1. **CALL TO ORDER** — Mayor Kirk called the meeting to order at 6:00 p.m. in the Chico Municipal Center, Conference Room #1, 421 Main Street.

1.1. Roll Call — Present: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk
Absents: None

2. **CONSENT AGENDA** - No items

3. **NOTICED PUBLIC HEARINGS** - No items

4. **REGULAR AGENDA**

4.1 **2002 BIENNIAL RECRUITMENT AND APPOINTMENT OF MEMBERS TO THE CITY’S BOARDS AND COMMISSIONS, INCLUDING COMMUNITY TRANSIT ADVISORY COMMITTEE (CTAC)**

By memorandum dated 12/26/02, the City Clerk forwarded the information received during the Biennial Recruitment process used to solicit applications from the residents of the City of Chico to serve as members of its appointive Boards and Commissions. The three Boards or Commissions that have special membership requirements are the Architectural Review Board, Arts Commission, and Parking Place Commission. The City Council held interviews and made the following appointments to the various Boards, Commissions and CTAC:

- **Planning Commission** — Victor Alvistur, Mary Brownell, Jon Luvaas, Irving Schiffman
- **Park Commission** — Stephen Lucas, Russell Mills, Ann Schwab, Jim Walker
- **Human Resources Commission** — Charles Martin, Alfred Moser, Charles Turner
- **Arts Commission** — Paula Busch, Angela Nelson, Stephanie Roos
- **Airport Commission** — Georgie Bellin, Craig Sanders, Al Silva
- **Architectural Review Board** — Nicholas Ambrosia, Lorrin Ward
- **Community Transit Advisory Committee** — Richard Dunn, Michael Worley
- **Parking Place Commission** — no appointments were made at this time due to no applicants meeting the requirements for appointment and this commission was referred to Internal Affairs for review.

5. **BUSINESS FROM THE FLOOR** — None

6. **REPORTS AND COMMUNICATIONS** — No items

7. **ADJOURNMENT**

Adjourned at 10:19 p.m. to an adjourned Regular City Council Meeting on January 7, 2003, at 7:00 p.m., in Conference Room No. 2, if a closed session is scheduled, followed by a regular meeting in the Council Chamber at 7:30 p.m.

DATE APPROVED: February 4, 2003

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Deborah R. Presson, City Clerk
1. CALL TO ORDER — Mayor Kirk called the Adjourned Regular Chico City Council Meeting to order at 7:00 p.m. in the Chico Municipal Center, Conference Room #2.

1.1. Roll Call — Present: Bertagna, Gruendl, Herbert, Nguyen-Tan, Wahl, Kirk
    Absent: Jarvis

2. CLOSED SESSION – Council convened to Closed Session at 7:00 p.m.

2.1. CONFERENCE WITH LEGAL COUNSEL — ANTICIPATED LITIGATION: Initiation of litigation (Gov. Code Sec. 54956.9(c): Two cases.

2.2. CONFERENCE WITH LEGAL COUNSEL — PENDING LITIGATION: The City Attorney reviewed the following: Meghdadi v. Chico City Council, Butte County Superior Court Case 127773. (Gov. Code Sec. 54956.9(a).)

3. ADJOURNMENT

   Adjourned at 7:30 p.m. to a Redevelopment Agency meeting in the Council Chamber.
1. **CALL TO ORDER** — Mayor Kirk called the Regular Chico Redevelopment Agency Meeting to order at 7:30 p.m. in the Chico Municipal Center, Council Chamber, 421 Main Street.

1.1. Flag Salute

1.2. Invocation - Associate Pastor Eric Enns, Pleasant Valley Assembly of God

1.3. Roll Call — Present: Bertagna, Gruendl, Herbert, Nguyen-Tan, Wahl, Kirk
Absente: Jarvis

1.4. Mayor’s Awards were presented to Matt Smith, Sarah Jones, and Rich Lujan for their assistance with graffiti eradication in the City of Chico.

Mayor Kirk presented a proclamation for Martin Luther King Day - was presented to Thomas P. Tenorio, Executive Director - Community Action Agency of Butte County, Inc.

Mayor Kirk presented a proclamation to Joanna Brooks, Big Brothers Big Sister of Butte County proclaiming January as National Mentoring Month.

1.5. Closed Session Announcement — None

2. **CONSENT AGENDA**

3. **NOTICED PUBLIC HEARINGS**

4. **REGULAR AGENDA**

4.1. **CONSIDERATION OF FORMATION OF A COMMITTEE TO REVIEW CRITERIA FOR THE USE OF THE OLD MUNICIPAL BUILDING**

Consistent with City Council's discussion at its 11/19/02 meeting, the City Manager recommended the formation of a Committee to provide guidance to the Council in the use of the old Municipal Building. The City Manager has provided the City Council with a memorandum dated 12/23/02, which contains suggested criteria for the Committee to review. It is recommended that the Committee report back to the City Council by its 2/18/03 meeting.

A motion was made by Councilmember Bertagna and seconded by Councilmember Herbert to have the Mayor and City Manager create a committee open to those interested in reviewing the criteria for the use of the Old Municipal Building.

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Nguyen-Tan, Kirk
NOES: None
ABSENT: Jarvis
DISQUAL: Wahl

4.2. **RESOLUTION OF THE CHICO REDEVELOPMENT AGENCY AUTHORIZING THE EXECUTIVE DIRECTOR TO ENTER INTO AN AGREEMENT WITH FLEETWOOD MOTOR HOMES OF CALIFORNIA, INC. FOR AGENCY ACQUISITION OF 11.087 ACRES OF PROPERTY AT THE CHICO MUNICIPAL AIRPORT (047-560-049)**

By memorandum dated 12/24/02, the Executive Director reported that Fleetwood has offered to sell to the Chico Redevelopment Agency approximately 11.09 acres for $800,000, or approximately $1.66 per square foot, which is substantially below the market value. The Executive Director recommended that
the Chico Redevelopment Agency reacquire the property to add to the supply of readily available industrial land.

A motion was made by Councilmember Herbert and seconded by Councilmember Bertagna to adopt:

RESOLUTION NO. 08-02 — A RESOLUTION OF THE CHICO REDEVELOPMENT AGENCY AUTHORIZING THE EXECUTIVE DIRECTOR TO ENTER INTO AN AGREEMENT WITH FLEETWOOD MOTOR HOMES OF CALIFORNIA, INC. FOR AGENCY ACQUISITION OF 11.087 ACRES OF PROPERTY AT THE CHICO MUNICIPAL AIRPORT (047-560-049)

The motion carried by the following vote:

AYES: Bertagna, Herbert, Wahl, Kirk
NOES: Gruendl, Nguyen-Tan
ABSENT: Jarvis
DISQUAL: None

4.3. ITEMS REMOVED FROM THE CONSENT AGENDA

5. ITEMS ADDED AFTER POSTING OF THE AGENDA — None

6. ADJOURNMENT

Adjourned to a City Council meeting.
1. **CALL TO ORDER** — Items 2.3. and 2.6. were removed from the Consent Agenda and heard under Item 4.1. A motion was made by Councilmember Bertagna and seconded by Councilmember Herbert to approve the following Consent Agenda:

2. **CONSENT AGENDA**

2.1. **ORDINANCE NO. 2257 — AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO AMENDING CHAPTER 2.80 OF THE CHICO MUNICIPAL CODE RELATING TO APPEALS TO THE CITY COUNCIL - FINAL READING AND ADOPTION**

At its 12/3/02 meeting, the City Council approved the recommendation of the Internal Affairs Committee to amend the Chico Municipal Code to establish a 10-day, rather than 15-day appeal period. The ordinance will amend Chapter 2.80 of the Chico Municipal Code relating to appeals.


At its 10/1/02 meeting, the City Council approved the recommendation of the Internal Affairs Committee and directed staff to prepare an ordinance amending the Chico Municipal Code to expand the allowance of outdoor cafés within the public right-of-way to include all zoning districts, and to include the requirement that café owners provide cigarette and trash receptacles. By memorandum dated 12/20/02, the Community Development Director transmitted the ordinance and recommended Council approve it for introductory reading.

2.3. **ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO REZONING A PORTION OF PROPERTY IDENTIFIED AS ASSESSOR'S PARCEL NUMBER 011-030-134 LOCATED JUST INSIDE THE GATE OF THE CANYON OAKS DEVELOPMENT AT THE WEST END OF SHALLOW SPRINGS TERRACE FROM OS-1 PRIMARY OPEN SPACE TO RS-1-PD SUBURBAN RESIDENTIAL- ONE ACRE MINIMUM LOT SIZE WITH A PLANNED DEVELOPMENT OVERLAY (RZ 02-02; LVV ENTERPRISES) Introductory Reading — this item was removed from the Consent Agenda and heard under Item 4.1.**

2.4. **RESOLUTION NO. 7002-03 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO AUTHORIZING GRANT OF LICENSE TO CSU, CHICO RESEARCH FOUNDATION FOR ENCROACHMENT ON PUBLIC RIGHT OF WAY (35 MAIN STREET / APN 003-190-033-000)**

By memorandum dated 12/9/02, the Director of Public Works reported on a request by CSU, Chico Research Foundation to encroach on public right of way adjacent to 35 Main Street for the purpose of installing underground telecommunications equipment and fiber optic cable to upgrade telecommunications equipment to meet extensive communication demands that cannot currently be met with the existing utilities at that site. The Director of Public Works recommended adoption of this resolution which authorized the execution of the Grant of License by the City Manager.

2.5. **MINUTE ORDER - AUTHORIZING AIRPORT MANAGER TO EXECUTE A LEASE OF PROPERTY AT CHICO MUNICIPAL AIRPORT (CITY OF CHICO/CHICO AIR MUSEUM)**

This minute order authorized the Airport Manager to execute a Lease of Property with Chico Air Museum at the Chico Municipal Airport for the lease of approximately 1.636 unimproved acres for the purpose of operating a revenue generating educational aviation museum and gift shop. The Airport Manager recommended approval of the Minute Order.
2.6. CONFIRMATION OF DIRECTOR OF PUBLIC WORKS — this item was removed from the Consent Agenda and heard under Item 4.1.

The motion to approve the Consent Agenda, with Items 2.3. and 2.6. removed and heard under Item 4.1., carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Nguyen-Tan, Wahl, Kirk
NOES: None
ABSENT: Jarvis
DISQUAL: None

3. NOTICED PUBLIC HEARINGS

3.1. HEARING ON AMENDMENT TO THE COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM REGARDING REQUEST FROM THE RIGHT NOW FOUNDATION FOR CITY FUNDING ASSISTANCE FOR ACQUISITION OF THE SENATOR THEATER AND APPROVAL OF SUPPLEMENTAL ALLOCATION TO PROVIDE FORGIVABLE LOAN TO THE RIGHT NOW FOUNDATION

By memorandum dated 12/20/02, the Economic Development/Housing Specialist provided background on the request from the Right Now Foundation for acquisition of the Senator Theater and provided the recommended terms and conditions for the loan. At its 11/19/02 meeting, the City Council approved a motion of intent to allocate $200,000 as a forgivable loan to the Right Now Foundation for acquisition of the Senator Theater. The Council stipulated that the forgivable loan be secured by a first deed of trust and the $200,000 be considered the limit of the City’s contribution to the Senator Theater. The City Manager recommended approval of a Supplemental Appropriation to allocate CDBG funds for a forgivable loan to the Right Now Foundation for acquisition of the Senator Theater and further recommended that the Council authorize the City Manager to execute Agreements with the Right Now Foundation subject to the terms and conditions set forth in the ED/Housing Specialist’s memorandum. Mayor Kirk opened the hearing to the public and Emily Alma and Rose Mary Febbo addressed Council. The hearing was closed.

A motion was made by Councilmember Herbert and seconded by Councilmember Bertagna to approve the City Manager’s recommendations listed above.

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Nguyen-Tan, Wahl, Kirk
NOES: None
ABSENT: Jarvis
DISQUAL: None

4. REGULAR AGENDA

4.1. ITEMS REMOVED FROM THE CONSENT AGENDA

2.3. ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO REZONING A PORTION OF PROPERTY IDENTIFIED AS ASSESSOR’S PARCEL NUMBER 011-030-134 LOCATED JUST INSIDE THE GATE OF THE CANYON OAKS DEVELOPMENT AT THE WEST END OF SHALLOW SPRINGS TERRACE FROM OS-1 PRIMARY OPEN SPACE TO RS-1-PD SUBURBAN RESIDENTIAL- ONE ACRE MINIMUM LOT SIZE WITH A PLANNED DEVELOPMENT OVERLAY (RZ 02-02; LVV ENTERPRISES) Introductory Reading — this item was removed from the Consent Agenda

By memorandum dated 12/24/02, Senior Planner Patrick Murphy reported that at the Planning Commission meeting of 11/21/02, the Commission voted (3 in favor, 2 in opposition, and 2 absent) on
a request to amend the General Plan land use designation for a 5.37 acre parcel from Parks to Very Low Density Residential and to zone the subject parcel from OS-1 Primary Open Space to RS-1-PD Suburban Residential- one acre minimum lot size with a Planned Development overlay. A mitigated negative declaration is proposed for this project pursuant to the California Environmental Quality Act (CEQA). Should the City Council choose to introduce this ordinance, a resolution amending the general plan will be considered along with the final reading and adoption of the ordinance. The public hearing for the ordinance is scheduled for the City Council meeting on 2/4/03. The Planning Commission and Planning Director recommended that the City Council introduce the rezone ordinance by reading of the title only. Mayor Kirk asked that this item be pulled for further discussion. She expressed concern over this rezone. The City Manager indicated that those concerns could be addressed during the public hearing process and that the Council could determine then whether it wanted to proceed with the rezone.

A motion was made by Councilmember Herbert and seconded by Councilmember Bertagna to approve the introductory reading of above titled ordinance by reading of title only and schedule the public hearing for 2/04/03.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Nguyen-Tan, Wahl, Kirk
NOES: Gruendl
ABSENT: Jarvis
DISQUAL: None

2.6. CONFIRMATION OF DIRECTOR OF PUBLIC WORKS — this item was removed from the Consent Agenda and heard under Item 4.1.

By memorandum dated 12/23/02, the City Manager submitted for City Council confirmation the City Manager’s appointment of Fritz McKinley as the Director of Public Works. The current Director of Public Works, E.C. Ross, is retiring effective 2/28/03. Fritz McKinley currently serves as the City’s Assistant Director of Public Works Engineering.

A motion was made by Councilmember Bertagna and seconded by Councilmember Herbert to confirm the appointment of Fritz McKinley as the Director of Public Works.

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Nguyen-Tan, Wahl, Kirk
NOES: None
ABSENT: Jarvis
DISQUAL: None

4.2. INITIAL CONSIDERATION OF AN APPEAL OF THE BIDWELL PARK AND PLAYGROUND COMMISSION’S DETERMINATION REGARDING ENVIRONMENTAL REVIEW FOR THE ANNIE BIDWELL TRAIL

By memorandum dated 12/31/02, the Park Director reported that at its 12/16/02 meeting, the Bidwell Park and Playground Commission approved (5 in favor, 1 opposed, 1 vacancy) a modification to the level of environmental review for one alternative trail route for the Annie Bidwell Trail to allow for multiple uses instead of pedestrian only. A timely appeal of the Commission’s decision was filed by Randall Abbott. The City Council has the option to take no action and uphold the BPPC decision, thereby denying the appeal, or by a vote of at least four Council members, call up the record of proceedings and set the matter for a public hearing.

Those individuals who were in favor of having the Council hear the appeal were Randy Abbott, who also submitted 270 signatures in favor of hearing the appeal, John Dittes, Susan Mason, and Josephine Guardino. Michael Jones addressed Council urging them not to hear the appeal.

Councilmember Herbert expressed concern over possibly delaying this project longer in order to hear the
appeal. Mayor Kirk expressed a desire to hear the appeal since the City did not have a Master Management Plan in place. Councilmember Nguyen-Tan said that while he did not necessarily agree with everything that the appellants had indicated were the reasons to hear the appeal, that he would also like to hear the appeal.

A motion was made by Councilmember Herbert and seconded by Councilmember Wahl to deny the appeal, thereby upholding the BPPC decision.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Nguyen-Tan, Wahl
NOES: Gruendl, Kirk
ABSENT: Jarvis
DISQUAL: None

Councilmember Nguyen-Tan requested that reconsideration of this item be scheduled at the 1/28/03 meeting.

