

**ADJOURNED REGULAR CHICO CITY COUNCIL MEETING — January 3, 2006**  
Minutes

1. **CALL TO ORDER** – Mayor Gruendl called the January 3, 2006 – Adjourned Regular Chico City Council meeting to order in the Chico Municipal Center, Conference Room #2, 421 Main Street, at 6:00 p.m.

Roll Call:

Present: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl

Absent: None

Staff Present: City Manager Jones, City Attorney Frank, former City Manager Lando, Director of Engineering McKinley, Finance Director Hennessy, Human Resources Director Fulks, and City Clerk Presson

2. **CLOSED SESSION**

- 2.1. **CONFERENCE WITH REAL PROPERTY NEGOTIATOR**  
(Gov. Code Sec. Section 54954.8.)

**Negotiator:** Greg Jones, City Manager

**Under Negotiation:** Price and terms of payment for proposed acquisition

**Negotiating Parties:** See Appendix "A" to the Agenda for list of property owners or designated negotiator(s)

- 2.2. **PUBLIC EMPLOYEES PERFORMANCE EVALUATION:** The City Council reviewed the City Manager's performance. (Gov. Code Section 54957.) ***Continued from meeting of 12/20/05.***

- 2.3. **CONFERENCE WITH LEGAL COUNSEL — EXISTING LITIGATION:** The City Attorney reviewed the following case: *Thomas V. Fogarty, et al. v. City of Chico, et al.*, Butte County Superior Court Case No. 136344 pursuant to subdivision (a) of Government Code section 54956.9.

- 2.4. **CONFERENCE WITH LEGAL COUNSEL — ANTICIPATED LITIGATION:** Significant exposure to litigation pursuant to subdivision (b) of Government Code section 54956.9: One case.

- 2.5. **CONFERENCE WITH LABOR NEGOTIATOR**

(Gov. Code Sec. 54957.6.)

Negotiator: Greg Jones, City Manager and Dan Fulks, Director of Human Resources

Employee Organizations: Management Employees, Confidential Employees, Public Safety Management Employees, Chico Police Officers' Association, Chico Public Safety Association, International Association of Firefighters, Service Employees International Union (Trades and Crafts Unit and Clerical, Technical and Professional Unit), Confidential Employees, Management Employees, and Public Safety Management Employees.

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3. **ADJOURNMENT**

Adjourned at 6:25 p.m. to a City Council meeting in the Council Chamber and reconvened in Close Session at 7:00 p.m., following the Adjourned Regular City Council meeting.

1. **CALL TO ORDER** – Mayor Gruendl called the January 3, 2005 – Regular Chico City Council meeting to order in the Chico Municipal Center, Council Chamber, 421 Main Street at 6:30 p.m.
  - 1.1. Flag Salute
  - 1.2. Invocation — Bruce Finch, First Reader, First Church of Christ, Scientist
  - 1.3. Roll Call  
  
Present: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl  
Absent: None
  - 1.4. Closed Session Announcement – None
  - 1.5. Proclamation — Honoring City Manager Tom Lando on his retirement after 25 years of service to the City.
2. **CONSENT AGENDA** – Item 2.1. was removed from the Consent Agenda and continued to a future meeting. A motion was made by Councilmember Schwab and seconded by Councilmember Holcombe to approve the remaining Consent Agenda:
  - 2.1. **INTRODUCTION OF AN ORDINANCE ADOPTING A MITIGATED NEGATIVE DECLARATION AND REZONING 0.26 ACRES LOCATED NORTH OF GODMAN AND EAST LASSEN AVENUE** – This item was removed from the Consent Agenda and continued to a future meeting.
  - 2.2. **MINUTE ORDER NO. 01-06 – APPROVAL OF CITY MANAGER EMPLOYMENT AGREEMENT WITH THE CITY OF CHICO**  
  
