helping single and random individuals, she would like to see the money go to something more permanent.

Scott Camp, from Faith Works, stated that if the Council felt that the funds needed to be allocated as Mayor Pro Tem Eyestone outlined, then it should have been stated that way in the request for proposals. When money is given to someone for a bus ticket, it is a permanent solution for that person. He said that they help to get and keep people off the streets and they give to a personal urgent need.

Mr. Camp stated that he would like to propose that the funds are allocated as follows:

- Faith Works: \$750.00
- PATH (Poor And Homeless Tehama County Coalition): \$3500.00
- Salt Ranch: \$750.00

Mr. Camp stated he would like to see that the small organizations are recognized.

Michael Deckard stated that he feels strongly that money should be given to the homeless and he does not feel that \$5000.00 is enough. He said that if he could give money he would.

Randy Dueck from Salt Ranch stated that all of the homeless organizations impact the community. He stated that many people lose hope when they are homeless, a hot meal and encouragement can go a long way to help people get back on their feet again. He stated that every little bit helps and hope spreads and makes positive changes that most people don't see. Mr. Dueck said two to three years ago, he was feeding 200 to 300 homeless people, now he said it is down to 15 to 30; many have found help and are not homeless any longer.

Mayor Pro Tem Eyestone stated that when she was married in April, they had a lot of extra food and the first thing she thought of was Randy Dueck from Salt Ranch and they donated all of their extra food to him. She said that she is impressed with Mr. Dueck and all he does for the homeless community. She stated that the decision not to give to Salt Ranch is not because what he does isn't noticed, it is because they want to have the ability to know where the funds go and to give concrete answers to the public.

Council member Jenkins stated she wanted Mr. Dueck to know that she also sees and appreciates what he does.

Councilmember Jenkins stated that Children's First does have plans to be self-sufficient.

Karen Kemp, marketing and recruitment social worker for Children's First, stated that they are trying to get teenagers in schools to hold fundraisers for homeless teens so they can help contribute and become aware of the issue. She also stated they are audited yearly and have to prove where their funding goes. Children's First will help fund clothing for homeless teens and children. Their agency has put up \$35,000 in Tehama County, Trinity County and Shasta County this year. She said currently they are helping 104 children in Red Bluff, but the reality is that the true number of kids who need help, and are homeless, is triple that. She said many kids are sleeping on friend's couches or their families are in poverty and can't keep the lights on. Just a little help makes a world of difference for these kids.

Mr. Camp said that the budget went from \$10,000 last year to \$5,000 this year; he said that he is completely willing to see the funds distributed differently. He also asked if it would be possible for the City Council to increase the funds.

Rick Crabtree, City Manager, stated that yes, it would be possible for the City Council to recommend a fund increase. If that is recommended then it would be an item that would need to be discussed further at a future city council meeting.

Colleen Lewis from PATH stated that when they are purchasing a bus ticket for someone, they are legally obligated to confirm that the person has a place to go and assistance once they get to their destination. She also stated that a bus ticket is a long-term permanent solution. She said that PATH is constantly looking for long-term solutions to help people through their case working. Ms. Lewis stated that since starting the men's shelter, twenty people have broken the homeless barrier and are not homeless any longer. She said that the work that Randy Dueck does is huge and feels that all three homeless organizations work closely together to benefit as many people as possible within the community.

Mayor Pro Tem Eyestone stated that the City Council needs to be able to defend their decision to the public; she recognizes all the great work that each organization does. Additionally, she asked why the funds were distributed the way that they were.

Mayor Jones stated that if they gave each organization a very small amount, the money would not have as large of an impact as it would if they gave a larger amount to fewer organizations. They gave the majority to PATH because they were looking to fund a caseworker. He stated that he would like to see the budget increase back to \$10,000.00 and if this could happen, he would like to see the money distributed as follows:

- PATH (Poor And Homeless Tehama County Coalition): \$4000.00
- Faith Works: \$2000.00
- Children's First: \$2000.00
- Salt Ranch: \$2000.00

Mark Gunsauls, PJ Helicopters, asked if this was local or state funds.