4.3. CONSIDERATION OF REQUEST FROM COUNCILMEMBER BERTAGNA TO DISCUSS INCREASED SPEED OF TRAINS TRAVELING THROUGH CHICO

By electronic message dated 12/18/02, Councilmember Bertagna requested that this matter be scheduled for Council consideration. Pursuant to City Council Rules of Procedure, a majority vote of the Council was required to approve the request. Council directed staff to schedule a meeting with the involved parties.

4.4. CONSIDERATION OF REQUEST FROM COUNCILMEMBER BERTAGNA TO MOVE THE

DISCUSSION OF ANNEXATION ISSUES FROM THE INTERNAL AFFAIRS COMMITTEE TO THE ANNEXATION/SEWER ISSUES COMMITTEE

At its meeting of 12/17/02 the City Council directed the discussion of annexation issues to be heard by the Internal Affairs Committee. Councilmember Bertagna has requested that Council consider directing these items to the Annexation/Sewer Issues Committee. Pursuant to City Council Rules of Procedure, a majority vote of the Council was required to approve the request. Council concurred that this issue would be reviewed by the Internal Affairs Committee.

4.5. ITEMS ADDED AFTER POSTING OF THE AGENDA

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.

6.1. Letter dated 12/12/02 from James A. Camy, Manager of the Butte County Mosquito and Vector Control District, provided the City Council with the 2002 meeting attendance record of Appointee Dr. Albert Beck. The letter informs the City Council that Dr. Beck attended 11 of 12 meetings.

6.2. Memorandum dated 12/11/02 from the Interim Chief of Police provided the Citizens' Option for Public Safety Grant Summary Report for the period of July 2002 - October 2002. Staff was directed to provide additional information to the Council regarding the funding of this grant.

6.3. Memorandum dated 12/11/02 from the Finance Director reported that the list of claims paid during the month of November 2002 has been produced and is available for review in the offices of the Finance Director, the City Clerk and the City Council.

6.4. Memorandum dated 12/12/02 from the Assistant City Manager provided a report on contracts that have been awarded for the purchase of materials, supplies, and/or services required by the City, within the appropriations approved therefor in the current Annual Budget.

7. ADJOURNMENT

Adjourned at 9:38 p.m. to January 28, 2003, at 9:00 a.m. in the Council Chamber, for an all day work session.

DATE APPROVED: February 4, 2003

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Deborah R. Presson
1. **CALL TO ORDER** — Mayor Kirk called the Adjourned Regular Chico Redevelopment Agency Meeting to order at 9:00 a.m. in the Chico Municipal Center, Council Chamber, 421 Main Street.

   1.1. Flag Salute

   1.2. Roll Call — Present: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk
                   Absent: None

2. **CONSENT AGENDA** — None

3. **NOTICED PUBLIC HEARINGS** — None

4. **REGULAR AGENDA**

4.1. **YEAR IN REVIEW PRESENTATION**

   The City Manager presented a slide show of operations and major projects accomplished during the past year.

4.2. **BUDGET REVIEW**

   The Chico Redevelopment Agency was provided with copies of the Chico Merged Redevelopment Project Area Fund Five Year Trends, the Greater Chico Urban Area Redevelopment Project Area Fund Five Year Trends, the Low and Moderate Income Housing Fund Summary, and a Summary Status Report of Major Capital Projects. The Executive Director reported that in terms of the Redevelopment Budget, the numbers contained in these documents were substantially the same as have been reviewed by the Agency in the past. Governor Davis has proposed that all redevelopment funds set aside in the Low & Moderate Income Housing Fund which were not committed as of December 1, 2002, be taken by the State. In addition, the Governor has proposed that for 2003-04 and future years, the portion of the tax increment related to the school percentage of the property tax also be taken by the State, which would eliminate the Agency’s ability to fund future RDA projects.

5. **ITEMS ADDED AFTER POSTING OF THE AGENDA** — None

6. **ADJOURNMENT**

   Adjourned to a City Council meeting in the Council Chamber.
CALL TO ORDER — Mayor Kirk called the Adjourned Regular Chico City Council Meeting to order at 1:00 p.m. in the Chico Municipal Center, Council Chamber, 421 Main Street. Council then recessed to Closed Session in Conference Room 2.

1.1. Roll Call — Present: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk
Absent: None

CLOSED SESSION These matters were considered at approximately 1:00 p.m.

A. CONFERENCE WITH LEGAL COUNSEL — ANTICIPATED LITIGATION: Initiation of litigation (Gov. Code Sec. 54956.9(c): Two cases.

B. CONFERENCE WITH LEGAL COUNSEL — PENDING LITIGATION: The City Attorney reviewed the following: Meghdadi v. Chico City Council, Butte County Superior Court Case 127773. (Gov. Code Sec. 54956.9(a.))

ADJOURNMENT

Closed Session was adjourned at 1:50 p.m. to a City Council meeting in the Council Chamber.

APPROVAL OF SUPPLEMENTAL APPROPRIATION NO. 02-03 18 TO PROVIDE ADDITIONAL FUNDING FOR MAJOR LITIGATION COSTS (001-160-6151/9908300-4800) — this item was removed from the Regular City Council Consent Agenda and heard following Closed Session.

The City Attorney requested additional funds for continuing outside legal counsel and other costs related to the City’s defense of Andrew Meghdadi, et al. v. City Council, et al. Discussion of the litigation is scheduled for closed session at today’s meeting. The Council was provided with a copy of the General Fund (001) Fund Summary which reflects the 06/30/03 estimated fund balance. The City Attorney recommended approval of the Supplemental Appropriation.

A motion was made by Councilmember Bertagna and seconded by Councilmember Wahl to approve Supplemental Appropriation No. 02-03 18 in the amount of $250,000.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Nguyen-Tan, Wahl, Kirk
NOES: None
ABSENT: Gruendl, Jarvis — absent from the vote
1. **CALL TO ORDER**

1.1. Roll Call — Present: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk
    Absent: None

1.2. Closed Session Announcement — none

2. **CONSENT AGENDA** — Item 2.9 was removed from the Consent Agenda and heard following Closed Session. Item 2.11. was removed from the Consent Agenda and heard under Item 4.1. A motion was made by Councilmember Bertagna and seconded by Vice Mayor Jarvis to approve the remaining items on the Consent Agenda:


At its 10/1/02 meeting, the City Council approved the recommendation of the Internal Affairs Committee and directed staff to prepare an ordinance amending the Chico Municipal Code to expand the allowance of outdoor cafés within the public right-of-way to include all zoning districts, and to include the requirement that café owners provide cigarette and trash receptacles. The ordinance was introduced at the 1/7/03 City Council meeting. The Community Development Director recommended adoption of the ordinance.

2.2. **ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO REZONING PROPERTY AT 1310 WEST SACRAMENTO AVENUE, IDENTIFIED AS ASSESSOR’S PARCEL NO. 043-280-003, FROM R1 LOW DENSITY RESIDENTIAL TO R3 MEDIUM-HIGH DENSITY RESIDENTIAL REZONE O2-4 (KARASINSKI) - Introductory Reading**

By memorandum dated 12/30/02, Associate Planner Palmeri reported that at its meeting of 12/19/02, the Planning Commission voted (6 in favor, 0 against, and 1 absent) on consent to recommend Council approval of a rezone from R1 Low Density Residential to R3 Medium-High Density Residential for 0.98 acre property located at 1310 West Sacramento Avenue (RZ 02-4; Karasinski, applicant). The property is identified as Assessor’s Parcel No. 043-280-003 and is designated Medium-High Density Residential on the General Plan Diagram. Pursuant to Section 15162 and 15183 of the California Environmental Quality Act, no subsequent environmental review is required for this project, as it has been determined to be covered under the previously certified General Plan EIR since the proposed zoning is consistent with the underlying General Plan designation. The Planning Commission and Planning Director recommended that the City Council: 1) introduce the ordinance by the reading of the title only; and 2) schedule a public hearing and adoption of the rezone ordinance for the February 18, 2003, City Council meeting.

2.3. **RESOLUTION NO. 72 02-03 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO AUTHORIZING GRANT OF LICENSE TO THE BOYS AND GIRLS CLUB OF CHICO FOR ENCROACHMENT ON PUBLIC RIGHT OF WAY - WALL STREET BETWEEN 6TH AND 7TH STREETS**

**MINUTE ORDER NO. 02-03 — AUTHORIZATION FOR CITY MANAGER TO ENTER INTO A LEASE AGREEMENT WITH THE BOYS AND GIRLS CLUB OF CHICO FOR LEASE OF REAL PROPERTY AND IMPROVEMENTS ON CITY-OWNED PROPERTY AT 601 WALL STREET**

At its meeting held 10/16/02, the City Council approved the recommendation of the Finance Committee
that the City Attorney be directed to prepare a lease agreement with the Boys and Girls Club of Chico for a long term lease of City owned property located at 601 Wall Street which would allow expansion of the Club. By memorandum dated 1/16/03, the Assistant City Manager transmitted a minute order which would authorize the City Manager to enter into a 50 year lease agreement with the Boys and Girls Club and a resolution which would authorize a limited revocable grant of license over the public right of way on Wall Street between East 6th and East 7th Streets. The Grant of License would result in the prohibition of motorized vehicular traffic but would provide for continued pedestrian and bicycle traffic.

The Grant of License also would allow installation of landscaping, benches, art treatments, and other non-structural improvements. Pursuant to the City Council's direction on 10/16/02, notices of tonight's meeting were mailed to all property owners and tenants within a 300 foot radius of the Boys and Girls Club. The City Manager recommended approval of the minute order and adoption of the resolution.

2.4. MINUTE ORDER NO. 03-03 — AUTHORIZATION FOR THE CITY MANAGER TO EXECUTE A MEMORANDUM OF UNDERSTANDING WITH THE BUTTE COUNTY ASSOCIATION OF GOVERNMENTS FOR COORDINATION OF ONGOING TRANSIT PLANNING AND PROGRAMMING OF FEDERAL FUNDS

This minute order authorized the City Manager to execute a Memorandum of Understanding with Butte County Association of Governments (BCAG) for the coordination of the planning and the programming of federally funded transit and transportation projects as required by Section 450.310 of Title 23 of the Code of Federal Regulations. The City Manager recommended approval of the minute order.

2.5. MINUTE ORDER NO. 04-03 — AUTHORIZATION FOR THE CITY MANAGER TO EXPEND $2,738 OF COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS FOR SECURITY IMPROVEMENTS TO THE CITY-OWNED BUILDING LEASED BY CATALYST WOMEN'S ADVOCATES

Catalyst Women's Advocates has leased a City-owned residential structure for use as a shelter for battered women and children since 1984. The Lease Agreement requires that Catalyst perform routine maintenance to the property at its own expense. Pursuant to the lease the City is responsible for any major repair items which are defined as repairs to the major building systems or repairs that cost over $500 per occurrence. Funding for building repairs is drawn from the Rehabilitation Activity of the Community Development Block Grant Program. Recently, Catalyst requested that the City provide $2,783 for security improvements to the shelter to enhance the safety of the facility for its clients. The Economic Development/Housing Specialist recommended approval of the minute order.

2.6. MINUTE ORDER NO. 05-03 — CONFIRMING THE APPOINTMENT OF CHIEF OF POLICE AND AUTHORIZATION FOR CITY MANAGER TO ENTER INTO EMPLOYMENT AGREEMENT

This minute order confirmed the appointment of Bruce E. Hagerty as the Chief of Police effective 3/3/2003, and authorized the City Manager to enter into an employment agreement with Mr. Hagerty. The City Manager recommended approval of the minute order.

2.7. MINUTE ORDER NO. 06-03 — AUTHORIZATION FOR CAPTAIN MIKE MALONEY TO RETAIN THE SALARY INCREASE HE RECEIVED WHILE ACTING AS INTERIM CHIEF OF POLICE

This minute order authorized Captain Mike Maloney to retain the 5% salary increase approved by the City Manager on 12/1/02 for the period of time that Captain Maloney acted as the Interim Chief of Police. The City Manager recommended approval of the minute order.

2.8. MINUTE ORDER NO. 07-03 — AUTHORIZATION FOR THE CITY MANAGER TO AMEND THE BUSINESS OUTREACH PROGRAM AGREEMENT WITH TRI-COUNTY ECONOMIC DEVELOPMENT CORPORATION (TCEDC) TO REDUCE THE PERFORMANCE GOALS AND REDUCE THE PROGRAM BUDGET

In May 2001, the City Council allocated $25,000 of Community Development Block Grant funds to TCEDC to complete the final year of the Business Outreach Program. The goal for the final year of the program was to interview 100 businesses from industry sectors that had not been contacted in prior years. TCEDC was only able to schedule 50 interviews by the September 2002 contract completion date. At its meeting of 1/9/03, the Economic Development Committee reviewed the request from TCEDC to
amend the Business Outreach Program Agreement to reduce the performance goals for the program from 100 to 50 businesses interviewed and reduce the budget from $25,000 to $20,985. The Economic Development Committee (3-0) recommended that the City Council authorize the City Manager to amend the Business Outreach Program Agreement with Tri-County Economic Development Corporation to reduce the performance goals from 100 to 50 interviews and reduce the program budget from $25,000 to $20,985.

2.9. APPROVAL OF SUPPLEMENTAL APPROPRIATION NO. 02-03 18 TO PROVIDE ADDITIONAL FUNDING FOR MAJOR LITIGATION COSTS (001-160-6151/9908300-4800) — this item was removed from the Consent Agenda and heard following Closed Session.

2.10. APPROVAL OF CITY’S STATEMENT OF INVESTMENT POLICY

By memorandum dated 1/06/03, the Finance Director submitted the City’s Statement of Investment Policy as required by California Government Code 53646, and as set forth in Administrative Procedure and Policy No. 15-13. The Finance Director recommended that no changes be made to the existing policy.

2.11. CONFIRMATION OF APPOINTMENT OF COUNCILMEMBERS TO THE AREA OF CONCERN AD HOC COMMITTEE — this item was removed from the Consent Agenda and heard under Item 4.1.

The motion to approve the Consent Agenda with Item 2.9 being heard following Closed Session and Item 2.11 being heard under Item 4.1. carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk
NOES: None

3. NOTICED PUBLIC HEARINGS

4. REGULAR AGENDA

4.1. ITEMS REMOVED FROM THE CONSENT AGENDA

2.11. CONFIRMATION OF APPOINTMENT OF COUNCILMEMBERS TO THE AREA OF CONCERN AD HOC COMMITTEE — This item was removed from the Consent Agenda and heard under Item 4.1. at the request of Councilmember Bertagna who thought that this committee had been dissolved and any issues under consideration by this committee would be handled by the Sewer/Annexation Committee. After review of the record, it was confirmed that this committee was still in place.

At the City Council’s meeting of 12/17/02, Council confirmed the Mayor’s list of appointments for the Council’s Committees and Representatives. This list did not include the Area of Concern Ad Hoc Committee. Mayor Kirk appointed Councilmembers Nguyen-Tan, Wahl, and Bertagna to serve on this committee.

Council confirmed Mayor Kirk’s appointments, with it noted that all members need to be present at the meetings or the meetings are to be rescheduled.

4.2. GENERAL BUDGET REVIEW

City staff provided an overview of the 2002-03 annual budget. The City Council was provided with and considered the following budget documents:

A. General and Park Funds Projected Trends

The City Manager provided an overview of the General and Park funds and reported that 2002-03 assumptions used were more of the middle of the road. All departments have been told that the 2002-03 estimated expenditures must reflect a 3% savings but that the City Manager fully expects a 7% savings to be realized when the 2002-03 books are closed.
Anticipated, unbudgeted General Fund expenditures include litigation costs for Meghdadi, Upper Park Gun Range Cleanup, contract settlements, reduction of PO.S.T. reimbursements, and LAFCo charges. It was also noted that if the staffing levels were increased according to departments strategic plans there would be an additional $1-1.5 million in operating expenditures.

B. Summary of Estimated Fund Balances

The City Manager provided the City Council with an overview of the estimated fund balances.

C. City of Chico Summary Status Report of Major Capital Projects

The City Council was provided with a summary status report of major capital projects.