**Approved** – minute order for the approval of employment agreement with City Manager Greg Jones to commence on January 1, 2006.
  - 2.3. **MINUTE ORDER NO. 02-06 – AUTHORIZATION FOR CITY ATTORNEY TO RETAIN ALLEN MATKINS LECK GAMBLE & MALLORY LLP FOR LEGAL SERVICES**  
  
**Approved** – minute order authorizing City Attorney to retain Allen Matkins Leck Gamble & Mallory LLP for legal services in the case of *Thomas V. Fogarty, et al. v. City of Chico, et al.*
  - 2.4. **ADOPTION OF A MOTION PROPOSING TO OVERRULE THE BUTTE COUNTY AIRPORT LAND USE COMMISSION'S FINDINGS REGARDING INCONSISTENCIES BETWEEN THE CITY OF CHICO GENERAL PLAN AND THE BUTTE COUNTY AIRPORT LAND USE COMPATIBILITY PLAN REGARDING DEVELOPMENT OF THE PROPERTIES AT 1134 AND 1150 GLENWOOD AVENUE**  
  
**Adopted** – proposal to overrule the ALUC decision that the development of the property located at 1134 and 1150 Glenwood Avenue is inconsistent with the Butte County Airport Land Use Compatibility Plan for the Ranchoero Airport, and finding that development of those properties within the density range permitted by the current General Plan land use designation would be consistent with the purposes of the ALUC law.  
  
**Notified** – the Butte County ALUC and Caltrans of the City Council's intent to overrule the ALUC's finding of inconsistency regarding the development of 1134 and 1150 Glenwood Avenue.

Pursuant to State law, the City Council can propose to overrule an action of the ALUC if it finds by a 2/3 vote of the Council, that the proposed action is consistent with the purposes of ALUC law regarding the protection of public health, safety, and welfare in areas surrounding airports.

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The motion to approve the Consent Agenda, with Item 2.1. removed and continued to a future meeting, carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl  
NOES: None

3. **NOTICED PUBLIC HEARINGS**

4. **REGULAR AGENDA**

4.1. **ITEMS REMOVED FROM THE CONSENT AGENDA**

4.2. **ITEMS ADDED AFTER POSTING OF THE AGENDA – None**

5. **BUSINESS FROM THE FLOOR** – None

6. **REPORTS AND COMMUNICATIONS** – The following reports and communication items were provided for the Council's information. No action was taken on any of the items unless otherwise noted.

6.1. Letter dated 12/16/05 from Steve Visconti, Interim General Manager, Chico Area Recreation and Park District, notifying the City of their withdrawal from participation in the Old Municipal Building Project.

6.2. Letter dated 12/19/05 from Natalie Birk, Executive Director, Far West Heritage Association, expressing interest in becoming the sole lessee of the Old Municipal Building. Councilmembers Schwab and Wahl were disqualified on this item.

A motion was made by Councilmember Holcombe and seconded by Councilmember Bertagna to refer this item, as well as the letter from Debra Lucero, Executive Director Friends of the Arts, dated 12/27/05 and the letter from Sarah J. Blackstone, Dean, College of Humanities and Fine Arts, California State University, Chico, regarding the lease of the Old Municipal Building to the Internal Affairs Committee for discussion.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Gruendl  
NOES: None  
DISQ: Schwab, Wahl

6.3. Letter received 12/8/05 from Francis Farley proposing the City acquire Humboldt Road to ensure that our cultural resources are given the protection they deserve.

A motion was made by Councilmember Schwab and seconded by Mayor Gruendl to refer this item to the Internal Affairs Committee to discuss possible options. Staff was directed to only gather general information at this time.

The motion carried by the following vote:

AYES: Holcombe, Kirk, Schwab, Gruendl  
NOES: Bertagna, Herbert, Wahl

7. **ADJOURNMENT**

The City Council reconvened to Closed Session in Conference Room 2 and then adjourned at 8:05 p.m. to January 17, 2006, at 8:30 a.m., in the City Council Chamber for an adjourned regular work session.