Mayor Jones stated that it was local funds.

Mark Gunsauls asked if it was something done yearly.

Mayor Jones stated that yes it is yearly and was started in response to community requests.

Mark Gunsauls asked if donations can be made to the City of Red Bluff for the homeless fund.

Mr. Crabtree stated it would be easier to give directly to the organizations.

Mark Gunsauls stated that PJ Helicopters would like to give \$5000 to Children's first tonight. He also said that he would like to match the City's \$5000, but he would like guidance on where the funds should be allocated.

Mr. Camp stated that whichever way the funds are split he respects and appreciates the City Council and is grateful for them.

Mayor Pro Tem Eyestone asked Mr. Camp how he would recommend the money be split.

Mr. Camp said if the amount is \$10,000.00 then he would like it split as follows:

- PATH (Poor And Homeless Tehama County Coalition): \$5000.00
- Faith Works: \$2,500.00
- Salt Ranch: \$2,500.00

Sandy Ryan, Finance Director, stated that the City has \$5000 budgeted, if more money is being requested from the City of Red Bluff, her recommendation would be that the Ad Hoc Committee meet again to discuss the options and then can come back to Council with a formal request.

Councilmember Parker stated PJ Helicopters offered to donate \$5,000.00 to the homeless, they could give \$2,500.00 for Faith Works and \$2,500.00 to Salt Ranch, and the City of Red Bluff can give \$5,000.00 to PATH.

Mark Gunsauls stated that he would be happy to follow the guidelines of the City of Red Bluff.

M/S Councilmembers Parker and Jenkins to distribute the available \$5,000 funds to PATH.

AYES: Councilmembers Eyestone, Jenkins, Jones, Parker and Schmid

NOES: None

ABSENT OR NOT VOTING: None

3. Justice Assistance Grant (JAG)- Public Hearing

Kyle Sanders, Police Chief, reviewed the staff report and provided the staff's recommendation that the City Council:

1. Conduct a public hearing.
2. Authorizes staff to submit final documents to complete the grant application process for the FY 2017 Edward Byrne Memorial Justice Assistance Grant for the eligibility award of \$10,045.00.

Upon learning of the JAG funds available for allocation to the police department, staff evaluated department needs that fit within the permissible uses of the grant. After reviewing the constraints and requirements, it was concluded the best use of the JAG monies would be to fund officer safety related training. The grant requirements specifically list Officer Safety and Wellness as one of the approved categories acceptable for grant funding. Below is a brief excerpt from the grant solicitation document:

“Officer Safety and Wellness – The issue of law enforcement safety and wellness is an important priority for the Department of Justice...BJA sees a vital need to focus not only on tactical officer safety concerns but also on health and wellness as they affect officer performance and safety. It is important for law enforcement to have the tactical skills necessary, and also be physically and mentally well, to perform, survive, and be resilient in the face of the demanding duties... BJA encourages units of local government to use JAG funds to address these needs by providing training, including paying for tuition and travel expenses related to attending trainings such as VALOR training, as well as funding for health and wellness programs for law enforcement officers.”

To receive this grant, in addition to submitting an application, Council must provide approval and a public hearing must be held. With the exception of a quarterly report, there are no other requirements or matching funds associated with this grant.

Mayor Jones opened the Public Hearing at 8:37 p.m. and hearing no comments, he closed the Public Hearing at 8:37 p.m.

M/S Councilmembers Eyestone and Jenkins to authorize staff to submit final documents to complete the grant application process for the FY 2017 Edward Byrne Memorial Justice Assistance Grant for the eligibility award of \$10,045.

AYES: Councilmembers Eyestone, Jenkins, Jones, Parker and Schmid

NOES: None

ABSENT OR NOT VOTING: None

4. Hold Harmless Agreement- Live Fire Training

Matthew Shobash, Fire Division Chief, reviewed the staff report and provided the staff's recommendation that the City Council:

1. Approves the Proposed Fire Demolition Agreement
2. Authorizes the fire department to enter into an agreement with the property owner of 425 S. Jackson Street for the purpose of a live-fire training class (Fire Control 3A) to be held November 30 and December 1, 2017.