4.3. DISCUSSION OF CITY COUNCIL PRIORITY SETTING — this item was considered at approximately 10:00 a.m. - 11:30 a.m.

The City Council agreed to discuss its priorities for the upcoming year at the today's meeting. By memorandum dated 12/26/02, a list of those priorities submitted by each City Council member was included in the agenda packet. The City Council discussed the ranking procedure and provided staff with direction on the priorities. Staff was directed to bring back at the 2/18/03 meeting a compilation of the ranked priorities and provide the City Council with staff analysis on cost, timing and status if the item was already in process.

Council recessed for lunch at 12:20 and reconvened at 1:00 for a Closed Session.

4.4. DEPARTMENTAL STRATEGIC PLAN UPDATES — this item was considered at approximately 11:30 a.m. - 12:00 p.m.

By memorandum dated 1/14/03, the City Council was provided with binders which included updated departmental Five Year Strategic Plans (2003-04 through 2007-08).

4.5. CONSIDERATION OF THE FINAL REPORT ON THE CHICO AREA TRANSIT SERVICE ANALYSIS CONDUCTED BY NELSON\NYGAARD CONSULTING ASSOCIATES — this item was considered at approximately 2:00 p.m.

By memorandum dated 1/7/03, Management Analyst Herman transmitted the final report of the analysis of the transit service prepared by Nelson\Nygaard Consulting Associates. Jarrett Walker from Nelson\Nygaard presented an overview of the final report and analysis at this meeting. Council acknowledged receipt of the final report and referred it back to the Transit Committee to get County involvement and to then come back to Council with recommendations at the April 2003 work session.

4.6. RECONSIDERATION OF AN APPEAL OF THE BIDWELL PARK AND PLAYGROUND COMMISSION'S DETERMINATION REGARDING ENVIRONMENTAL REVIEW FOR THE ANNIE BIDWELL TRAIL

At its meeting of 1/7/03 the City Council, by a 4-2 vote, denied the appeal of Randall Abbott regarding the environmental review for the Annie Bidwell Trail. In accordance with Council policy, Council Member Nguyen-Tan, a member of the prevailing side, asked that the City Council reconsider its action. Therefore, the City Council was requested to determine whether a majority wished to reconsider the matter. Addressing the Council on this issue were Jane Coleman, Josephine Guardino, and Michael Jones.

A motion was made by Councilmember Bertagna to not reconsider this item but to agendize for Council consideration only the change that the Park Commission made which was an additional loop in the trail. The motion was withdrawn.
Due to the confusion surrounding this item, Councilmember Herbert thought it would be beneficial to reconsider the actions taken by the Park Commission in order to clarify.

A motion was made by Councilmember Herbert and seconded by Vice Mayor Jarvis to agendize on 2/4/03 consideration of whether to hear the appeal on 2/18/03, allowing the Councilmembers time to meet with the interested parties to determine the need for Council action.

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl
NOES: Kirk

4.7. AUTHORIZATION FOR THE CITY MANAGER TO EXECUTE A FUNDING AGREEMENT WITH TRI-COUNTY ECONOMIC DEVELOPMENT CORPORATION (TCECO) TO ASSIST IN THE IMPLEMENTATION OF A NEW BUSINESS LOAN PROGRAM

At its meeting of 1/9/03, the Economic Development Committee reviewed the request from TCECO to provide $40,000 to partially fund a Business Development Officer position over the next 24 months to initiate the implementation of its new business loan program.

TCECO recommended that the funds be allocated from the $175,000 in Community Development Block Grant (CDBG) funds that Council previously allocated to TCECO to match the Economic Development Administration Loan Program. TCECO did not receive additional funding from the Economic Development Administration Loan Program, therefore, TCECO has $175,000 of CDBG funds on hand from the prior CDBG Revolving Loan Fund.

A motion was made by Vice Mayor Jarvis and seconded by Councilmember Bertagna to authorize the expenditure of $40,000 of CDBG match funds over a two year period ($20,000 per year) to partially fund a Business Development Officer with the condition that the program be reviewed by the Committee after the first year, prior to expenditure of second year funds. In addition, the Council accepted the Committee recommendation that TCECO return the balance of $135,000 of CDBG match funds to the City and approved the following Minute Order:

MINUTE ORDER - AUTHORIZATION FOR THE CITY MANAGER TO EXECUTE A FUNDING AGREEMENT WITH TRI-COUNTY ECONOMIC DEVELOPMENT CORPORATION (TCECO) TO ASSIST IN THE IMPLEMENTATION OF A NEW BUSINESS LOAN PROGRAM

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Jarvis, Nguyen-Tan, Wahl, Kirk
NOES: Herbert (absent during discussion on this item)

4.8. SCHEDULING OF THE MAY 2003 JOINT MEETING WITH BOARDS AND COMMISSIONS

The City Council considered whether or not it wished to continue to hold the joint meeting of Council and its Boards and Commissions which is typically scheduled during the month of May. This meeting was held in order to provide the Boards and Commissions an opportunity to address the Council. In recent years, participation has been fairly low. The City Council concurred that all of the Boards or Commissions had the ability to request time with the Council and left it to the Commission to make the request of Council. Staff was directed to contact the Boards and Commissions to inform them of this change.

4.9. CONSIDERATION OF FUNDING OF AN OPINION SURVEY REGARDING ANNEXATION

By memorandum dated 1/17/03, the City Manager reported that members of the Butte County Grand Jury approached City staff and requested that the City participate with the Grand Jury in conducting a survey of attitudes toward and issues regarding annexation to the City of Chico. The purpose of the survey would be to help determine attitudes and concerns which need to be addressed in order to unify the affected area. In the event the City Council allocates funding, a supplemental appropriation confirming the allocation would be processed following this meeting.
The City Manager had originally recommended $20,000 be allocated toward the survey, but after further consideration, felt that if a survey would be sent out it should be more general and perhaps an opinion survey not specific to annexation. Staff was directed to provide the old survey to Councilmembers for review.

4.10. CONSIDERATION OF THE SELECTION OF COUNCILMEMBERS TO MEET WITH THE CITY ATTORNEY REGARDING THE CONTENT OF THE LINDO CHANNEL LEGISLATION

At the 6/18/02 City Council meeting, Council directed staff to bring forward in December 2002 the consideration of selecting several Councilmembers to meet with the City Attorney to discuss possible revisions or amendments to the proposed Lindo Channel legislation.

A motion was made by Vice Mayor Jarvis and seconded by Councilmember Herbert to direct staff to reagendaize the Lindo Channel legislation for discussion at the 2/4/03 meeting, to notify all property owners with encroachments of the meeting, and to provide an update on the status of the pending legislation.

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk
NOES: None

4.11. CONSIDERATION OF REQUEST FOR FUNDING FOR THE NATURAL HISTORY MUSEUM

By letter dated 1/14/03, Raymond Barnett, Director of the Natural History Museum, requested that the City Council consider providing financial assistance to the Natural History Museum.

A motion was made by Councilmember Nguyen-Tan and seconded by Vice Mayor Jarvis for conceptual approval of funding in the amount of $75,000 and directed staff refine the request and to determine the possibility of using Redevelopment funds.

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Jarvis, Nguyen-Tan, Wahl, Kirk
NOES: Herbert (absent during discussion on this item)

4.12. CONSIDERATION OF REQUEST FROM MAYOR KIRK TO HONOR OUTSTANDING STUDENTS FROM AREA HIGH SCHOOLS

By letter dated 1/16/03 Mayor Kirk submitted a request to revive the Mayor’s Award Program. The award would be presented to one outstanding male and female student from Chico area high schools. Recipients will be recognized for outstanding community service, scholastic ability, and exemplary attitudes.

Pursuant to City Council Rules of Procedure, a majority vote of the Council was required to approve the request.

A motion was made by Councilmember Bertagna and seconded by Vice Mayor Jarvis to discuss the request from Mayor Kirk and to have the Mayor set up a committee to review the applicants, with a Mayor’s Award being given to the students without a stipend.

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Jarvis, Nguyen-Tan, Wahl, Kirk
NOES: Herbert (absent during discussion on this item)

4.13. ITEMS ADDED AFTER POSTING OF THE AGENDA – None
5. **BUSINESS FROM THE FLOOR**

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.

6.1. **2001-2002 CITY OF CHICO DEVELOPMENT IMPACT FEE REPORT FOR THE PERIOD ENDING 6/30/02**

The City Council was provided a copy of the 2001-2002 City of Chico Development Impact Fee Report for the fiscal year ending 6/30/02 as required by California Government Code §66006 (b). This statute requires the City Council to review the report, but no particular findings or actions are required.

7. **ADJOURNMENT**

Adjourned at 3:27 p.m. to February 4, 2003, at 7:00 p.m., in Conference Room No. 2 if a closed session is scheduled, followed by a regular meeting in the Council Chamber at 7:30 p.m.

Date Approved: August 19, 2003

________________________________________
Deborah R. Presson, City Clerk
1. **CALL TO ORDER** — Mayor Kirk called the meeting to order at 7:00 p.m. in the Chico Municipal Center, Conference Room #2, 421 Main Street.

1.1. Roll Call — Present: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk Absent: None

2. **CLOSED SESSION** — The City Council recessed to Closed Session in Conference Room 2 to consider the following items:

2.1. **CONFERENCE WITH LEGAL COUNSEL AND RISK MANAGER – EXISTING LITIGATION:** The City Attorney and Risk Manager reviewed settlement of the workers’ compensation claim of Keith Lydon. (Gov. Code Sec. 54956.9(a).)

2.2. **CONFERENCE WITH LABOR NEGOTIATOR:** The City’s negotiator is Personnel Director Erlandson for all employee organizations except the Management Employees, for which City Manager Lando is the City’s negotiator. The names of the employee organizations that represent employees are Chico Police Officers Association (Sworn and Non-Sworn Units), International Association of Firefighters, and Service Employees International Union (Trades and Crafts Unit and Clerical, Technical and Professional Unit). The unrepresented employees are Confidential Employees and Management Employees. (Gov. Code Sec. 54957.6.)

**Posted Addendum to the Chico City Council Agenda:**

2.3. **CONFERENCE WITH LEGAL COUNSEL – PENDING LITIGATION:** The City Attorney reviewed the following: *In re Paul Parviz Farsai, Debtor*, United States Bankruptcy Court, Eastern District of California Case No 01-23798-C-7. (Gov Code Sec. 54956.9(a).)

3. **ADJOURNMENT**

Adjourned at 7:20 p.m. to a Redevelopment Agency meeting in the Council Chamber.
REGULAR CHICO REDEVELOPMENT AGENCY MEETING — February 4, 2003
Minutes

1. CALL TO ORDER — Mayor Kirk called the Regular Chico Redevelopment Agency meeting to order at 7:30 p.m. in the Chico Municipal Center, Council Chamber, 421 Main Street.

1.1. Flag Salute

1.2. Invocation - Police Chaplain Dale Rash

1.3. Roll Call — Present: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk
Absent: None

1.4. Chico High School student Braydon Young made a presentation regarding Chico High School’s “Empty Bowls” project.

1.5. Closed Session Announcement — None

2. CONSENT AGENDA — None

3. NOTICED PUBLIC HEARINGS — None

4. REGULAR AGENDA — None

4.1. ITEMS REMOVED FROM THE CONSENT AGENDA — None

4.2. CONSIDERATION OF USE OF LOW AND MODERATE INCOME HOUSING FUNDS

At its 1/28/03 meeting, the Agency requested that this matter be scheduled for tonight’s meeting so that the Agency could provide direction to the Finance Committee for its consideration of various housing proposals. By memorandum dated 1/29/03, the Housing Officer provided information on housing funds available, pending requests for funding, and other potential projects for use of the funds.

The City Council concurred to set a date to consider the Esplanade House funding request. Staff was directed to provide notice to all those located within a 500’ radius, in addition to the list of interested parties. In addition, the Finance Committee was requested to expedite the process for soliciting proposals on the Humboldt site and to establish maximum total and maximum per/unit subsidy.

5. ITEMS ADDED AFTER POSTING OF THE AGENDA — None

6. ADJOURNMENT

Adjourned to a City Council meeting.
1. **CALL TO ORDER**

1.1. Roll Call — Present: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk
    Absent: None

2. **CONSENT AGENDA** — Item 2.1. was removed from the Consent Agenda and heard under Item 4.1. A motion was made by Vice Mayor Jarvis and seconded by Councilmember Bertagna to approve the remaining Consent Agenda items:

2.1. RESOLUTION NO. 73 02-03 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO AUTHORIZING DESTRUCTION OF CERTAIN CITY RECORDS PURSUANT TO GOVERNMENT CODE SECTION 34090 — this item was removed from the Consent Agenda and heard under Item 4.1. at the request of Councilmember Bertagna.

2.2. RESOLUTION NO. 74 02-03 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO CONSENTING TO THE INCLUSION OF A PART OF THE CITY OF CHICO IN BUTTE COUNTY SERVICE AREA NUMBER 23 (PLEASANT VALLEY STORM DRAINAGE)

By memorandum dated 1/22/03, the Assistant Community Development Director reported that City approval of the Mariposa Vista Subdivision Phases 1 and 2 required the annexation of this project to County Service Area No. 23 (Pleasant Valley Storm Drainage) for the maintenance of storm drainage facilities. Proposed Phases 3 and 4 will also require annexation to the County Service Area. This single-family residential subdivision is located between Ceanothus and Mariposa Avenues, 660 feet north of East Avenue. Prior to annexation of properties within the City limits to a County Service Area, the City Council must consent to such annexation. The Assistant Community Development Director recommended City Council adoption of the resolution.

2.3. RESOLUTION NO. 75 02-03 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO INITIATING PROCEEDINGS TO ANNEX PROPERTY NOW LOCATED IN THE UNINCORPORATED TERRITORY OF THE COUNTY OF BUTTE TO THE INCORPORATED TERRITORY OF THE CITY OF CHICO - EAST 8TH AVENUE ANNEXATION DISTRICT NO. 2

By memorandum dated 1/9/03, the Assistant Community Development Director forwarded a report on the initiation of annexation proceedings for seven parcels west of Oleander Avenue, between East 8th and 9th Avenues. The parcels proposed for annexation are developed for commercial and residential uses. The site is designated and prezoned for commercial use. The annexation of the 2.969 acre area was initiated at the request of the owner of two of the parcels to facilitate connection to the sanitary sewer system. The Assistant Community Development Director recommended adoption of the resolution.

2.4. RESOLUTION NO. 76 02-03 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO INITIATING PROCEEDINGS TO ANNEX PROPERTY NOW LOCATED IN THE UNINCORPORATED TERRITORY OF THE COUNTY OF BUTTE TO THE INCORPORATED TERRITORY OF THE CITY OF CHICO - COMANCHE COURT ANNEXATION DISTRICT NO. 2

By memorandum dated 1/9/03, the Assistant Community Development Director forwarded a report on the initiation of annexation proceedings for a parcel located on the west side of Cramer Lane, south of Morrow Lane. The parcel proposed for annexation contains the studio and broadcast facilities for several local radio stations. The parcel, totaling 12.69 acres, is designated and prezoned for very low density residential use. The annexation has been initiated to facilitate modification of the common boundary line between the affected parcel and a contiguous parcel already in the City limits on Comanche Court, increasing the size of the Comanche Court parcel by 3.92 acres. Subdivision of the Comanche Court parcel to create single family residential development sites may be proposed in the future, but no application is on file or anticipated in the near future. There are no development plans for the Cramer Lane (radio station) parcel. The Assistant Community Development Director recommended adoption of
2.5. **ACCEPTANCE OF THE ANNUAL REPORT OF THE CHICO REDEVELOPMENT AGENCY FOR FISCAL YEAR 2001-2002**

By memorandum dated 12/31/02, the Housing Officer previously distributed the Annual Report of the Chico Redevelopment Agency to the City Council. The Report was available for public review in the City of Chico Housing Office. Community Redevelopment Law requires that the Chico Redevelopment Agency prepare and submit an annual report to the City Council, acting in its capacity as the Executive Board of the Agency, prior to December 31 and that the Council review and accept the report, or take any action deemed appropriate, at its first meeting occurring at least 21 days following receipt of the report. Councilmembers are requested to bring their copies of the report to the meeting. The Housing Officer recommended acceptance of the report.

2.6. **APPROVAL OF CITY COUNCIL MINUTES FOR THE MEETINGS HELD ON 11/5/02, 12/3/02, 12/17/02, 1/6/03, AND 1/7/03**

The City Council was provided with minutes from its meetings held on 11/5/02, 12/3/02, 12/17/02, 1/6/03, and 1/7/03, as amended.