Date Approved: February 7, 2006

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Deborah R. Presson, City Clerk

**ADJOURNED REGULAR CHICO CITY COUNCIL MEETING — January 17, 2006**  
Minutes

1. **CALL TO ORDER** – Mayor Gruendl called the January 17, 2006 – Adjourned Regular Chico City Council Meeting to order in the Chico Municipal Center, Council Chamber, 421 Main Street, at 8:30 a.m.
  - 1.1. Flag Salute
  - 1.2. Roll Call

Present: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl  
Absent: None
  - 1.3. Proclamation — Proclaiming January 30, 2006 - April 4, 2006 as “A Season for Nonviolence”
  - 1.4. Schedule:
    - A. Closed Session - listed on Page 6
    - B. Lunch break – 12:00 p.m.
  - 1.5. Presentations:  
Year-in-Review
2. **CONSENT AGENDA** – Items 2.7. and 2.8. were removed from the Consent Agenda and heard under Item 4.1. A motion was made by Vice Mayor Kirk and seconded by Councilmember Holcombe to approve the remaining items:
  - 2.1. **ADOPTION OF A RESOLUTION AMENDING THE PUBLIC SAFETY MANAGEMENT EMPLOYEES PAY AND BENEFIT RESOLUTION**

**Adopted** – Resolution No. 01-06 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO AMENDING THE PUBLIC SAFETY MANAGEMENT EMPLOYEES PAY AND BENEFIT RESOLUTION NO. 47 04-05 TO IMPLEMENT CERTAIN PAY AND BENEFIT CHANGES APPLICABLE TO SUCH EMPLOYEES (AMENDMENT NO. 4-2004 PUBLIC SAFETY MANAGEMENT PAY AND BENEFITS RESOLUTION) which amended the Public Safety Management Employees Pay and Benefit Resolution No. 47 04-05 to implement certain pay and benefit changes applicable to such employees. The Human Resources Director recommended adoption of the resolution.
  - 2.2. **ADOPTION OF A RESOLUTION APPROVING CERTAIN PAY, BENEFITS AND OTHER TERMS AND CONDITIONS OF EMPLOYMENT FOR THE CONFIDENTIAL EMPLOYEES**

**Adopted** – Resolution No. 02-06 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO APPROVING CERTAIN PAY, BENEFITS AND OTHER TERMS AND CONDITIONS OF EMPLOYMENT FOR THE CONFIDENTIAL EMPLOYEES OF THE CITY FOR THE PERIOD OF JANUARY 1, 2005 THROUGH DECEMBER 31, 2008 (2005 CONFIDENTIAL EMPLOYEES PAY AND BENEFITS RESOLUTION) which approved certain pay, benefits and other terms and conditions of employment for the Confidential employees of the City for the period of January 1, 2005 through December 31, 2008 (2005 Confidential Employees Pay and Benefits Resolution). The Human Resources Director recommended adoption of the resolution.
  - 2.3. **MINUTE ORDER NO. 03-06 – AUTHORIZATION FOR CITY MANAGER TO EXECUTE AGREEMENT IN CONNECTION WITH THE ACQUISITION OF A PUBLIC SERVICE EASEMENT AT 880 EAST AVENUE FOR UTILITY UNDERGROUNDING**

**Approved** – Minute Order No. 03-06 which authorized the City Manager to execute an agreement to acquire an easement with the property owners at 880 East Avenue - A.P. No. 007-280-055 (University Foundation, as Trustee of the Vernon E. and Marie H. Fish Charitable Remainder Trust). At its 06/14/04 closed session, the City Council authorized negotiations with the property owners for a 10' by 50' public service easement in the alley area behind the La Familia Restaurant. The easement was required in connection with the utility undergrounding portion of the East Avenue/Cohasset Road Intersection Project (Capital Project 10113). The Administrative Services Director recommended approval of the minute order.