The original Hold Harmless Agreement provided the property owner with only 30 days to remove all debris resulting from the demolition of the structure. The new Fire Demolition Agreement provides a clearer description of responsibilities and allows 60 days to remove all debris as well as hold the property owner responsible to complete the ground clean up through a Performance Bond.

The Red Bluff Fire Department would like to enter into an Agreement with the property owner(s) of 425 S. Jackson Street for the purpose of live-fire training and ending with demolition of the structure.

The Fire Demolition Agreement will hold the property owner(s) harmless for any liability relating to any injury or death during the training or demolition. The property owner will provide a copy of a Performance Bond to the City that assures a complete clean up of the site. The structure at 425 S. Jackson Street will be deemed safe for training by the Fire Chief or his representative prior to any training.

Mayor Pro Tem Eyestone stated that she could not do the training last time and asked if she would be able to do the training this time.

Matthew Shobash, Fire Division Chief, stated that yes she could do the training this time.

Councilmember Jenkins asked if she did the training last time would she be able to participate in the training this time.

Mr. Shobash confirmed that yes she could participate in the training this time.

Councilmember Schmid asked if there would be a Performance Bond.

Mr. Shobash confirmed there would be a Performance Bond and it would ensure full clean up of the property will be done.

M/S Councilmembers Eyestone and Jenkins to approve the proposed Fire Demolition Agreement and authorize the fire department to enter into an agreement with the property owner of 425 S. Jackson Street for the purpose of a live-fire training class (Fire Control 3A) to be held November 30 and December 1, 2017.

AYES: Councilmembers Eyestone, Jenkins, Jones, Parker and Schmid

NOES: None

ABSENT OR NOT VOTING: None

5. Fire Engine Finance- Resolution 10-2017 and finance packet PCN Finance, LLC

Ray Barker, Fire Chief, reviewed the staff report and provided the staff's recommendation that the City Council:

1. Approves Resolution #10-2017 outlining terms and conditions of the financing of the new fire engine being purchased from Pierce Fire Apparatus.
2. Approves the items contained within the financing packet from PNC Finance, LLC for the purchase of the new fire engine. The financing packet from PNC Equipment includes all of the documentation needed to secure the financing for the new engine. The finance company, PNC Equipment, requires that the items within the packet which identifies the term and conditions for financing be signed.

Resolution #10-2017 outlines the financing terms and conditions of the new fire engine that was approved for purchase by City Council at the September 5, 2017 meeting. The cost of the new fire engine will be \$656,122.93. Below you will see three options for financing:

Option #A:	15 Years	\$0.00 down	\$57,903.73 per year
Option #B:	15 Years	\$200,000 down	\$40,709.28 per year
Option #C:	15 Years	\$300,000 down	\$31,784.21 per year

A supplemental appropriation was approved to Account No. 11-31-540-100 and Council approved Finance Option B at the September 5, 2017 Council Meeting.

Councilmember Schmid stated that the last financial review was not stellar and he is not sure right now is a good time for this large purchase.

Mayor Pro Tem Eyestone stated that this agenda item should have contained the preliminary minutes from when the purchase was approved. She also stated that there was a small calculation error on the resolution, the balance after the down payment should have been \$456,122.93, and it currently states \$456,123.00.

M/S Councilmembers Parker and Jenkins to approve Resolution #10-2017 outlining terms and conditions of the financing of the new fire engine being purchased from Pierce Fire Apparatus with the corrected balance of \$456,122.93 and approve the items contained within the financing packet from PNC Finance, LLC for the purchase of the new fire engine. The financing packet from PNC Equipment includes all of the documentation needed to secure the financing for the new engine.

AYES: Councilmembers Eyestone, Jenkins, Jones, Parker

NOES: Schmid

ABSENT OR NOT VOTING: None

6. Chiller/Boiler- Supplemental Appropriation

Robin Kampmann, Public Works Director, reviewed the staff report and provided the staff's recommendation that the City Council authorizes a supplemental appropriation in the amount of **\$259,766.00** into the 2017/2018 budget account for General Government Building; Fund No. 10-57-540-100, Machinery and Equipment.