**Posted Addendum:**

2.7. **APPROVAL OF SUPPLEMENTAL APPROPRIATION TO FUND INCREASED PREMIUM COST OF WORKERS COMPENSATION EXCESS INSURANCE COVERAGE**

By memorandum dated 1/31/03, Risk Manager Koch forwarded staff's request for approval of a supplemental appropriation in the amount of $200,000 to fund the increased premium cost to obtain workers compensation excess insurance coverage. The City has been self-insured for its workers compensation program for many years for costs related to workplace injuries and illnesses, and has maintained a self-insured retention (SIR) or deductible per occurrence of $300,000. The City purchases excess insurance to cover losses exceeding the SIR up to a maximum of $5 million. Last year, the cost to the City for this excess insurance coverage was approximately $42,200. The Risk Manager reported that because of the current condition of the workers compensation insurance marketplace nationwide, and particularly in California, the City’s current insurer has decided to stop writing this line of insurance in California, and has given the City notice that it would not renew the policy, effective 2/15/03. Staff has been working with the City’s insurance broker to obtain replacement coverage. The proposals received ranged from $115,000 and a $1 million SIR, to $275,000 and a $450,000 SIR. Staff is still evaluating these proposals, however, since there is insufficient funding in the operating budget to fund any of the proposed premium levels, staff is requesting a supplemental appropriation in an amount sufficient to obtain coverage prior to the 2/15/03 current policy expiration date.

A confirming supplemental appropriation will be prepared which will appropriate the funds from Fund 901, the Workers Compensation Insurance Reserve Fund. The City Manager recommended approval of the requested supplemental appropriation.

The motion to approve the Consent Agenda, with Item 2.1. removed and heard under Item 4.1., carried by the following vote:

**AYES:** Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk

**NOES:** None

**ABSENT:** None

**DISQUAL:** None
3. NOTICED PUBLIC HEARINGS

3.1. HEARING ON A GENERAL PLAN AMENDMENT AND REZONE FOR A 5.37 ACRE PROPERTY LOCATED AT THE WEST END OF SHALLOW SPRINGS TERRACE IN THE CANYON OAKS SUBDIVISION, IDENTIFIED AS ASSESSOR'S PARCEL NUMBER 011-030-143 (LVV ENTERPRISES)

By memorandum dated 1/23/03, Senior Planner Patrick Murphy reported that at the Planning Commission meeting of 11/21/02, the Commission considered a request to amend the General Plan land use designation for a 5.37 acre parcel from Parks to Very Low Density Residential and to rezone the subject parcel from OS-1 Primary Open Space to RS-20 Suburban Residential- 20,000 s.f. minimum lot size. The Commission voted (3 in favor, 2 in opposition, and 2 absent) to approve a modified version of the General Plan amendment which would change the General Plan designation for that portion of the site outside of the oak woodlands to Very Low Density Residential, while the recommended rezone would change that portion of the site outside of the oak woodlands from OS-1 Primary Open Space to RS-1-PD (Suburban Residential- 1 acre minimum with a Planned Development overlay). At its 1/07/03 meeting, the City Council introduced the ordinance by reading of the title only. A mitigated negative declaration is proposed for this project pursuant to the California Environmental Quality Act (CEQA). Since the 1/7/03 Council meeting, it has been determined that the map accompanying the rezone ordinance will need to be refined to specifically identify the location of the various zoning boundary lines.

Staff therefore recommended that the Council hold the public hearing, and following conclusion of the public hearing, introduce the ordinance rezoning the entire property to RS-1-PD. Staff would then recommend that the Planning Commission require that building be prohibited in the oak woodland area through conditions of the planned development permit and tentative subdivision map.

Mayor Kirk opened the hearing to the public. Speaking in favor of the rezone was Jim Stevens on behalf of the applicant. Opposed to the rezone was Jim Higgins, Michael Galli, Richard Coyle, Erica Higgins, and Russ Morgan. The hearing was closed to the public.

A motion was made by Vice Mayor Jarvis and seconded by Councilmember Bertagna to introduce the following ordinance by waiving the reading of title only:

ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO REZONING THE PROPERTY IDENTIFIED AS ASSESSOR'S PARCEL NUMBER 011-030-143 LOCATED AT THE WEST END OF SHALLOW SPRINGS TERRACE FROM OS-1 PRIMARY OPEN SPACE TO RS-1-PD SUBURBAN RESIDENTIAL-ONE ACRE MINIMUM LOT SIZE WITH A PLANNED DEVELOPMENT OVERLAY (RZ 02-02; LVV ENTERPRISES) - Introductory Reading

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl
NOES: Kirk
ABSENT: None
DISQUAL: None

The Council recessed at 8:40 p.m. for a ten minute break.

3.2. HEARING ON FORMATION OF MAINTENANCE DISTRICT NO. 530, (BRENTWOOD)
By memorandum dated 12/20/02, the Director of Public Works reported that this resolution will order the formation of Chico Maintenance Assessment District No. 530. As a condition of approval of a subdivision map for this development, generally located northwest of Eaton Road and The Esplanade, the developers, Epick Homes, Ritchie Investors, Jim and Susan Mann, Crosspointe, LLC, and Debra Elliott, have consented to the formation of this district for the operation, maintenance, and future replacement of the masonry and entry soundwalls, landscaping and irrigation of the entry, medians, parkway strips and detention basin, the detention basin fence and gate, and the stamped concrete pavement.

This maintenance assessment district will provide that the City perform (or contract for) the operation and maintenance services which will be paid by property owners within this district. Future annual assessments will be paid at the time other property taxes are collected. The Director of Public Works recommended adoption of the resolution.

Mayor Kirk opened the hearing to the public. No one spoke and the hearing was closed. A motion was made by Councilmember Herbert and seconded by Councilmember Wahl to adopt:

**RESOLUTION NO. 77 02-03 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO ORDERING FORMATION OF A MAINTENANCE DISTRICT PURSUANT TO THE MAINTENANCE ASSESSMENT DISTRICT ORDINANCE OF 1997 (MAINTENANCE ASSESSMENT DISTRICT NO. 530—BRENTWOOD)**

The motion carried by the following vote:

**AYES:** Bertagna, Herbert, Wahl, Kirk  
**NOES:** Jarvis, Gruendl, Nguyen-Tan  
**ABSENT:** None  
**DISQUAL:** None

4. **REGULAR AGENDA**

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

2.1. **RESOLUTION NO. 73 02-03 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO AUTHORIZING DESTRUCTION OF CERTAIN CITY RECORDS PURSUANT TO GOVERNMENT CODE SECTION 34090 — this item was removed from the Consent Agenda at the request of Councilmember Bertagna for further clarification.**

The City Attorney requested authorization to destroy certain City Attorney Office records over two years of age. The City Attorney recommended adoption of the resolution.

A motion was made by Vice Mayor Jarvis and seconded by Councilmember Bertagna to adopt Resolution No. 73 02-03.

The motion carried by the following vote:

**AYES:** Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk  
**NOES:** None  
**ABSENT:** None  
**DISQUAL:** None

4.2. **INITIAL CONSIDERATION OF AN APPEAL BY JOHN MERZ OF THE PLANNING COMMISSION’S APPROVAL OF A USE PERMIT (UP 02-36) TO MARK ABOUZEID/CHICO VOLKSWAGEN TO ALLOW THE EXPANSION OF AN EXISTING AUTOMOBILE SALES AND SERVICE BUSINESS, OUTSIDE STORAGE AS A PRIMARY USE, AND OFF-SITE PARKING**

By memorandum dated 1/27/03, Associate Planner Summerville reported that Use Permit 02-36 (Abouzeid/Chico Volkswagen) was approved by the Planning Commission on 12/19/02 (6 in favor, 0 in opposition, and 1 absent), authorizing a modification of an existing use permit to allow the expansion
and/or change in intensity of an existing automobile sales and service business, outside storage as a primary use, and off-site parking. A timely appeal of the Commission’s decision was filed by John Merz based on the following issues: (1) the project is out of compliance with the General Plan; (2) the biologist whose report was referenced in the initial study was not an independent third party; and (3) a 25-foot setback from Little Chico Creek was not required. Addressing Council on this issue was John Merz, Mark Abouzeid, and Janet Allenspach.

A motion was made by Councilmember Herbert and seconded by Councilmember Wahl to take no action and uphold the Planning Commission decision, thereby denying the hearing of the appeal.

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk
NOES: None
ABSENT: None
DISQUAL: None

4.3. INITIAL CONSIDERATION OF AN APPEAL OF THE BIDWELL PARK AND PLAYGROUND COMMISSION’S DETERMINATION REGARDING ENVIRONMENTAL REVIEW FOR THE ANNIE BIDWELL TRAIL AND POSSIBLE DISCUSSION OF OTHER ASPECTS OF THE ANNIE BIDWELL TRAIL INCLUDING POTENTIAL LOOPS

By memorandum dated 12/31/02, the Park Director reported that at its 12/16/02 meeting, the Bidwell Park and Playground Commission approved (5 yes, 1 no, 1 vacancy) a modification to the level of environmental review for one alternative trail route for the Annie Bidwell Trail to allow for multiple uses instead of pedestrian only. A timely appeal of the Commission’s decision was filed by Randall Abbott. By a 4-2 vote, on 1/7/03, the City Council denied the appeal of Randall Abbott regarding the environmental review for the Annie Bidwell Trail. At its 1/28/03 meeting, the City Council vacated its prior action and scheduled reconsideration of whether to hear the appeal for today’s meeting.

At the 1/28/03 meeting, the City Council indicated that, either at this meeting or a subsequent meeting, it may wish to discuss the Annie Bidwell Trail in its entirety, including potential loops. Therefore, by memorandum dated 1/29/03, the Park Director has provided a summary of the recent BPPC actions regarding the Trail.

Since the Council heard public testimony on this matter at its 1/7/03 meeting, it is not necessary to reopen the initial consideration of the appeal to the public. However, if the Council determines to discuss other issues relating to the Trail, including the loop system, an opportunity for public comment should be allowed.

A motion was made by Vice Mayor Jarvis and seconded by Councilmember Bertagna to accept the compromise as approved by the BPPC and to overturn the Park Commission’s action which added the 2nd loop to the EIR.

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk
NOES: None
ABSENT: None
DISQUAL: None

4.4. CONSIDERATION OF POTENTIAL LEGISLATION REGARDING LINDO CHANNEL ENCROACHMENTS

At its meeting of 1/28/03, the City Council agreed to consider potential legislation regarding Lindo Channel. The Council was provided with a memorandum from the Park Director dated 1/29/03 on the status of existing encroachments in Lindo Channel and a memorandum from the City Attorney dated
A motion was made by Councilmember Gruendl and seconded by Councilmember Herbert to appoint Councilmember Herbert and Vice Mayor Jarvis to work with the City Attorney to draft legislation that deals specifically with real property and then have it come back to the full Council for discussion and to have the Park Director provide Council with a precise status report on all encroachments.

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk
NOES: None

4.5. **ITEMS ADDED AFTER POSTING OF THE AGENDA** — No additional items, other than Closed Session Item 2.3. and City Council Consent Agenda Item 2.7.

5. **BUSINESS FROM THE FLOOR**

Joe Burnett addressed the Council regarding zoning that was implemented by the County which the City doesn’t want to change.

6. **REPORTS AND COMMUNICATIONS**

The following reports and communication items were provided for the Council’s information. No action was taken.


6.2. Memorandum dated 1/27/03 from the Risk Manager listed claims denied for the fourth quarter ending 12/31/02.

6.3. Memorandum dated 1/23/03, from the Assistant City Manager provided a report on contracts that have been awarded for the purchase of materials, supplies, and/or services required by the City, within the appropriations approved therefor in the current Annual Budget.

6.4. The City Council was provided with a letter received 1/21/03 from Richard Elsom requesting that the required City fees and charges be waived for the May 2003 Celebration of People parade. Fee Waivers under Title 14, which governs parades, may be granted by the Director of Public Works based upon a demonstration of the applicants inability to pay.

7. **ADJOURNMENT**

The meeting was adjourned at 9:53 p.m. to February 18, 2003, at 7:00 p.m., in Conference Room No. 2 if a closed session is scheduled, followed by a regular adjourned meeting in the Council Chamber at 7:30 p.m.

Date Approved: August 5, 2003

__________________________________
Deborah R. Presson, City Clerk
1. **CALL TO ORDER** — Mayor Kirk called the Adjourned Regular Chico City Council Meeting to order at 7:00 p.m. in the Chico Municipal Center, Conference Room #2, 421 Main Street.

1.1. Roll Call — Present: Bertagna, Gruendl, Herbert, Jarvis, Wahl, Kirk  
Absent: Nguyen-Tan

2. **CLOSED SESSION**

2.1. **CONFERENCE WITH LABOR NEGOTIATOR:** The City’s negotiator is Personnel Director Erlandson for all employee organizations except the Management Employees, for which City Manager Lando is the City’s negotiator. The names of the employee organizations that represent employees are Chico Police Officers Association (Sworn and Non-Sworn Units), International Association of Firefighters, and Service Employees International Union (Trades and Crafts Unit and Clerical, Technical and Professional Unit). The unrepresented employees are Confidential Employees and Management Employees. (Gov. Code Sec. 54957.6.)

2.2. **CONFERENCE WITH LEGAL COUNSEL — ANTICIPATED LITIGATION:** Initiation of litigation (Gov. Code Sec. 54956.9(c)): Two cases.

3. **ADJOURNMENT**

Adjourned at 7:10 p.m. to a Redevelopment Agency meeting in the Council Chamber.
1. **CALL TO ORDER** — Mayor Kirk called the Adjourned Regular Chico Redevelopment Agency Meeting to order at 7:30 p.m. in the Chico Municipal Center, Council Chamber, 421 Main Street.

1.1. Flag Salute

1.2. Invocation – Father Peter Hansen, St. Augustine of Canterbury Anglican Church

1.3. Roll Call — Present: Bertagna, Gruendl, Herbert, Jarvis, Wahl, Kirk

Absents: Nguyen-Tan

1.4. **RESOLUTION NO. 78 02-03 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO HONORING E.C. ROSS UPON HIS RETIREMENT AS THE DIRECTOR OF PUBLIC WORKS**

1.5. American Heart Association Operation Heartbeat presentation of Automatic External Defibrillator to the City of Chico made by Marsha A. Moore, MD and Jerry Gill, MD

1.6. Closed Session Announcement — None

2. **CONSENT AGENDA** — A motion was made by Vice Mayor Jarvis and seconded by Councilmember Herbert to approve the Consent Agenda as read.

2.1. **RESOLUTION NO. 02-03 — A RESOLUTION OF THE CHICO REDEVELOPMENT AGENCY ALLOCATING PROCEEDS FROM THE CHICO MERGED REDEVELOPMENT PROJECT AREA 1996 CHICO PUBLIC FINANCING AUTHORITY TAX ALLOCATION REVENUE BONDS TO FUND IMPROVEMENTS TO THE COMPOST FACILITY AT THE CHICO MUNICIPAL AIRPORT**

At its 12/17/02 meeting, the City Council considered a request from staff for Redevelopment Agency funding to make improvements to the City’s compost facility by installing three-inches of asphalt to the surface. The improvements are necessary to eliminate infiltration of leachate into the groundwater and ponding water, which promotes vector, odor, and other environmental concerns raised by the Butte County Environmental Health Department. Due to the compost facility’s proximity to the Chico Municipal Airport, the City Council referred this request to the Airport Commission.

The Airport Commission considered this issue at its 1/28/03 meeting and recommended that staff proceed with the project. The estimated cost of the improvements is $145,200 and the proposed funding source is bond proceeds from the 1996 Chico Public Financing Authority Tax Allocation Revenue Bonds (Fund 354). The Chico Redevelopment Agency is being provided with a Request for Tax Increment Allocation Redevelopment Project Analysis. Based on the Airport Commission’s recommendation to proceed with this project, the Executive Director recommended adoption of the resolution.

The motion to approve the Consent Agenda carried by the following vote:

**AYES:** Bertagna, Gruendl, Herbert, Jarvis, Wahl, Kirk

**NOES:** None

**ABSENT:** Nguyen-Tan

**DISQUAL:** None

3. **NOTICED PUBLIC HEARINGS** — None

4. **REGULAR AGENDA**

4.1. **ITEMS REMOVED FROM THE CONSENT AGENDA** — None
4.2. **REPORT AND RECOMMENDATIONS OF THE OLD MUNICIPAL BUILDING COMMITTEE**

By memorandum dated 2/12/02, the Community Development Director provided the report and recommendations of the Old Municipal Building Committee. The Committee was asked to review and comment on specific criteria concerning the potential lease or reuse of the Old Municipal Building identified in the City Manager’s memorandum to the City Council dated 12/23/02.