2.4. **MINUTE ORDER NO. 04-06 – AUTHORIZATION FOR CITY MANAGER TO EXECUTE AGREEMENTS REQUIRED FOR THE EAST AVENUE RECONSTRUCTION PROJECT AND UTILITY UNDERGROUNDING**

**Approved** – Minute Order No. 04-06 which authorized the City Manager to execute agreements and other legal documents to acquire property rights from owners on various parcels on East Avenue between Cohasset Road and Ceanothus Avenue. At its 01/03/06 closed session, the City Council authorized fixed payments to the property owners for the acquisition of rights of way and/or public service easements of nominal value needed in connection with the East Avenue Reconstruction Project (Capital Project 18041) and the undergrounding of overhead utilities in Underground District 14, Area C. The Administrative Services Director recommended approval of the minute order.

2.5. **ACKNOWLEDGE RECEIPT OF ANNUAL FINANCIAL REPORTS AND REFER THE REPORTS TO THE FINANCE COMMITTEE FOR REVIEW**

**Accepted** – the Report to Management, City of Chico Comprehensive Annual Financial Report, City of Chico Single Audit Report, Chico Redevelopment Agency Component Unit Financial Report, Chico Public Financing Authority Component Unit Financial Report, and the Independent Auditor's Reports for the City of Chico Transportation Fund and the City of Chico Transit Fund for the Fiscal Year ended 6/30/05. The Finance Director recommended the City Council acknowledge receipt of the reports and refer the reports to the Finance Committee for review.

2.6. **APPROVAL OF CITY'S ADMINISTRATIVE PROCEDURE AND POLICY NO. 15-13, "INVESTMENT OF CITY FUNDS"**

**Approved** – revised Administrative Procedure and Policy No. 15-13, "Investment of City Funds" as required by California Government Code §53646. The Finance Director recommended approval of the revised Administrative Procedure and Policy.

2.7. **APPROVAL OF MINUTES OF CITY COUNCIL MEETINGS** – removed from Consent Agenda and heard under Item 4.1.

2.8. **CONFIRMATION OF APPOINTMENT OF ASSISTANT CITY MANAGER** – removed from Consent Agenda and heard under Item 4.1.

2.9. **ACCEPTANCE OF REPORT FROM THE INTERNAL AFFAIRS COMMITTEE MEETING OF DECEMBER 14, 2005**

**Accepted** – the Committee's report from its meeting of 12/14/05. The following items were considered: (1) Proposed improvements for the East First Avenue and Longfellow Avenue Corridor; (2) approval of Traffic Regulation Amendment (TRA) No. 803 removing parking along Dayton Road and adding diagonal parking on Poppy Street; (3) a request for traffic calming measures on East 12<sup>th</sup> Street between Park Avenue and Mulberry Street; (4) a request from CSU, Chico to abandon Orange Street between First and Second Streets and between Second and Third Streets; and (5) an update on the status of the "streaming video" of City Council meetings. Councilmember Schwab was disqualified on Item 4.



The motion to approve the Consent Agenda, as read, with Items 2.7. and 2.8. removed and heard under Item 4.1., carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl  
NOES: None

3. **NOTICED PUBLIC HEARINGS**

3.1. **HEARING ON APPEAL OF THE PLANNING COMMISSION'S APPROVAL OF THE HAWES PARCEL MAP (PM 05-11) LOCATED AT 1581 MOUNTAIN VIEW AVENUE**

**Hearing** – on appeal of a Planning Commission decision to approve a request to divide a 0.62 acre parcel located at 1581 Mountain View Avenue into two lots – one lot to retain an existing residence, and a flag lot for construction of a new residence. The Commission imposed a single-story limitation on new

construction to ensure neighborhood compatibility. A timely appeal was filed by Tom Blodget, representing a group of area residents. The primary appeal issue is neighborhood compatibility, specifically the issue of flag lots. The Council announced its exparte communications. All Councilmembers stated that they had spoken with or received messages from Craig Hawes, and Councilmember Holcombe indicated that he had spoken with Tom Blodget. Council was provided with copies of an e-mail received 1/09/06 from Kathie Wilson and an email received 1/10/06 from Tom Blodget, a neighborhood survey received 1/13/06 from Paul Hawes, and a letter dated 1/12/06 from Dan Katz.