On March 21, 2017, the City Council awarded the construction contract to Servi-Tech Controls, in the amount of \$352,900 for the purposed of the installation of the New City Hall Chiller and Boiler Replacement Units.

On May 16, 2017, the City Council authorized City Staff to enter into an agreement with Servi-Tech Controls for the lease of a temporary chiller unit for City Hall on a month-to-month basis not to exceed 3 months and \$21,000.00.

- Supplemental Appropriation Request

The City Council previously authorized two contracts with Servi-Tech for the installation of the new chiller and boiler units for the City Hall Complex in the amount of \$352,900.00 and for the lease of the temporary chiller unit to cool the City Hall Complex during construction in the amount of \$21,000.00. The new chiller and boiler units have been installed and the temporary chiller has been returned. The funding for both of these contracts was granted in the 2016/2017 fiscal year; however, but most of the construction services and lease of the temporary chiller unit didn't take place until the current fiscal year. This requires a supplemental appropriation to move the funds into the 2017/2018 budget account for General Government Buildings; Fund No. 10-57-540-100. The change orders described below are also included in the supplemental appropriation request.

- Change Orders

- Added Piping Insulation

As part of the asbestos removal in the mechanical room, the insulation on the heating/cooling system pipes located in the mezzanine were removed. The plans for the new chiller/boiler system did not include re-insulating the mezzanine pipes as there is very limited access needed in the mezzanine and the temperature of the pipes did not appear to be a safety concern. Since the existing insulation was removed, however, significant condensation on the pipes was causing puddles to form on the floor of the mezzanine. The puddles are a concern as they will ultimately lead to structural damage of the building and mold. Insulation of these pipes as part of the current project was the most cost effective for the City, as the contractor did not charge a mobilization fee and completed the work at the same time they were here insulating the newly installed pipes on the ground floor. The cost for insulating the pipes in the mezzanine is \$4,890.00.

- Replace Pressure Regulation System

Since the installation of the new chiller unit, the system consistently shuts itself down and has to be manually reset. After much investigation by the Contractor, the chiller manufacturer, and City Staff, the constant fluctuations with pressure in the system were determined to be caused by malfunctions with the pre-existing expansion tank, makeup water station, and pressure regulating valve. The replacement of these items was not included in the original design as the design engineer was trying to save the City money by reusing existing equipment.

The Contractor and the Design Engineer believe that the replacement of these items will solve the pressure issues, allowing the new system to function properly.

The cost associated with the replacement of the expansion tank, makeup water station, pressure-regulating valve, backflow, and associated piping is \$8,636.00.

The Supplemental Appropriation of funds would need to be taken from the General Fund. A portion of these funds, \$373,900.00, was included in the FY 16/17 budget, BUT ONLY \$127,660.00 WAS USED. Therefore allowing \$246,240.00 of the funds to be put into the current year budget would essentially be a wash. The remaining \$13,526.00 would be in addition to the already approved funds and would be funded by the General Fund.

Mayor Jones asked if the \$259,766.00 covered the change orders.

Robin Kampmann, Public Works Director, confirmed that yes it covers all of the change orders.

Mayor Pro Tem Eystone stated that in the future it would be helpful if the agenda item lead with the fiscal impact, knowing upfront the extra cost was \$13,526.00 would have been helpful.

Councilmember Schmid stated that this has cost the City of Red Bluff far more than anticipated and the system seems to be very temperamental. He asked if the new appropriation of \$13,526.00 would fix all of these issues. He also stated that if there continues to be issues with the system then we need to look into the warranty and how to move forward, he would like to know that the City of Red Bluff has long-term assurance on the unit.

Mayor Pro Tem Eystone stated that these change orders were for items that were not replaced; the change orders are for items that the contractor thought would work with the new system.

Ms. Kampmann stated that she would confirm, but she believes that the warranty will cover the additional equipment and parts.

M/S Councilmembers Eystone and Jenkins to authorize a supplemental appropriation in the amount of **\$259,766.00** into the 2017/2018 budget account for General Government Building; Fund No. 10-57-540-100, Machinery and Equipment.