Councilmember Wahl disqualified himself from the discussion. Staff requested additional time for the committee to meet and Council concurred to reschedule the discussion for the 3/18/03 City Council meeting.

4.3. **CONSIDERATION OF REPORT AND RECOMMENDATIONS FROM THE FINANCE COMMITTEE ON ITS MEETING HELD ON JANUARY 22, 2003**

By memorandum dated 2/11/03, the Finance Committee provided a report on its meeting held on 1/22/03. Committee members present were Councilmembers Gruendl, Wahl, and Nguyen-Tan, Chair. The matters considered by the Committee are listed below.

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

A. **Acceptance of Annual Financial Reports.** The Committee recommended (3-0) acceptance of the Annual Financial Reports. A motion was made by Councilmember Wahl and seconded by Councilmember Bertagna to accept the Annual Financial Reports.

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Wahl, Kirk  
NOES: None  
ABSENT: Nguyen-Tan  
DISQUAL: None

B. **Consideration of Request from Independent Living Services of Northern California for Additional Funding for Rental Housing Accessibility Program.** The Committee recommended (3-0) approval of the request from Independent Living Services of Northern California that an additional $32,000 be allocated from the Private Activity Bond Reserve Fund to install accessibility improvements in rental housing units.

The City Council was provided with a copy of Supplemental Appropriation No. 02-03 22 which would allocate $32,000 for the program and $640 for administrative overhead. The Council also was provided with a copy of the Private Activity Bond Administration Fund (214) Fund Summary which reflects the estimated 06/30/03 fund balance.

A motion was made by Councilmember Herbert and seconded by Councilmember Bertagna to approve the following supplemental:

**SUPPLEMENTAL APPROPRIATION NO. 02-03 22 TO ALLOCATE $32,640 FROM THE PRIVATE ACTIVITY BOND ADMINISTRATION FUND (214) FOR CONTINUATION OF THE ACCESSIBILITY IMPROVEMENT GRANT PROGRAM**

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Wahl, Kirk  
NOES: None  
ABSENT: Nguyen-Tan  
DISQUAL: None
C. **Consideration of Request from Habitat for Humanity of Chico for Allocation of $132,000 of HOME Investment Partnership Program (HOME) Funds for Acquisition of Land.** The Committee recommended (3-0) approval of the request of Habitat for Humanity of Chico for an additional $62,000 from the HOME Investment Partnership Program (HOME) for acquisition of land for the development of low income housing. HOME funds in the amount of $70,000 were previously approved for future Habitat for Humanity projects, resulting in a total allocation of $132,000.

The City Council was provided with a minute order which would authorize execution of a grant agreement and a copy of Supplemental Appropriation No. 02-03 23 which would allocate $62,000 for funding assistance to the Habitat for Humanity program. The Council was also provided with a copy of the State Home Investment Partnerships Program (HOME) Fund (204) Fund Summary which reflects the estimated 06/30/03 fund balance.

A motion was made by Vice Mayor Jarvis and seconded by Councilmember Bertagna to approve:

**MINUTE ORDER NO. 09-03 — AUTHORIZATION FOR THE CITY MANAGER TO EXECUTE A GRANT AGREEMENT WITH HABITAT FOR HUMANITY OF CHICO FOR USE OF $132,000 OF HOME FUNDS FOR ACQUISITION AND DEVELOPMENT OF A 1.3 ACRE SITE THAT WOULD BE DEVELOPED INTO 11 LOTS FOR THE HABITAT BUILDING PROGRAM**

**SUPPLEMENTAL APPROPRIATION NO. 02-03 23 TO ALLOCATE $62,000 FROM THE STATE HOME FUNDS (204) FOR FUNDING ASSISTANCE TO THE HABITAT FOR HUMANITY PROGRAM**

The motion carried by the following vote:

**AYES:** Bertagna, Gruendl, Herbert, Jarvis, Wahl, Kirk

**NOES:** None

**ABSENT:** Nguyen-Tan

**DISQUAL:** None

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

D. **Conceptual Discussion of Community Action Agency's Request for $2.5 Million for the Esplanade House II Project.** The Committee recommended (3-0) that discussion of this item be brought back to a future Finance Committee meeting. The Committee directed staff to prepare a report which would include the following projects as well as others recommended by staff: 1) Esplanade House II; 2) City owned property on Humboldt Avenue; 3) land acquisition; 4) entering into a general contract with Butte County Housing Authority.

E. **Consideration of a Recommendation to Increase the In Lieu Parking Fee for the Downtown Area.** The Committee recommended (3-0) that the In Lieu Parking Fee come back for further review following the results of the parking study which will be conducted by the Downtown Chico Business Association in May 2003.

F. **Consideration of the City of Chico 2003/04-2007/08 Five-Year Capital Improvement Program.** The Committee recommended (3-0) that this item be brought back to a future Finance Committee meeting for continued review and discussion of any necessary modifications to bring the Capital Improvement Program into balance, and that a community review meeting be scheduled in the interim. Staff was requested to look for ways to fund the animal shelter within fiscal constraints, and to explore options for funding a portion of the East 8th Street improvements.

G. **Budget Policies Related to the State Budget Crisis.** No action was required on this item. The discussion was scheduled for the full City Council work session of 1/28/03.
A motion was made by Vice Mayor Jarvis and seconded by Councilmember Bertagna to accept the 1/22/03 Finance Committee Report.

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Wahl, Kirk
NOES: None
ABSENT: Nguyen-Tan
DISQUAL: None

4.4. FUTURE MEETINGS

The Redevelopment Agency was asked to schedule a meeting to discuss funding of the Esplanade House. Council scheduled the issue for its 3/4/03 meeting with direction to staff to clearly indicate in the noticing of this item that the discussion will be limited to funding of the project.

4.5. ITEMS ADDED AFTER POSTING OF THE AGENDA

5. ADJOURNMENT

Adjourned to a City Council meeting.
1. CALL TO ORDER — Mayor Kirk called the Adjourned Regular Chico City Council Meeting to order at 7:30 p.m. in the Chico Municipal Center, Council Chamber, 421 Main Street.

1.1. Roll Call — Present: Bertagna, Gruendl, Herbert, Jarvis, Wahl, Kirk
Absent: Nguyen-Tan

2. CONSENT AGENDA — Item 2.5. was removed from the Consent Agenda and heard under Item 4.1. at the request of Councilmember Bertagna. A motion was made by Councilmember Bertagna and seconded by Councilmember Herbert to approve the remaining Consent Agenda:

2.1. ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO AUTHORIZING RESCISSION OF ZONING AGREEMENTS FOR PROPERTY LOCATED AT THE NORTHWEST CORNER OF THE EAST AVENUE AND MARIGOLD AVENUE INTERSECTION IN THE CITY OF CHICO, IDENTIFIED AS ASSESSOR’S PARCEL NO. 048-740-023 (REZONE 02-05 MORAN) - Introductory Reading

By memorandum dated 2/07/03, Senior Planner Murphy reported that at its 1/16/03 meeting, the Planning Commission voted (6 in favor, 0 in opposition, 1 absent) to recommend City Council approval of Rezone 02-05 which would rescind two zoning agreements between the property owner(s) and the City involving an undeveloped 2.5 acre parcel located at the northwest corner of East and Marigold Avenues. Revoking the zoning agreements, which were entered into in 1991 (Prezone No. 170) and 1995 (Prezone 94-9), would remove building height and setback restrictions for the property that are currently in excess of those required by the current CN Neighborhood Commercial zoning district regulations and remove the current prohibition on providing direct access to the site from East Avenue. Due to a change in conditions along the East Avenue corridor since the time that the property was prezoned in 1991 and 1995 (no shopping center constructed across the street and no adoption of an East Avenue Specific Plan), restricting direct access to East Avenue from the site pursuant to a zoning agreement is no longer warranted as condition of future development on the site. Any future access onto East Avenue from the property will be allowed only if it is demonstrated that such access will not adversely impact traffic movements on this roadway. The property is identified as Assessor’s Parcel No. 048-740-023 and is designated Community Commercial on the General Plan Diagram. A Negative Declaration is proposed for the project pursuant to the California Environmental Quality Act. The Planning Director recommended that the Council introduce the ordinance by the reading of the title only, and schedule the rezone for public hearing for 3/4/03.

2.2. RESOLUTION NO. 79 02-03 — A RESOLUTION OF INTENTION OF THE CITY COUNCIL OF THE CITY OF CHICO TO ABANDON AND VACATE A LIGHT AND AIR EASEMENT PURSUANT TO THE PUBLIC STREETS, HIGHWAYS, AND SERVICE EASEMENTS VACATION LAW (LOT 150, SKYWAY PARK SUBDIVISION, UNIT NO. 1, ASSESSOR’S PARCEL NO. 002-210-039)

By memorandum dated 2/4/03, the Director of Public Works reported that the property owner, Colby Family Trust, has petitioned the City to abandon the light and air easement on Lot 150 of the Skyway Park Subdivision, Unit No. 1, to accommodate proposed buildings for the Computers Plus retail computer business. Abandonment of the 20-foot-wide light and air easement will have no effect on the existing 5-foot-wide public utility easement contiguous to Notre Dame Boulevard. The Director of Public Works recommended adoption of the resolution which will schedule a public hearing for 3/18/03.

2.3. APPROVAL OF PAYMENT FOR PROPERTY DAMAGE COSTS RESULTING FROM SEWER BLOCKAGE AT 418 WEST 7TH STREET (NEW HOPE FELLOWSHIP CHURCH)
By memorandum dated 2/5/03, the Risk Manager requested Council approval of the payment of a maximum amount of $20,000 for emergency clean-up and property damage repair and replacement costs at the New Hope Fellowship Church, 418 West 7th Street, which resulted from a blockage in an adjacent City sewer line on 12/20/02. The Risk Manager recommended approval of the request.

2.4. APPROVAL OF REQUEST FROM THE AMERICAN LEGION CHICO POST NO. 17 TO FLY THE BLUE STAR SERVICE FLAG AT CITY HALL ON DESIGNATED PATRIOTIC HOLIDAYS

By letter dated 2/4/03 American Legion Commander Sidney Kagel lists the patriotic holidays the Executive Committee of the American Legion Post No. 17 is requesting to fly the Blue Star Service Flag at City Hall. The City Manager recommended approval of the request.

2.5. RESOLUTION NO. 8002-03 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO DESIGNATING AND APPOINTING ALTERNATES TO SERVE AS MEMBERS OF THE CITY COUNCIL IN THE EVENT OF AN EMERGENCY — this item was removed from the Consent Agenda and heard under Item 4.1.

2.6. APPROVAL OF CITY COUNCIL MINUTES FOR ITS MEETING HELD ON 11/19/02

The City Council was provided with minutes from its meeting held on 11/19/02. Councilmember Gruendl abstained on this item as he was not serving on the Council at this time.

The motion to approve the Consent Agenda, with Item 2.5 removed and heard under Item 4.1, carried by the following vote:

**AYES:** Bertagna, Gruendl, Herbert, Jarvis, Wahl, Kirk

**NOES:** None

**ABSENT:** Nguyen-Tan

**DISQUAL:** None

**ABSTAIN:** Gruendl on item 2.6.

3. NOTICED PUBLIC HEARING

3.1. HEARING ON REZONE 02-4 (KARASINSKI) FOR PROPERTY AT 1310 WEST SACRAMENTO AVENUE - Final Reading and Adoption

By memorandum dated 1/29/03, Associate Planner Palmeri reported that at its meeting of 12/19/02, the Planning Commission voted (6 in favor, 0 against, and 1 absent) on consent to recommend Council approval of a rezone from R1 Low Density Residential to R3 Medium-High Density Residential for 0.98 acre property located at 1310 West Sacramento Avenue (RZ 02-4; Karasinski, applicant). The property is identified as Assessor’s Parcel No. 043-280-003 and is designated Medium-High Density Residential on the General Plan Diagram. Pursuant to Section 15162 and 15183 of the California Environmental Quality Act, no subsequent environmental review is required for this project, as it has been determined to be covered under the previously certified General Plan EIR since the proposed zoning is consistent with the underlying General Plan designation. The ordinance received introductory reading at Council’s meeting of 1/28/03.

Mayor Kirk opened the hearing to the public. No one spoke and the hearing was closed. A motion was made by Vice Mayor Jarvis and seconded by Councilmember Herbert to 1) determine that no further environmental review is required; and 2) approve Rezone 02-4 (Karasinski) by the final reading of the title only:
ORDINANCE NO. 2259 — AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO  
REZONING PROPERTY AT 1310 WEST SACRAMENTO AVENUE, IDENTIFIED AS ASSESSOR’S  
PARCEL NO. 043-280-003, FROM R1 LOW DENSITY RESIDENTIAL TO R3 MEDIUM-HIGH DENSITY  
RESIDENTIAL REZONE O2-4 (KARASINSKI) - Final Reading and Adoption  

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Wahl, Kirk  
NOES: None  
ABSENT: Nguyen-Tan  
DISQUAL: None  

3.2. HEARING ON FORMATION OF MAINTENANCE DISTRICT NO. 531, (MARIPOSA VISTA SUBDIVISION)  

By memorandum dated 1/23/03, the Director of Public Works reported that this resolution will order the  
formation of Chico Maintenance Assessment District No. 531. As a condition of approval of a subdivision  
map for this development, generally located between Mariposa and Ceanothus Avenues, north of  
Ravenshoe Way, the developer, Tony Symmes, has consented to the formation of this district for the  
operation, maintenance, and future replacement of the traffic circle landscaping, irrigation and stamped  
concrete and the landscaping and irrigation of the water detention facility. This maintenance assessment  
district will provide that the City perform (or contract for) the operation and maintenance services which  
will be paid by property owners within this district. Future annual assessments will be paid at the time  
other property taxes are collected. Councilmembers Bertagna and Wahl disqualified themselves from  
this item and subsequent vote.  

Mayor Kirk opened the hearing to the public. No one spoke and the hearing was closed. A motion was  
made by Councilmember Herbert and seconded by Vice Mayor Jarvis to adopt:  

RESOLUTION NO. 81 02-03 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO  
ORDERING FORMATION OF A MAINTENANCE DISTRICT PURSUANT TO THE MAINTENANCE  
ASSESSMENT DISTRICT ORDINANCE OF 1997 (MAINTENANCE ASSESSMENT DISTRICT NO. 531  
— MARIPOSA VISTA SUBDIVISION)  

The motion carried by the following vote:

AYES: Gruendl, Herbert, Jarvis, Kirk  
NOES: None  
ABSENT: Nguyen-Tan  
DISQUAL: Bertagna, Wahl  

3.3. HEARING ON FORMATION OF MAINTENANCE DISTRICT NO. 532, (RAPTOR RIDGE SUBDIVISION)  

By memorandum dated 1/14/03, the Director of Public Works reported that this resolution will order the  
formation of Chico Maintenance Assessment District No. 532. As a condition of approval of a subdivision  
map for this development, generally located on Chico Canyon Road, the developers, Dennis and  
Catherine Schlais, have consented to the formation of this district for the operation, maintenance, and  
future replacement of the storm water interceptor. This maintenance assessment district will provide that  
the City perform (or contract for) the operation and maintenance services which will be paid by property  
owners within this district. Future annual assessments will be paid at the time other property taxes are  
collected. The Director of Public Works recommended adoption of the resolution. Mayor Kirk opened  
the hearing to the public. No one spoke and the hearing was closed.  

A motion was made by Vice Mayor Jarvis and seconded by Councilmember Herbert to adopt:  

RESOLUTION NO 82 02-03 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO  
ORDERING FORMATION OF A MAINTENANCE DISTRICT PURSUANT TO THE MAINTENANCE  
ASSESSMENT DISTRICT ORDINANCE OF 1997 (MAINTENANCE ASSESSMENT DISTRICT NO. 532  
— RAPTOR RIDGE SUBDIVISION)
The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Wahl, Kirk
NOES: None
ABSENT: Nguyen-Tan
DISQUAL: None

3.4. HEARING ON FORMATION OF MAINTENANCE DISTRICT NO. 529, (ESPLANADE VILLAGE SUBDIVISION) — this item was removed and will be heard at a future meeting.