Mayor Gruendl opened the hearing to the public. Addressing the Council in favor of the appeal which would overturn the Planning Commission decision were Tom Blodget, Tina Hoover, Turnon Murad, Dan Katz, Paul Watters, Kevin Atkin, Jo Walser, Kathleen Watson, and Karen Kite-Montana. Addressing the Council in opposition to the appeal thereby upholding the Planning Commission decision were Craig Hawes and James Renfro. The hearing was closed.

A motion was made by Councilmember Bertagna and seconded by Councilmember Schwab to: (1) deny the appeal, thereby upholding the Planning Commission decision; and (2) direct staff that future applications for flag lots are not to be accepted until after a policy has been developed.

The motion carried by the following vote:

AYES: Bertagna, Holcombe, Schwab, Gruendl  
NOES: Herbert, Kirk, Wahl

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The City Council recessed for a fifteen minute break at 10:05. The meeting was reconvened and all members of Council were present.

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3.2. **HEARING ON PROPOSED AMENDMENTS TO THE REDEVELOPMENT PLANS FOR THE AMENDED SOUTHEAST CHICO AND CHICO MUNICIPAL AIRPORT REDEVELOPMENT PROJECTS**

**Hearing** – on proposed amendments to the redevelopment plans for the Amended Southeast Chico and Chico Municipal Airport redevelopment projects to extend the time limits for effectiveness and the repayment of debt. Senate Bill 1096 required the Chico Redevelopment Agency to contribute \$928,917 into the Educational Revenue Augmentation Fund (ERAF) in the 2004-05 fiscal year and \$993,110 in the 2005-06 fiscal year. To compensate for the tax increment lost to the State-mandated ERAF payment, SB 1096 allows redevelopment agencies required to make ERAF payments to amend redevelopment plans to extend the time limit on the effectiveness of the plans and the time limit for repayment of indebtedness by one year for each year an ERAF payment is made. The plans may be amended through adoption of an authorizing ordinance by the City Council following a noticed public hearing. **(Report - Cindy Pierce, Administrative Services Director)**

Mayor Gruendl opened the hearing to the public. No one spoke and the hearing was closed.

A motion was made by Councilmember Schwab and seconded by Vice Mayor Kirk to introduce the following ordinances by reading of title only:

**ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO, EXTENDING THE TIME LIMITS FOR EFFECTIVENESS AND THE REPAYMENT OF DEBT OF THE REDEVELOPMENT PLAN FOR THE CHICO MUNICIPAL AIRPORT REDEVELOPMENT PROJECT - Introductory Reading**

**ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO, EXTENDING THE TIME LIMITS FOR EFFECTIVENESS AND THE REPAYMENT OF DEBT OF THE REDEVELOPMENT PLAN FOR THE AMENDED SOUTHEAST CHICO REDEVELOPMENT PROJECT - Introductory Reading**

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl  
NOES: None

4. **REGULAR AGENDA**

4.1. **ITEMS REMOVED FROM THE CONSENT AGENDA**

2.7. **APPROVAL OF MINUTES OF CITY COUNCIL MEETINGS**

**Approved** – minutes of City Council meetings held on 10/25/05, 11/10/05, 12/06/05, and 12/20/05, as amended.

A motion was made by Councilmember Holcombe and seconded by Councilmember Bertagna to approve the minutes of 10/25/05, 11/10/05, 12/06/05, and 12/20/05, amended as follows:

10/25/05 Minutes - Page 3 - “visibility” changed to “visit ability”