AYES: Councilmembers Eystone, Jenkins, Jones, Parker and Schmid

NOES: None

ABSENT OR NOT VOTING: None

7. Fire Department Evaporative Cooler- Request for Proposal

Robin Kampmann, Public Works Director, reviewed the staff report and provided the staff's recommendation that the City Council authorizes City Staff to advertise for proposals for the replacement of the evaporative cooler units located on the roof of the fire department equipment bay.

The four (4) existing evaporative coolers located on the roof of the fire department equipment bay are at the end of their life and are rusted and leaking into the equipment bay.

Staff has repaired the units multiple times and at this point, they are no longer repairable. The coolers need to be replaced prior to re-roofing the City Hall complex; which Staff is trying to complete prior to the rainy season.

The successful low bid will be brought back to Council for approval of the contract award.

Councilmember Schmid asked if this was in the current budget.

Robin Kampmann, Director of Public Works, confirmed the coolers are in the budget.

M/S Councilmembers Parker and Jenkins to authorize City Staff to advertise for proposals for the replacement of the evaporative cooler units located on the roof of the fire department equipment bay.

AYES: Councilmembers Eyestone, Jenkins, Jones, Parker and Schmid

NOES: None

ABSENT OR NOT VOTING: None

8. Community Center Supplemental Appropriation- 17/18 Revenues and Expenses

Chris Hurton, Community Center Supervisor, reviewed the staff report and provided the staff's recommendation that the City Council:

1. Approves a \$2000 supplemental appropriation into expense account no. 63-63-330-100, Special Supplies & Services.
2. Approves a \$2000 supplemental appropriation into revenue account no. 63-63-080-010, Special Supplies & Services.

Charles and Alice Crain have donated \$2,000 to purchase a new audio mixer for the Community Center. This will credit the 63-63-080-010 Community Center Miscellaneous Revenue account with the donation and allow for the expense from 63-63-330-100 Special Supplies and Services.

Mayor Pro Tem Eyestone stated that the Ad Hoc Committee decided which equipment to purchase.

Chris Hurton, Community Center, stated that they also purchased an I-pad Air with the funds to keep better control of the mixer.

Councilmember Schmid stated that all was appropriated correctly.

M/S Councilmembers Eyestone and Jenkins to approve a \$2000 supplemental appropriation into expense account no. 63-63-330-100, Special Supplies & Services and approve a \$2000 supplemental appropriation into revenue account no. 63-63-080-010, Special Supplies & Services.

AYES: Councilmembers Eyestone, Jenkins, Jones, Parker and Schmid
NOES: None
ABSENT OR NOT VOTING: None

9. Community Center Supplemental Appropriation- 16/17 Revenues and Expenses

Chris Hurton, Community Center Supervisor, reviewed the staff report and provided the staff's recommendation that the City Council:

1. Approves a supplemental appropriation to the following Expense accounts:

63-63-210-100	Utilities	\$ 3,000
63-63-330-100	Special Supplies & Services	-\$ 1,000
63-63-335-100	Food Concession Expenses	\$ 5,500
	Total Supplemental Appropriation	\$ 7,500

2. Approves a supplemental appropriation to the following Revenue accounts:

63-63-070-030	Com Ctr. Concessions	\$ 7,500
	Total Supplemental Appropriation	\$ 7,500

In October of 2016 the Community Center used donations to purchase replacement chairs for \$4693.69. These funds have been transferred from the donations account to 63-63-080-010 Community Center Miscellaneous Revenue. This would adjust the expenses to reflect this donation.

Utilities exceeded the budget by over \$10,000, however an increase of only \$3,000 is sufficient to balance the overall budget.

This appropriation would also adjust the budget to reflect a recent change in the way concession revenues are tracked at the Community Center. Vending revenue has been separated out of "Misc Revenues" into "Concessions." Due to strong sales, the net change of the two accounts is an increase of over \$2000 from the original 16-17 budget, excluding the \$4693.69 in donations.

Mayor Pro Tem Eyestone stated that this agenda item was very difficult to read and follow.