4. REGULAR AGENDA

4.1. ITEMS REMOVED FROM THE CONSENT AGENDA

2.5. RESOLUTION NO. 80 02-03 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO DESIGNATING AND APPOINTING ALTERNATES TO SERVE AS MEMBERS OF THE CITY COUNCIL IN THE EVENT OF AN EMERGENCY — this item was removed from the Consent Agenda for further discussion.

By memorandum dated 2/11/03, the City Clerk forwards this resolution and reported that pursuant to the California Emergency Services Act, Chico Municipal Code Section 2.68.050, and the City of Chico Emergency Plan, in order to provide for the continuance of the city’s legislative and executive functions during a local emergency, state of emergency or state of war emergency, in the event that one, several or all of the members of the City Council are unavailable to fulfill their functions, each Councilmember is required to appoint three standby alternates in designated order of precedence who shall serve in their stead so long as the member remains unavailable. The resolution lists the three alternates which each Councilmember has designated. The City Clerk and Fire Chief recommend adoption of the resolution.

A motion was made by Councilmember Herbert and seconded by Councilmember Bertagna to adopt Resolution No. 80 02-03.

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Wahl, Kirk
NOES: None
ABSENT: Nguyen-Tan
DISQUAL: None

4.2. DISCUSSION AND CONSIDERATION OF CITY COUNCIL PRIORITIES — this item was considered after items 4.3. and 4.4.

4.3. CONSIDERATION OF REPORT AND RECOMMENDATIONS FROM THE INTERNAL AFFAIRS COMMITTEE ON ITS MEETING HELD ON JANUARY 14, 2003

By memorandum dated 2/11/03, the Internal Affairs Committee provided a report on its meeting held on 1/14/03. Committee members present were Councilmembers Bertagna, Jarvis, and Herbert, Chair.

COMMITTEE MATTERS REQUIRING CITY COUNCIL ACTION AT THIS MEETING:

A. Consideration of Funding The Installation of Speed Humps On Neal Dow Avenue Between East First and East Fifth Avenues. The Committee recommended (3-0) funding the installation of speed humps on Neal Dow Avenue between East First and East Fifth Avenues. A motion was made by Vice Mayor Jarvis and seconded by Councilmember Bertagna to approve the Internal Affairs Committee recommendation.
The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Wahl, Kirk
NOES: None
ABSENT: Nguyen-Tan
DISQUAL: None

C. **Discussion and Consideration of Adoption of Panhandling Regulations.** The Committee recommended (3-0) that a panhandling ordinance which addresses aggressive panhandling along with the defining of locations be prepared by the City Attorney as soon as possible.

A motion was made by Councilmember Bertagna and seconded by Vice Mayor Jarvis to direct the City Attorney to draft a panhandling ordinance as soon as possible which addresses aggressive panhandling along with the defining of locations.

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Wahl, Kirk
NOES: None
ABSENT: Nguyen-Tan
DISQUAL: None

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

B. **Consideration of Proposal for a Trial Period Allowing Two-Way Bicycle Travel on South Park Drive in Bidwell Park on Days That Marsh Junior High School Is Open.** The Committee recommended (2-0-1, with Councilmember Herbert disqualified) that this item be tabled until the bike paths on Forest Avenue and El Monte are completed.

D. **Consideration of Policy Regarding Sanitary Sewer Service for Properties in the Unincorporated Areas.** The Committee recommended (3-0) that Assistant Community Development Director Sellers meet with John Byrne regarding the feasibility of annexation and come back to the committee within 60 days on a recommendation for a possible sewer service agreement that would allow an exception.

A motion was made by Councilmember Bertagna and seconded by Vice Mayor Jarvis to accept the 1/14/03 Internal Affairs Committee meeting.

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Wahl, Kirk
NOES: None
ABSENT: Nguyen-Tan
DISQUAL: None

4.4. **APPOINTMENT OF COUNCIL REPRESENTATIVE(S) TO THE CITY’S HEALTH PLAN REVIEW COMMITTEE**

Former Councilmember Rick Keene served as the Council representative on the City’s Health Plan Review Committee. At this time the Council was asked if it would like to appoint up to two Councilmembers to participate in these meetings. Council concurred that Councilmember Bertagna and Wahl would serve as the Council representatives.

4.2. **DISCUSSION AND CONSIDERATION OF CITY COUNCIL PRIORITIES** — this item was considered after items 4.3. and 4.4.
At its meeting of 1/28/03, the City Council discussed and provided preliminary ranking of priority issues. The City Council was provided with a memorandum from the City Manager dated 2/10/03, providing that list, as well as a brief analysis of the potential resources required by each item. City Council was asked to further discuss and prioritize the rankings. As a part of this process, the City Council may wish to indicate items of high priority to which it would like staff to devote immediate attention and provide direction and/or financing for implementation. Bob Linscheid, Susan Mason, Nancy Park, Greg Burton, and Ken Fleming addressed Council on this issue.

The Council directed staff to create a new list excluding the shaded items (items already being worked on) and bring the list back at the 3/4/03 City Council meeting for discussion.

A motion was made by Councilmember Nguyen-Tan and seconded by Councilmember Gruendl to agendize the discussion of the Northwest Specific Plan at the 3/18/03 meeting.

The motion carried by the following vote:

AYES: Gruendl, Jarvis, Nguyen-Tan, Kirk
NOES: Bertagna, Herbert, Wahl

4.5. ITEMS ADDED AFTER POSTING OF THE AGENDA

5. BUSINESS FROM THE FLOOR

Ken Fleming addressed Council regarding the Old Municipal Building committee.

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.

6.1. Memorandum dated 1/23/03 from the Finance Director reporting that the list of claims paid during the month of December 2002 has been produced and is available for review in the offices of the Finance Director, the City Clerk and the City Council.

6.2. Memorandum dated 2/04/03 from the Finance Director providing the Financial Audit of the Downtown Chico Business Association for Fiscal Year ending 6/30/02. Finance staff reviewed the audit and determined there were no major areas of concern.

7. ADJOURNMENT

Adjourned at 9:35 p.m. to March 4, 2003, at 7:00 p.m., in Conference Room No. 2 if a closed session is scheduled, followed by a regular City Council meeting in the Council Chamber at 7:30 p.m.

DATE APPROVED: June 3, 2003

____________________________________________
Deborah R. Presson, City Clerk
1. **CALL TO ORDER** — Mayor Kirk called the meeting to order at 7:00 p.m. in the Chico Municipal Center, Conference Room #2, 421 Main Street.

1.1. Roll Call — Present: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk
Absents: None

2. **CLOSED SESSION**

2.1. **CONFERENCE WITH LABOR NEGOTIATOR:** The City’s negotiator is Personnel Director Erlandson for all employee organizations except the Management Employees, for which City Manager Lando is the City’s negotiator. The names of the employee organizations that represent employees are Chico Police Officers Association (Sworn and Non-Sworn Units), International Association of Firefighters, and Service Employees International Union (Trades and Crafts Unit and Clerical, Technical and Professional Unit). The unrepresented employees are Confidential Employees and Management Employees. (Gov. Code Sec. 54957.6.)

2.2. **CONFERENCE WITH LEGAL COUNSEL AND RISK MANAGER - EXISTING LITIGATION:** The City Attorney and Risk Manager reviewed the following: City of Chico v. Rachel Linden, et al., Butte Superior Court No, 127399, Complaint for Reimbursement (Gov. Code Sec. 54956.9)

3. **ADJOURNMENT**

Adjourning at 7:25 p.m. to a Redevelopment Agency meeting in the Council Chamber.
1. **CALL TO ORDER** — Mayor Kirk called the meeting to order at 7:30 p.m. in the Chico Municipal Center, Council Chamber, 421 Main Street.

1.1. Flag Salute

1.2. Invocation – Moment of Silence

1.3. Roll Call — Present: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk
   Absent: None

1.4. Presentation – “Tree City USA” Award
   – Mary Flynn, Chair of the Chico Community Shelter Partnership

1.5. Closed Session Announcement — None

2. **CONSENT AGENDA**

2.1. APPROVAL OF SUPPLEMENTAL APPROPRIATION NO. 02-03 28 AND RDA NO. 02-03 06 TO PROVIDE FUNDING FOR COMPLETION OF THE AIR SERVICE DEVELOPMENT PLAN — this item was removed from the agenda and may be considered at a future meeting.

3. **NOTICED PUBLIC HEARINGS**

4. **REGULAR AGENDA**

4.1. ITEMS REMOVED FROM THE CONSENT AGENDA — None

4.2. CONSIDERATION OF COMMUNITY ACTION AGENCY OF BUTTE COUNTY (CAA) REQUEST FOR $1.8 MILLION FOR THE DEVELOPMENT OF THE ESPLANADE HOUSE AT 2920 ESPLANADE

By memorandum dated 2/24/03, the Housing Officer transmitted the request from CAA and provided background on the request. The memorandum also included an evaluation of the project's financial feasibility and public benefit. Notices of tonight's meeting were mailed to all residents and property owners within 500 feet of the project site. Addressing Council on this issue was Tom Tenorio, Melissa Nicholaw, Sharon Chambers, Mary Flynn and Steve Gwahney.

A motion was made by Vice Mayor Jarvis and seconded Councilmember Bertagna to approve the request for the $1.8 million, as a grant, for the development of the Esplanade House at 2920 Esplanade including staff’s recommendations to identify additional funding sources.

The motion carried by the following vote:

**AYES:** Bertagna, Gruendl, Jarvis, Nguyen-Tan, Kirk

**NOES:** Herbert, Wahl

4.3. CONSIDERATION OF REQUEST FROM MAYOR KIRK AND COUNCILMEMBER HERBERT TO RENEGOTIATE THE AGENCY LOAN WITH WAYNE COOK FOR THE DIAMOND HOTEL

By email dated 2/25/03 Mayor Kirk requested that the Redevelopment Agency consider renegotiation of the loan agreement with Wayne Cook for the Diamond Hotel. Pursuant to City Council Rules of Procedure, the Council by majority vote, considered this matter tonight. Councilmember Wahl disqualified himself on this item.

A motion was made by Vice Mayor Jarvis and seconded by Councilmember Bertagna to send this consideration to the Finance Committee for review and possible recommendation.
The motion carried by the following vote:

AYES:  Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Kirk
NOES:  None
ABSENT: None
DISQUAL: Wahl

5. **ITEMS ADDED AFTER POSTING OF THE AGENDA**

6. **ADJOURNMENT**

Adjourned to a City Council meeting.
1. **CALL TO ORDER** — Mayor Kirk called the Regular Chico City Council Meeting to order in the Chico Municipal Center, Council Chamber, 421 Main Street at 8:15 p.m.

1.1. Roll Call — Present: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk

Absent: None

2. **CONSENT AGENDA** — Item 2.1 was removed from the agenda and not heard. Item 2.5. was removed from the Consent Agenda and heard under Item 4.1. A motion was made by Councilmember Herbert and seconded by Vice Mayor Jarvis to approve the remaining Consent Agenda items:

2.1. **ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO AMENDING SECTIONS OF THE CHICO MUNICIPAL CODE TO REPLACE GENDER-SPECIFIC REFERENCES WITH GENDER-NEUTRAL REFERENCES AND TO MAKE NON-SUBSTANTIVE TECHNICAL CORRECTIONS - Introductory Reading** — this item was removed from the agenda at the request of staff and will be considered at a future meeting.

2.2. **ORDINANCE NO. 2260 — AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO REZONING THE PROPERTY IDENTIFIED AS ASSESSOR’S PARCEL NUMBER 011-030-143 LOCATED AT THE WEST END OF SHALLOW SPRINGS TERRACE FROM 0S-1 PRIMARY OPEN SPACE TO RS-1-PD SUBURBAN RESIDENTIAL-ONE ACRE MINIMUM LOT SIZE WITH A PLANNED DEVELOPMENT OVERLAY (RZ 02-01; LVV ENTERPRISES) - Final Reading and Adoption**

RESOLUTION NO. 84 02-03 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO ADOPTING A MITIGATED NEGATIVE DECLARATION AND MITIGATION MONITORING PROGRAM FOR GENERAL PLAN AMENDMENT 02-01 AND REZONE 02-01 (LVV ENTERPRISES)

RESOLUTION NO. 85 02-03 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO APPROVING A GENERAL PLAN AMENDMENT CHANGING THE LAND USE DESIGNATION FOR THE PROPERTY IDENTIFIED AS ASSESSOR’S PARCEL NUMBER 011-030-143 LOCATED AT THE WEST END OF SHALLOW SPRINGS TERRACE FROM PARKS TO VERY LOW DENSITY RESIDENTIAL (GPA 02-01; LVV ENTERPRISES)

By memorandum dated 2/20/03, Senior Planner Patrick Murphy reported that at its 2/04/03 meeting, the Council held a public hearing on the proposed General Plan amendment and rezone and introduced a modified rezone ordinance, as recommended by staff, to rezone the entire site to RS-1-PD (Suburban Residential, one acre minimum lot size with a planned development overlay) which would allow a maximum of four lots on the subject property. The recommended General Plan amendment would change the land use designation from Parks to Very Low Density Residential. Protection of oak woodlands on the site would be achieved through the future conditioning of the planned development permit and tentative subdivision map to be acted upon by the Planning Commission. A mitigated negative declaration is proposed for this project pursuant to the California Environmental Quality Act (CEQA). The Planning Director recommended that the City Council (1) adopt the mitigated negative declaration and mitigation monitoring program for the project by the adoption of a City Council resolution (Attachment A), (2) approve the General Plan amendment by the adoption of the City Council resolution (Attachment B) and (3) approve the rezone ordinance recommended by staff by the final reading of the title only (Attachment C).

2.3. **RESOLUTION NO. 86 02-03 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO INITIATING PROCEEDINGS TO ANNEX PROPERTY NOW LOCATED IN THE UNINCORPORATED TERRITORY OF THE COUNTY OF BUTTE TO THE INCORPORATED TERRITORY OF THE CITY OF CHICO - CHICO CANYON ROAD ANNEXATION DISTRICT NO. 5.**

By memorandum dated 2/14/03, the Assistant Community Development Director forwarded a report on initiation of the annexation of one parcel, with a total area of one acre, located on the north side of Chico Canyon Road, 1400 feet east of Via Morro Court. The parcel is to be developed with a single residence utilizing the sanitary sewer. Property owners are identified in the staff report. The Assistant Community
2.4. **RESOLUTION NO. 87 02-03 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO INITIATING PROCEEDINGS TO ANNEX PROPERTY NOW LOCATED IN THE UNINCORPORATED TERRITORY OF THE COUNTY OF BUTTE TO THE INCORPORATED TERRITORY OF THE CITY OF CHICO - HUMBOLDT ROAD ANNEXATION DISTRICT NO. 16.**

By memorandum dated 2/4/03, the Assistant Community Development Director forwarded a report on initiation of the annexation of one parcel which comprises the entirety of an “island” of unincorporated territory, with a total area of one acre, located on the north side of Humboldt Road, 610 feet west of Forest Avenue. The parcel is developed with a single residence. Future development would be consistent with existing R-3 Medium-High Density Residential zoning. The annexation proposal is consistent with Butte LAFCo “island” annexation policy. Property owners are identified in the staff report. The Assistant Community Development Director recommended adoption of the resolution.

2.5. **RESOLUTION NO. 88 02-03 — A RESOLUTION OF INTENTION OF THE COUNCIL OF THE CITY OF CHICO TO ABANDON AND VACATE A PORTION OF A STREET PURSUANT TO THE PUBLIC STREETS, HIGHWAYS, AND SERVICE EASEMENTS VACATION LAW (A PORTION OF THE INTERSECTION OF WEST 1ST STREET AND IVY STREET)** — This item was removed from the Consent Agenda and heard under Item 4.1.