11/10/06 Minutes - Page 13 - amended to reflect the accurate vote on Item 4.3. to:

AYES: Bertagna, Herbert, Holcombe, Wahl, Gruendl  
NOES: Kirk, Schwab

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl  
NOES: None

2.8. **CONFIRMATION OF APPOINTMENT OF ASSISTANT CITY MANAGER**

**Confirmed** – the appointment of David Burkland as Assistant City Manager of the City of Chico effective 01/09/06.

A motion was made by Councilmember Bertagna and seconded by Councilmember Schwab to confirm the appointment of Assistant City Manager, Dave Burkland.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl  
NOES: None

4.2. **BUDGET REVIEW - 10 YEAR FORECASTING – *The Chico City Council acted in its capacity as both the Chico City Council and the Chico Redevelopment Agency for consideration of this item.***

**Reviewed** – budget development and long range financial planning proposal.

A motion was made by Councilmember Herbert and seconded by Councilmember Bertagna to: (1) approve the 10-year forecasting concept and recommendations; and (2) direct staff to proceed with implementation. It was noted that the current policies would remain in place pertaining to the 7½ percent operating reserve and the 20 percent of the amount in excess of the General Fund Operating Reserve being transferred to the Emergency Reserve Fund as referenced in Budget Policy C.4.b.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl  
NOES: None

**Action** – approval of revised budget calendar.



A motion was made by Vice Mayor Kirk and seconded by Councilmember Schwab to approve the revised budget calendar.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl  
NOES: None

4.3. **NATIONAL INCIDENT MANAGEMENT SYSTEM (NIMS) UPDATE**

Verbal report was provided by the Fire Chief.

4.4. **REQUEST FOR RENTAL ASSISTANCE FOR KATRINA EVACUEE FAMILY**

**Considered** – request from Katrina Family whose temporary housing situation ends this month. With the lack of local references and recent employment, the property manager had advised the family that a co-signer would be required as part of their application. With the application not meeting the credit test, a \$1,000 security deposit would also be required. (*Report – Dennis McLaughlin, Housing Officer*)

A motion was made by Councilmember Bertagna and seconded by Vice Mayor Kirk to increase the security deposit to not exceed \$1,400 with staff to check with the landlord to see if a co-signer was still needed if the security deposit was increased.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl  
NOES: None



Staff indicated that according to the property manager, a co-signer would still be required.



A motion was made by Vice Mayor Kirk and seconded by Mayor Gruendl to authorize the City to become the co-signer if no other organization could.

The motion failed due to the following vote:

AYES: Kirk, Gruendl  
NOES: Bertagna, Herbert, Holcombe, Schwab, Wahl

Staff was directed to check with charitable organizations on the co-signer requirement.

4.5. **CONSIDERATION OF REPORT AND RECOMMENDATIONS FROM THE FINANCE COMMITTEE MEETING OF DECEMBER 28, 2005**

**COMMITTEE MATTERS REQUIRING COUNCIL ACTION AT THIS MEETING:**

- A. **Consideration of Request for Financial Assistance from the Well Ministry of Rescue to Connect its Transitional Housing Facility to the City Sewer System.** The Committee recommended (3-0) approval of a grant for the Well Ministry of Rescue to be paid in two increments from the City's Community Development Block Grant Program, \$50,000 for Fiscal Year 2005-06 and \$40,000 for Fiscal Year 2006-07.

A motion was made by Vice Mayor Kirk and seconded by Councilmember Herbert to approve the following minute order and direct staff to prepare a confirming supplemental appropriation to be processed following this meeting.