Chris Hurton, Community Center Supervisor, stated that there was a typo on the account, he stated it is correct, but it was broke out into two accounts and it is not clearly outlined on the agenda item.

Mayor Pro Tem Eyestone asked if the Chair donation is included in this.

Mr. Hurton confirmed the chairs were included.

Sandy Ryan, Finance Director, stated that the Community Center went over budget by \$7,500, because of this they need to increase the items so they are equal to what the actual expenditures were.

Councilmember Parker asked if the adjustments were made as a correction to last year's budget.

Ms. Ryan confirmed the adjustments are a correction to last year's budget.

Mayor Pro Tem Eyestone asked if these supplemental appropriations are looked at during an audit.

Ms. Ryan confirmed they are looked at, but only for the numbers, the discussion section is not reviewed.

M/S Councilmembers Parker and Jenkins to approve a supplemental appropriation to the following Expense accounts:

63-63-210-100	Utilities	\$ 3,000
63-63-330-100	Special Supplies & Services	-\$ 1,000
63-63-335-100	Food Concession Expenses	\$ 5,500
	Total Supplemental Appropriation	\$ 7,500

And to approve a supplemental appropriation to the following Revenue accounts:

63-63-070-030	Com Ctr. Concessions	\$ 7,500
	Total Supplemental Appropriation	\$ 7,500

AYES: Councilmembers Jenkins, Jones, Parker and Schmid

NOES: Eyestone

ABSENT OR NOT VOTING: None

G. STAFF ITEMS:

Rick Crabtree, City Manager, stated that the US Forest Service will be at the Red Bluff Airport for one to two weeks. There is a Fly-In event at the Airport on September 23, 2017, but the organizers and the Fixed Base Operator believe that both groups can operate without any issues.

Robin Kampmann, Public Works Director, stated that construction started on the Dog Island Park Restrooms; they should be operational by the second week in October.

Ray Barber, Fire Chief, stated that all strike teams are home at this time but may be dispatched again.

H. COMMITTEE REPORTS/COUNCIL COMMENTS:

Reports by City Council Members on the activities of their assigned agencies and/or committees:

- **Local Agency Formation Commission (LAFCO)** - There is a meeting on September 13, 2017. Councilmember Parker stated that they elected a Chairman and approved the budget. On October 11, 2017 they will discuss hiring an Executive Officer. The cost to fund the Executive Officer will come from the County and Cities; they will be able to be an independent Commission once they have an Executive Officer in place.
- **Tehama County Transportation Commission** - There was no meeting.
- **Downtown Red Bluff Business Association** - The next meeting is scheduled for Wednesday, September 20, 2017.
- **Community Action Agency** - The next meeting is scheduled on Thursday, September 21, 2017 at the County Administration office located at 727 Oak Street.
- **Executive Committee - Tehama County Solid Waste Management Agency** - Councilmember Schmid stated they had a Meeting on Thursday, September 7, 2017. They discussed new requirements that will be affecting the Tehama County Landfill in three to ten years, most likely fee increases will happen to offset the cost of the new regulations.
- **Tehama County Solid Waste Management Agency (JPA II)** - Councilmember Schmid stated that they have a meeting on Thursday, September 7, 2017, to discuss some changes to the quantity for Capping of the Landfill.
- **Chamber of Commerce** - The next meeting is scheduled on Tuesday, September 26, 2017 at 8:00 a.m.
- **Ground Water Commission** - Next meeting is scheduled on Wednesday, September 27, 2017 at 8:30 a.m.

Councilmember Schmid asked if Public Works repaired the stoplights that were not working properly.

Robin Kampmann, Director of Public Works, stated that it has been confirmed that they are the City of Red Bluff's responsibility, but Caltrans agreed to review them, a couple have been fixed and some are having a loop detector issue, that will be fixed in the near future.

H. ADJOURNMENT:

There being no further business Mayor Jones adjourned the meeting at 9:15 p.m. until the meeting of October 3, 2017 at the Red Bluff City Council Chambers.



Gary Jones, Mayor

ATTEST:

A Rice, Deputy City Clerk
Cassidy DeRege, City Clerk
For City Clerk