2.6. **MINUTE ORDER NO. 10-03 — AUTHORIZING THE CITY ATTORNEY TO ENTER INTO AN ENGAGEMENT AGREEMENT FOR LEGAL SERVICES WITH FRANCIS M. GOLDSBERRY II OF GOLDSBERRY, FREEMAN AND SWANSON IN THE CASE OF CALIFORNIA DEPARTMENT OF TOXIC SUBSTANCES CONTROL VS. PAYLESS CLEANERS, ET AL., UNITED STATES DISTRICT COURT, EASTERN DISTRICT, CASE NO. CIV.S-02-2389 LKK DAD**

**APPROVAL OF SUPPLEMENTAL APPROPRIATION NO. 02-03 24 TO ESTABLISH FUNDING FOR PROFESSIONAL AND LEGAL COSTS RE SOUTHWEST PLUME LITIGATION**

The City Attorney recommended entering into an Engagement Agreement with Francis M. Goldsberry II, of Goldsberry, Freeman and Swanson, for legal services pertaining to the defense of the City of Chico in the case of California Department of Toxic Substances Control vs. Payless Cleaners, et al., regarding groundwater contamination from dry cleaning solvent in an area designated as the Southwest Plume. Twenty-five thousand dollars ($25,000), allocated from Sewer Fund (850), is requested to establish funding for professional consulting and legal services. The City has been sued by the State of California (Department of Toxic Substances Control v. Payless Cleaners, et al., U.S. District Court, Eastern District, Case No. S-02-2389 LKK/DAD) over contamination of ground-water by dry cleaning solvent alleged to have leaked from the sewer system that created what is known as the Southwest Plume. The City Attorney recommended approval of both the minute order and supplemental appropriation.

2.7. **MINUTE ORDER NO. 11-03 — AUTHORIZATION FOR CITY MANAGER TO EXECUTE AGREEMENTS AND GRANTS OF TEMPORARY CONSTRUCTION EASEMENTS WITH COMPENSATION VALUED AT LESS THAN $5,000 IN CONNECTION WITH VARIOUS CAPITAL PROJECTS**

In conjunction with the construction of the capital projects at W. 8th Avenue, the East Avenue/Cohasset intersection, and the E. 1st Avenue/Mangrove intersection, it will be necessary to enter on certain private property to conform private improvements such as driveways to the new public improvements. Because of the funding sources, the City is required to appraise and compensate property owners for construction access to their properties to accomplish this work. This minute order authorizes the City Manager to execute the Agreement and Grant of Temporary Construction Easement and any related documents for those affected properties for which the temporary construction easements have an appraised value of less than $5,000. The Assistant City Manager recommended approval of the minute order.
2.8. REQUEST FOR DETERMINATION OF PUBLIC CONVENIENCE OR NECESSITY - THE BREW GUILD 1722 MANGROVE AVENUE #36, CHICO

By memorandum dated 2/14/02 from the Community Development Director, staff recommended City Council to make a determination of public convenience or necessity as required by Business and Professions Code Section 23958.4, concerning the issuance of an off-sale alcoholic beverage license for The Brew Guild located at 1722 Mangrove Avenue #36, Chico.

The motion to approve the Consent Agenda, with Item 2.1. removed from the agenda and not heard, and Item 2.5. heard under Item 4.1., carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk
NOES: None

3. NOTICED PUBLIC HEARINGS

3.1. HEARING ON AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO AUTHORIZING RESCISSION OF ZONING AGREEMENTS FOR PROPERTY LOCATED AT THE NORTHWEST CORNER OF THE EAST AVENUE AND MARIGOLD AVENUE INTERSECTION IN THE CITY OF CHICO, IDENTIFIED AS ASSESSOR’S PARCEL NO. 048-740-023 (REZONE 02-05 MORAN) - Final Reading and Adoption

By memorandum dated 2/19/02, Senior Planner Patrick Murphy reported that at its 1/16/03 meeting, the Planning Commission voted (6 in favor, 0 in opposition, 1 absent) to recommend City Council approval of Rezone 02-05. At its 2/18/03 meeting, the City Council introduced the ordinance by reading of the title only. The property is identified as Assessor’s Parcel No. 048-740-023 and is designated Community Commercial on the General Plan Diagram. Pursuant to the California Environmental Quality Act, a negative declaration is proposed for this project.

The hearing was opened to the public. No one spoke and the hearing was closed. A motion was made by Councilmember Nguyen-Tan and seconded by Councilmember Wahl to adopt the negative declaration for the project by the adoption of a City Council Resolution No. 89 02-03, and approve the final reading of the Ordinance No. 2261:

RESOLUTION NO. 89 02-03 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO ADOPTING A NEGATIVE DECLARATION FOR REZONE 02-05 (MORAN) AUTHORIZING RESCISSION OF ZONING AGREEMENTS FOR PROPERTY LOCATED AT THE NORTHWEST CORNER OF THE EAST AVENUE AND MARIGOLD AVENUE INTERSECTION IN THE CITY OF CHICO, IDENTIFIED AS ASSESSOR’S PARCEL NO. 048-740-023

ORDINANCE NO. 2261 — AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO AUTHORIZING RESCISSION OF ZONING AGREEMENTS FOR PROPERTY LOCATED AT THE NORTHWEST CORNER OF THE EAST AVENUE AND MARIGOLD AVENUE INTERSECTION IN THE CITY OF CHICO, IDENTIFIED AS ASSESSOR’S PARCEL NO. 048-740-023 (REZONE 02-05 MORAN) - Final Reading and Adoption

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk
NOES: None
4. **REGULAR AGENDA**

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

2.5. **RESOLUTION NO. 88 02-03 — A RESOLUTION OF INTENTION OF THE COUNCIL OF THE CITY OF CHICO TO ABANDON AND VACATE A PORTION OF A STREET PURSUANT TO THE PUBLIC STREETS, HIGHWAYS, AND SERVICE EASEMENTS VACATION LAW (A PORTION OF THE INTERSECTION OF WEST 1ST STREET AND IVY STREET)**

By memorandum dated 2/12/03, the Director of Public Works reported that the property owner, California State University, Chico, has petitioned the City to abandon a portion of the intersection of West 1st Street and Ivy Street since the portion is no longer necessary for present or prospective public street purposes. An easement for public utilities, public services and pedestrian access will be retained over the area proposed for abandonment. The Director of Public Works recommended adoption of the resolution which will schedule a public hearing for 4/1/03.

A motion was made by Councilmember Bertagna and seconded by Councilmember Nguyen-Tan to adopt Resolution No. 88 02-03 and directed staff to notify the University of the public hearing.

The motion carried by the following vote:

**AYES:** Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk

**NOES:** None

4.2. **CONSIDERATION OF RECENT UNION PACIFIC RAILROAD TRAIN SPEED INCREASES THROUGH CHICO**

On 12/15/02, and again on 1/15/03, Union Pacific Railroad (UPRR) increased the maximum speed limit for trains traveling through Chico from the previous limit of 45 miles per hour, to 55 miles per hour, and then to the more recent 70 miles per hour. UPRR’s stated reason for the speed increases was to improve the efficiency and capacity of the railroad line in this area. These increases were made despite the City’s safety concerns, and the Mayor has previously written to the City’s Congressional representatives, and to various federal transportation regulatory officials, requesting their intervention in preventing these speed increases.

At the Council’s 1/7/03 meeting, the Council requested that this matter be scheduled for further discussion and that representatives from UPRR and the Federal Railroad Administration, which supported the speed increases, be requested to be in attendance to provide information and answer questions regarding the issue. Representatives of both agencies have indicated that they will be in attendance at tonight’s meeting.

The Council was provided with letters dated 2/14/03 from Dan Shudak, General Superintendent of UPRR in Roseville, responding to the Mayor’s prior letter to the President of UPRR concerning the train speed increases, and from Wayne Horiuchi, Special Representative of UPRR, who had been invited to attend tonight’s meeting, indicating that he was not engaged in the company’s decision to raise train speeds and that he referred the matter to another UPRR representative. In addition, by memorandum dated 2/26/03, the Risk Manager provided a summary of the comments of Louis Below, Chairman of the Brotherhood of Maintenance of Way Employees Union, which represents UPRR employees, regarding track safety and increased train speeds.

Addressing the Council on this issue were Mary Jane Burgess, Robert Grady, John Geiger, and Jackie Powers, and Randy Abbott. Railroad representatives included Mike Furtney, Union Pacific Regional Director of Public Relations, Union Pacific Railroad Locomotive Engineer Tom Haistings, Gordon Thompson, Ted Lewis, Richard Gonzales, and Jim Plank.

A motion was made by Councilmember Nguyen-Tan and seconded by Councilmember Wahl to have the
Mayor send a letter to congressional representatives conveying the concerns regarding the speed limit increase as set forth in the letter received from the Brotherhood of Locomotive Engineers and requesting legislation that would required railroads to provide public notice and hold hearings when speed increases are proposed.

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk
NOES: None

4.3. CONSIDERATION OF COUNCIL PRIORITIES

At its meeting 2/18/03, the City Council continued its discussion of priority issues. The City Council was provided with a memorandum from the City Manager dated 2/25/03, providing a list based upon the Council's discussion which excludes those items already in process. The Council voted on each item and directed staff to compile the list of all items with a majority vote, which would be referred to a committee comprised of Councilmember Wahl, Gruendl and Mayor Kirk.

5. BUSINESS FROM THE FLOOR

Mario Sagusumi requested that the Railroad create a safety program for increased speeds.

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.

6.1. Memorandum dated 2/14/03 from the Finance Director reporting that the list of claims paid during the month of January 2003 has been produced and is available for review in the offices of the Finance Director, the City Clerk and the City Council.

6.2. Memorandum dated 2/7/03, from the Assistant City Manager providing a report on contracts that have been awarded for the purchase of materials, supplies, and/or services required by the City, within the appropriations approved therefor in the current Annual Budget.

6.3. Letter dated 2/24/03 from Isabel and William McCord requesting that the City Council pass a resolution opposing any act of war against the sovereign state of Iraq. Comments were made by Isabel and William McCord regarding this issue.

A motion was made by Councilmember Bertagna and seconded by Councilmember Herbert to agendize discussion on taking a position on the war in Iraq. The motion failed by the following vote:

AYES: Bertagna, Herbert, Wahl
NOES: Gruendl, Jarvis, Nguyen-Tan, Kirk

A motion was made by Councilmember Nguyen-Tan and seconded by Vice Mayor Jarvis to refer the policy on taking a position on issues beyond Council control to the Council Policy and Procedure Committee. The motion failed by the following vote:

AYES: Gruendl, Jarvis, Nguyen-Tan
NOES: Bertagna, Herbert, Wahl, Kirk

7. ADJOURNMENT
The meeting was adjourned at 11:10 p.m. to March 18, 2003 at 7:00 p.m., in Conference Room No. 2 if a closed session is scheduled, followed by an adjourned regular meeting in the Council Chamber at 7:30 p.m.

Date Approved: June 3, 2003

Deborah R. Presson, City Clerk
1. CALL TO ORDER — Mayor Kirk called the Adjourned Regular Chico Redevelopment Agency meeting to order in the Chico Municipal Center, Council Chamber, 421 Main Street at 7:30 p.m.

1.1. Flag Salute

1.2. Invocation – Pastor Fred Wymore, Christian Life Center Foursquare Church

1.3. Roll Call — Present: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk

Absent: None

1.4. Proclamation proclaiming March 21, 2003, as the first day of the Persian New Year in the City of Chico.

1.5. Closed Session Announcement — None

2. CONSENT AGENDA — A motion was made by Councilmember Bertagna and seconded by Councilmember Wahl to approve the following Consent Agenda item:

2.1. MINUTE ORDER - AUTHORIZATION FOR THE EXECUTIVE DIRECTOR TO EXECUTE AN AGREEMENT WITH THE BUTTE COUNTY ECONOMIC DEVELOPMENT CORPORATION TO PROVIDE FINANCIAL ASSISTANCE FOR THE VISION 2005 PLAN.

At its meeting of 02/20/03, the Economic Development Committee recommended that the Redevelopment Agency authorize the Executive Director to execute an agreement with Butte County Economic Development Corporation (Butte EDC) to provide $60,000 of Redevelopment Agency funds over a three-year period ($20,000 per year) for support of the Vision 2005 plan. Sufficient funds are included in the 2002-03 Redevelopment Agency operating budget to fund the first year’s allocation for the Vision 2005 plan. Future allocations would be included in the Redevelopment Agency operating budget.

The motion to approve the Consent Agenda carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk

NOES: None

3. NOTICED PUBLIC HEARINGS

4. REGULAR AGENDA

4.1. ITEMS REMOVED FROM THE CONSENT AGENDA

4.2. CONSIDERATION OF REPORT AND RECOMMENDATIONS OF THE OLD MUNICIPAL BUILDING COMMITTEE

By memorandum dated 3/11/03, the Community Development Director provided the final recommendations of the Old Municipal Building Committee concerning the reuse of the Old Municipal Building located 441 Main Street. Councilmember Wahl disqualified himself on this item. Mary Andrews, Committee Chair provided Council with an overview of the report.

A motion was made by Vice Mayor Jarvis and seconded by Mayor Kirk to accept the report, proceed to solicit proposals for use of the building and direct the committee to work with staff to review and evaluate the proposals. The committee’s recommendation will be provided in Council mailboxes and then implemented after a week unless a Councilmember requests that it be agendized. Internal Affairs was directed to consider the need for and role of an oversight committee.
The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Kirk
NOES: None
ABSENT: None
DISQUAL: Wahl

5. ITEMS ADDED AFTER POSTING OF THE AGENDA — None

6. ADJOURNMENT

Adjourned to a City Council meeting.
1. **CALL TO ORDER** — Mayor Kirk call the Adjourned Regular Chico City Council meeting to order in the Chico Municipal Center, Council Chamber, 421 Main Street.

1.1. Roll Call — Present: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk
   Absent: None

2. **CONSENT AGENDA** — A motion was made by Councilmember Nguyen-Tan and seconded by Councilmember Herbert to approve the following Consent Agenda items:

2.1. **ADOPTION OF RESOLUTIONS LEVYING ASSESSMENT INSTALLMENTS IN LIEU OF THE PAYMENT OF SEWER SYSTEM CONNECTION FEES INCIDENT TO THE CONNECTION OF PREMISES TO THE CITY SEWER SYSTEM**

By memoranda dated 2/21/03, the Director of Public Works reported that in accordance with a petition from the below property owners, adoption of the following resolutions will authorize sewer assessments to be collected on the tax roll as set forth in the Director of Public Works’ report dated 2/21/03 attached to each resolution. These assessments are in lieu of payment of the sewer system connection fees which would ordinarily be due and payable at the time of connecting the premises to the City’s sewer system. The Director of Public Works recommended adoption of the resolutions.

A. **RESOLUTION NO. 90 02-03** — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO LEVYING ASSESSMENT INSTALLMENTS IN LIEU OF THE PAYMENT OF SEWER SYSTEM CONNECTION FEES INCIDENT TO THE CONNECTION OF PREMISES TO THE CITY SEWER SYSTEM - 2244 ELM STREET, A.P. NO. 005-473-005 (petition from property owner Brandon Doss)

B. **RESOLUTION NO. 91 02-03** — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO LEVYING ASSESSMENT INSTALLMENTS IN LIEU OF THE PAYMENT OF SEWER SYSTEM CONNECTION FEES INCIDENT TO THE CONNECTION OF PREMISES TO THE CITY SEWER SYSTEM - 2104 FERN AVENUE, A.P. NO. 043-040-066 (petition from property owner Ann Marie Robinson)

C. **RESOLUTION NO. 92 02-03** — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO LEVYING ASSESSMENT INSTALLMENTS IN LIEU OF THE PAYMENT OF SEWER SYSTEM CONNECTION FEES INCIDENT TO THE CONNECTION OF PREMISES TO THE CITY SEWER SYSTEM - 463 & 473 POSADA WAY, A.P. NOS. 007-310-004 & 007-310-003 (petition from property owners Thomas E. Hignell and Jean C. Hignell)

D. **RESOLUTION NO. 93 02-03** — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO LEVYING ASSESSMENT INSTALLMENTS IN LIEU OF THE PAYMENT OF SEWER SYSTEM CONNECTION FEES INCIDENT TO THE CONNECTION OF PREMISES TO THE CITY SEWER SYSTEM - 2933 SAN VERBENA WAY, ASSESSOR’S PARCEL NO. 048-230-005 (petition from property owner Richard G. Braley)

E. **RESOLUTION NO. 94 02-03** — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO LEVYING ASSESSMENT INSTALLMENTS IN LIEU OF THE PAYMENT OF SEWER SYSTEM CONNECTION FEES INCIDENT TO THE CONNECTION OF PREMISES TO THE CITY SEWER SYSTEM - 1592 VALLOMBROSA AVENUE, A.P. NO. 045-322-014 (petition from property owners Charles D. Eppelheimer and Sandra Lee-Eppelheimer)

F. **RESOLUTION NO. 95 02-03** — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO LEVYING ASSESSMENT INSTALLMENTS IN LIEU OF THE PAYMENT OF SEWER SYSTEM CONNECTION FEES INCIDENT TO THE CONNECTION OF PREMISES TO THE CITY SEWER SYSTEM - 502 W. 11TH AVENUE, A.P. NO. 043-053-037 (petition from property owners Michael Peck and Maya Price)

2.2. RESOLUTION NO. 97 02-03 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO AUTHORIZING A REFERENDUM OF PERMANENT MISCELLANEOUS EMPLOYEES CURRENTLY EXCLUDED FROM MEDICARE COVERAGE FOR THE PURPOSE OF ALLOWING INTERESTED EMPLOYEES TO ELECT MEDICARE COVERAGE

By memorandum dated 2/28/03, the Personnel Director recommended approval of a resolution which initiates a process through which miscellaneous employees currently excluded from Medicare coverage because of their date of hire can individually choose to be covered. This process is managed through the City’s existing Public Employees Retirement System (PERS) retirement plan, and this resolution is the first step in the process. The Personnel Director recommended adoption of the resolution.