**MINUTE ORDER – AUTHORIZATION FOR THE CITY MANAGER TO EXECUTE A GRANT AGREEMENT WITH THE WELL MINISTRY OF RESCUE (THE WELL) FOR \$90,000 OF COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS FOR THE CONNECTION OF THE FACILITY AT 2612 ESPLANADE TO THE CITY SEWER SYSTEM AND AUTHORIZING A SUPPLEMENTAL APPROPRIATION FOR THE FUNDING**

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl

NOES: None

- B. **Discussion Regarding Efforts to Increase Affordable Housing Opportunities.** The Committee recommended (3-0) that staff prepare a map depicting vacant land available for development in the City of Chico. The Committee also recommended (2-1, Wahl opposed) that staff conduct a study of appreciation sharing issues related to inclusionary zoning and land banking, including inquiries of local developers as to methods they use to maintain first-time homebuyer ownership, if any, for the Committee's review at a future meeting.

A motion was made by Councilmember Bertagna and seconded by Councilmember Herbert to direct staff to prepare a map depicting vacant land available for development in the City of Chico with the map to be available for the meeting on March 28, 2006 regarding infill issues.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl

NOES: None

A motion was made by Vice Mayor Kirk and seconded by Councilmember Schwab to direct staff to gather information from other cities regarding appreciation sharing and provide it to the Finance Committee.

The motion carried by the following vote:

AYES: Holcombe, Kirk, Schwab, Gruendl

NOES: Bertagna, Herbert, Wahl

A motion was made by Vice Mayor Kirk and seconded by Councilmember Holcombe to direct staff to research incentive based inclusionary zoning and provide Council with a memorandum on the information requested.

The motion carried by the following vote:

AYES: Holcombe, Kirk, Schwab, Gruendl

NOES: Bertagna, Herbert, Wahl

- C. **Consideration of Staff Recommendations on Alley Improvement Fees.** The Committee recommended (2-1, Wahl opposed): 1) this item be referred to the Solid Waste Committee to examine implementation of a fee to be imposed on the waste haulers for a fair share of alley maintenance and improvements; 2) amend the Municipal Code as necessary in order for the City to collect fees that reflect the actual cost of installing alley improvements; and 3) continue to exempt second dwelling units as provided in Section 14.14.050 of the Municipal Code.

A motion was made by Councilmember Herbert and seconded by Councilmember Bertagna to not approve the fee for alley improvements but add this item to the list of RDA bond projects to be considered.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Kirk, Wahl  
NOES: Holcombe, Schwab, Gruendl

**D. Review and Consideration of Annexation Fees and Development Review Committee Fees.**

The Committee recommended (2-1, Wahl opposed): 1) modification of existing fees to process annexation applications as follows: (a) existing single family residence fee increased to \$250; (b) required sewer connection fee increased to \$250; (c) fully developed properties fee increased to \$750; (d) limited potential for development fee increased to \$750, and the fee for all others increased to \$2,250; and 2) adoption of a new fee of \$386 for processing development review applications.

A motion was made by Councilmember Herbert and seconded by Councilmember Wahl to not approve the proposed annexation fee increase nor the adoption of a new fee for processing development review applications.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Kirk, Wahl  
NOES: Schwab, Holcombe, Gruendl

**E. Consideration of Exempting Agricultural Use from Utility Users Tax.** The Committee recommended (3-0) an exemption from the Utility Users Tax for electrical energy used for agricultural irrigation.

A motion was made by Councilmember Herbert and seconded by Councilmember Bertagna to approve an agricultural use exemption from the Utility Users Tax.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl  
NOES: None

**F. Consideration of Request from Bob Best that a Redevelopment Committee be Formed.**

The Committee recommended (3-0) the establishment of an advisory committee to meet on a periodic basis to discuss redevelopment issues. The specifics of the formation of the Committee to be determined by the Redevelopment Agency. The Council was provided with a copy of a letter dated 1/12/06 from Douglas W. Hammett regarding this issue. The Chico City Council acted in its capacity as both the Chico City Council and the Chico Redevelopment Agency for consideration of this item. Addressing the Council in support of the formation of a Redevelopment Committee were Greg Burton, Lon Glazner, and Bob Best.

A motion was made by Councilmember Wahl and seconded by Councilmember Bertagna to acknowledge that an independent, informal, self-appointed RDA Committee, coordinated by Bob Best, would be created and would consist of individuals who volunteer and wish to participate, including all interested neighborhood groups, with the purpose to educate and inform the public and agency as well as review the project list created by the bond issuance and once that project is completed, to reevaluate the purpose of the committee.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Wahl, Gruendl  
NOES: Schwab

It was noted that a preliminary discussion of the Redevelopment Bond Projects would be held at the January 25, 2005 Finance Committee meeting and that the members of this committee were invited to attend.

**COMMITTEE MATTERS REQUIRING NO COUNCIL ACTION AT THIS MEETING.**

- G. **Consideration of Request from Pleasant Valley Assembly of God for Reimbursement of Southeast Chico Sewer Assessment District Payments.** The Committee directed staff to place this item on the agenda for a future meeting to discuss the development of a specific policy to handle reimbursement of sewer assessment fees in the future. Pleasant Valley Assembly of God's specific request will be agendaized as part of this discussion.
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A motion was made by Councilmember Herbert and seconded by Councilmember Wahl to accept the 12/28/05 Finance Committee Report.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl  
NOES: None

4.6. **FUTURE MEETINGS**

The City Council scheduled a future joint Planning Commission/City Council meeting on March 28, 2006 to discuss in-fill issues, including flag lots from 6:30 - 8:30 p.m.

4.7. **ITEMS ADDED AFTER THE POSTING OF THE AGENDA – None**

5. **BUSINESS FROM THE FLOOR**

David Guilford addressed Council about his concerns for his personal safety and asked for help from the Police Department.

6. **REPORTS AND COMMUNICATIONS**

The following reports and communication items were provided for the Council's information. No action was taken on any of the items unless otherwise noted.

- 6.1. Memorandum dated 01/03/06 from the Finance Director reported that the list of claims paid during the month of December 2005 has been produced and is available for review in the offices of the Finance Director, the City Clerk and the City Council.

7. **ADJOURNMENT**

Adjourned to Closed Session at 12:35 p.m. in Chico Municipal Center, Conference Room, #2, 421 Main Street.

**CLOSED SESSION**  
Minutes

1. **CALL TO ORDER**

Present: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl  
Absent: None

Staff Present: City Manager Jones, City Attorney Frank, Assistant City Manager Burkland, City Clerk Presson, Director of Human Resources Fulks

2. **CLOSED SESSION MATTERS**

2.1. **CONFERENCE WITH LEGAL COUNSEL — EXISTING LITIGATION:** The City Attorney reviewed the following case: *Thomas V. Fogarty, et al. v. City of Chico, et al.*, Butte County Superior Court Case No. 136344 pursuant to subdivision (a) of Government Code section 54956.9.

2.2. **CONFERENCE WITH LEGAL COUNSEL — ANTICIPATED LITIGATION:** Significant exposure to litigation pursuant to subdivision (b) of Government Code section 54956.9: One case.

2.3. **CONFERENCE WITH LABOR NEGOTIATOR**

(Gov. Code Sec. 54957.6.)

Negotiator: Greg Jones, City Manager and Dan Fulks, Director of Human Resources

Employee Organizations: Management Employees, Confidential Employees, Public Safety Management Employees, Chico Police Officers' Association, Chico Public Safety Association, International Association of Firefighters, Service Employees International Union (Trades and Crafts Unit and Clerical, Technical and Professional Unit), Confidential Employees, Management Employees, and Public Safety Management Employees.



3. **ADJOURNMENT**

Adjourned to a Regular City Council meeting on February 7, 2006 at 6:00 p.m., in Conference Room 2 if a closed session is scheduled, followed by a regular meeting in the Council Chamber at 6:30 p.m.

4. **CLOSED SESSION ANNOUNCEMENT** – None

Date Approved: February 7, 2006

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Deborah R. Presson, City Clerk