2.3. RESOLUTION NO. 98 02-03 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO INITIATING PROCEEDINGS TO ANNEX PROPERTY NOW LOCATED IN THE UNINCORPORATED TERRITORY OF THE COUNTY OF BUTTE TO THE INCORPORATED TERRITORY OF THE CITY OF CHICO - MANZANITA AVENUE ANNEXATION DISTRICT NO. 16.

By memorandum dated 2/18/03, the Assistant Community Development Director forwards a report on initiation of the annexation of a single .222 acre parcel located at 452 Manzanita Avenue. The parcel is developed with a single residence, proposed for conversion to an office use consistent with the General Plan and O-R Office Residential prezoning. Property owners are identified in the staff report. The Assistant Community Development Director recommended adoption of the resolution.

2.4. RESOLUTION NO. 99 02-03 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO ADOPTING TRAFFIC REGULATION (AMENDMENT NO. 757)

By memorandum dated 1/15/03, the Director of Public Works reported on the Parking Place Commission’s recommendation at its meeting of 10/16/02 to convert 22 one-hour metered parking spaces to ten-hour metered parking spaces in Municipal Parking Lot No. 5. The meter conversion was considered and recommended due to minimal meter revenue collection in this lot, and the results of a subsequent survey of the lot which confirmed a low occupancy rate. It is anticipated that the conversion may result in increased usage of this lot and additional net annual revenue of approximately $12,000 - $13,000. The Director of Public Works and Parking Place Commission recommended adoption of the above Resolution, which would authorize conversion of the parking meters.

2.5. RESOLUTION NO. 100 02-03 — A RESOLUTION OF INTENTION OF THE CITY COUNCIL OF THE CITY OF CHICO TO ABANDON AND VACATE A PORTION OF PUBLIC RIGHT-OF-WAY PURSUANT TO THE PUBLIC STREETS, HIGHWAYS, AND SERVICE EASEMENTS VACATION LAW (953 YOSEMITE DRIVE (PRATER) ASSESSOR’S PARCEL NO. 011-120-057)

By memorandum dated 3/10/03, the Director of Public Works has requested the abandonment of a portion of excess public right-of-way located at 953 Yosemite Drive, Assessor’s Parcel No. 011-120-057, in order to relinquish 281 square feet of the public right-of-way to the property owners, Chris and Becky Prater. This easement was originally set aside for road construction, but now that all work on Yosemite Drive has been completed, the easement is no longer needed. Comments on the proposed abandonment were solicited from local utility companies, all of whom have advised that they have no objection to the abandonment. The Director of Public Works recommended adoption of this resolution which will schedule a public hearing for 4/15/03.
2.6. **MINUTE ORDER 12-03 — AMENDMENT TO CITY MANAGER'S CITY OF CHICO EMPLOYMENT AGREEMENT TO PROVIDE FOR ADDITIONAL VACATION ACCRUAL**

Based on the City Council’s annual evaluation of the City Manager’s performance, and in response to the City Manager's request, this minute order provided for an amendment to the City Manager’s employment agreement with the City of Chico to provide for an increase of 100 hours in the maximum amount of vacation leave which may be accumulated.

2.7. **APPROVAL OF SUPPLEMENTAL APPROPRIATION NO. 02-03 28 TO PROVIDE FUNDING FOR COMPLETION OF THE AIR SERVICE DEVELOPMENT PLAN**

By memorandum dated 03/06/03, the Airport Manager reported that the U.S. Department of Transportation is offering a one-time grant of $44,000 to assist in the City’s development efforts to improve air service. Acceptance of the grant requires $10,000 in local matching funds. The initial phases of the Air Service Development Plan for the Chico Municipal Airport have been completed. The requested funds would be used to fund professional consulting services to examine the best route structures, projected airfares, and profitability, before beginning direct solicitation of carriers. At its meeting held 02/26/03, the Finance Committee recommended approval of the supplemental appropriation with the matching funds to be allocated from the Chico Merged Redevelopment Project Area Fund (351). Staff subsequently determined that the Passenger Facility Charges was a more appropriate funding source and the supplemental appropriation has been revised to reflect that change. The City Council is being provided with a copy of the Passenger Facility Charges Fund (303) fund summary which reflects the 06/30/03 estimated fund balance.

The motion to approve the Consent Agenda carried by the following vote:

**AYES:** Bertagna, Gruendl, Herbert, Nguyen-Tan, Wahl, Kirk

**NOES:** None

**ABSENT:** Jarvis

**DISQUAL:** Kirk, on Item 2.5.

3. **NOTICED PUBLIC HEARINGS**

3.1. **HEARING ON FORMATION OF MAINTENANCE DISTRICT NO. 529, (ESPLANADE VILLAGE SUBDIVISION)**

By memorandum dated 2/26/03, the Director of Public Works reported that this resolution will order the formation of Chico Maintenance Assessment District No. 529. As a condition of approval of a subdivision map for this development, generally located on the west side of The Esplanade between Lassen and Shasta Avenues, the developers, M. Donn Marshall and Patrick Conroy, have consented to the formation of this district for the operation, maintenance, and future replacement of the landscaping and irrigation of the traffic circle, the area along Mandalay Court, and the area along the south property line, and storm water interceptor. This maintenance assessment district will provide that the City perform (or contract for) the operation and maintenance services which will be paid by property owners within this district. Future annual assessments will be paid at the time other property taxes are collected. The Director of Public Works recommended adoption of the resolution. Mayor Kirk opened the hearing and no one spoke. The hearing was closed to the public.

A motion was made by Councilmember Nguyen-Tan and seconded by Councilmember Bertagna to adopt the following resolution:

**RESOLUTION NO. 101 02-03 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO ORDERING FORMATION OF A MAINTENANCE DISTRICT PURSUANT TO THE MAINTENANCE
3.2. HEARING ON ABANDONMENT AND VACATION OF A LIGHT AND AIR EASEMENT (LOT 150, SKYWAY PARK SUBDIVISION, UNIT NO. 1, ASSESSOR’S PARCEL NO. 002-210-039)

By memorandum dated 2/19/03, the Director of Public Works reported that the property owner, Colby Family Trust, has petitioned the City to abandon the light and air easement on Lot 150 of the Skyway Park Subdivision, Unit No. 1, to accommodate proposed buildings for the Computers Plus retail computer business. Abandonment of the 20-foot-wide light and air easement will have no effect on the existing 5-foot-wide public utility easement contiguous to Notre Dame Boulevard. At its 2/18/03 meeting, the City Council adopted a resolution of intention to abandon this easement and set a public hearing for 3/18/03. The Director of Public Works recommended adoption of the resolution.

Mayor Kirk opened the hearing to the public. Addressing Council on this issue were Keith Long, Bill William, Lou Sheridan, Marty Fayek. Opposed to the abandonment was Lori Tennant. The hearing was closed.

A motion was made by Councilmember Herbert and seconded by Councilmember Wahl to adopt the following resolution:

RESOLUTION NO. 102 02-03 — A RESOLUTION OF THE COUNCIL OF THE CITY OF CHICO ORDERING ABANDONMENT AND VACATION OF A LIGHT AND AIR EASEMENT PURSUANT TO THE PUBLIC STREETS, HIGHWAYS AND SERVICE EASEMENTS VACATION LAW (LOT 150, SKYWAY PARK SUBDIVISION, UNIT NO. 1, ASSESSOR’S PARCEL NO. 002-210-039)

The motion to adopt the Resolution 102 02-03 carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Wahl, Kirk
NOES: Nguyen-Tan

3.3. HEARING ON AN AMENDMENT TO THE PARKS, PUBLIC FACILITIES AND OPEN SPACE ELEMENT OF THE GENERAL PLAN OF APPROVING GENERAL PLAN AMENDMENT GPA 03-01 (ANNIE BIDWELL TRAIL)

By memorandum dated 2/13/03, Senior Planner Tom Hayes reported that the Planning Commission voted unanimously, following a public hearing on 2/6/03, to recommend that the City Council approve an amendment to the Parks, Public Facilities and Open Space Element of the General Plan which would add an implementing policy to the Parks and Recreational Open Space section regarding the desire to construct an Annie Bidwell Trail from Bidwell Mansion to Ten-Mile Road. A mitigated negative declaration is proposed for this project, pursuant to the California Environmental Quality Act (CEQA). The Planning Commission and the Planning Director recommended that the City Council 1) adopt the mitigated negative declaration and associated mitigation monitoring program; and 2) adopt a resolution approving General Plan Amendment 03-01.

A motion was made by Vice Mayor Jarvis and seconded by Councilmember Nguyen-Tan to table this item until the EIR is completed.

The motion carried by the following vote:
4. **REGULAR AGENDA**

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

4.2. **DISCUSSION AND DIRECTION TO STAFF CONCERNING PLANNING FOR THE NORTHWEST DEVELOPMENT AREA**

At its 2/18/03 meeting, the Council directed that this item be scheduled for discussion at tonight’s Council meeting. The Northwest Development Area is a large assemblage of properties, still mostly undeveloped, centered around the Esplanade and Highway 99 south of Sycamore Creek, and including the Alkop Farm property (Expansion Study Area #1). The westernmost portions of this area lie outside of the City's current sphere of influence. As the Council directed on 2/5/02, City staff has been working with some of the property owners to develop a coordinated development and basic zoning plan. Since the Council originally provided this direction, it became clear that an environmental impact report (EIR) would be needed and funds were allocated by the Council on 9/17/02.

The Planning Director recommended that the Council provide for a public review process for the Northwest Development Area before staff begins preparation of an EIR. Addressing Council on this item were Jim Mann, Mary Cahill, Kirk Monfort, Karen Laslo, Jim Brobeck and Greg Webb.

A motion was made by Councilmember Nguyen-Tan and seconded by Vice Mayor Jarvis to direct staff to hire an outside urban design consultant (with a $50,000 allocation, with a confirming supplement to be completed). The consultant would work with both staff and developers to come up with three or four different plans that would provide different scenarios as described in the staff report on page 3, with consultant holding public workshops within a condensed amount of time at the beginning of the process, with a summary of the information brought back to the Council as soon as possible.

The motion carried by the following vote:

**AYES:** Gruendl, Jarvis, Nguyen-Tan, Kirk  
**NOES:** Bertagna, Herbert, Wahl

4.3. **CONSIDERATION OF REPORT AND RECOMMENDATIONS FROM THE FINANCE COMMITTEE ON ITS MEETING HELD ON FEBRUARY 26, 2003**

By memorandum dated 3/12/03, the Finance Committee provided a report on its meeting held on 2/26/03. Committee members present were Councilmembers Gruendl, Wahl, and Nguyen-Tan, Chair.

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

A. **Approval of Supplemental Appropriation No. 02-03 30 to Provide Additional Funding for the Acquisition of a Fire Engine.** The Committee recommended (3-0) approval of Supplemental Appropriation No. 02-03 30 allocating $24,000 from the Equipment Replacement Fund to provide additional funds to acquire the replacement fire engine.

A motion was made by Councilmember Bertagna and seconded by Vice Mayor Jarvis to approve
the following Supplemental Appropriation:

SUPPLEMENTAL APPROPRIATION NO. 02-03 30 TO PROVIDE ADDITIONAL FUNDING FOR THE ACQUISITION OF A FIRE ENGINE

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Kirk
NOES: None
ABSENT: Wahl

B. Approval of Supplemental Appropriation No. 02-03 28 and RDA No. 02-03 06 to Provide Funding for Completion of the Air Service Development Plan. This item was heard under the Consent Agenda as Item 2.7.

C. Acceptance of the Community Organization Compliance Audits for FY 2001-02. The Committee recommended (3-0) acceptance of the Community Organization Compliance Audits for FY 2001-02 and authorized approval of staff’s recommendation for remediation of the audit finding of Right Road Recovery, Inc. which is to request documentation of use of funds or reimbursement of funds in the amount of $3,778 by 3/20/03. Vice Mayor Jarvis was disqualified on this item.

A motion was made by Councilmember Herbert and seconded by Councilmember Gruendl to accept the Community Organization Compliance Audits for FY 2001-02, and authorized approval of staff’s recommendation for remediation.

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Nguyen-Tan, Kirk
NOES: None
ABSENT: Wahl - absent during this item
DISQUAL: Jarvis

D. Consideration of the City of Chico 2003/04-2007/08 Five-Year Capital Improvement Program. The Committee recommended (3-0) that staff revise the City of Chico 2003/04-2007/08 Five-Year Capital Improvement Program to include Phase I of the E. 8th Street Reconstruction by adjusting other projects so that the plan remains fiscally constrained, and that the revised plan be forwarded to Council for approval. The Committee also requested staff to outline the area of E. 8th Street covered in Phase I and provide cost estimates for future phases and to include this information in the final CIP.

By memorandum dated 3/10/03, the Public Works Administrative Manager presented the City of Chico 2003/04-2007/08 Five-Year Capital Improvement Program (CIP)as amended by the Finance Committee at its 2/26/03 meeting to include the East 8th Street Reconstruction project.

A motion was made by Councilmember Herbert and seconded by Councilmember Jarvis to adopt the City of Chico 2003/04-2007/08 Five-Year Capital Improvement Program.

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk
NOES: None

E. Approval of Request from Housing Authority of the County of Butte (HACB) for $900,000 for the Acquisition of the Property at 1200 Park Avenue. The Committee recommended (3-0)
approval of the request from Housing Authority of the County of Butte (HACB) for $900,000 for the acquisition of the Property at 1200 Park Avenue.

A motion was made by Councilmember Jarvis and seconded by Councilmember Bertagna to adopt the following resolutions:

RESOLUTION NO. 03-03 — A RESOLUTION OF THE CHICO REDEVELOPMENT AGENCY AMENDING RESOLUTION NO. RDA 05 02-03, APPROVING DISBURSEMENT OF LOAN FUNDS FROM THE AGENCY’S LOW AND MODERATE INCOME HOUSING FUND TO THE HOUSING AUTHORITY OF THE COUNTY OF BUTTE FOR THE ACQUISITION OF THE SITE LOCATED AT 1200 PARK AVENUE, CHICO, CALIFORNIA

RESOLUTION NO. 104 02-03 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO AMENDING RESOLUTION NO. 02 02-03 APPROVING DISBURSEMENT OF GRANT FUNDS FROM THE CITY’S HOME PROGRAM TO THE HOUSING AUTHORITY OF THE COUNTY OF BUTTE FOR THE ACQUISITION OF THE SITE LOCATED AT 1200 PARK AVENUE, CHICO, CALIFORNIA

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk
NOES: None

F. Recommendation of Affordable Housing Subsidy Limits for Notre Dame Housing Project. The Committee recommended (3-0) the City/Agency subsidy limits be set at $30,000 per unit and $3.4 million for the project, and that staff be authorized to solicit development proposals, which will be revised to reflect maximum use of the site, from the three non-profit agencies who previously submitted proposals. The Committee also recommended that the Housing Element Task Force be requested to develop recommendations on subsidy levels for future housing projects. No Council action was necessary on this item.

G. Acknowledge Receipt of Transportation Development Act Audit Reports. The Committee recommended (3-0) acceptance of the Transportation Development Act Audit Reports.

A motion was made by Councilmember Nguyen-Tan and seconded by Vice Mayor Jarvis to acknowledge receipt of the Transportation Development Act Audit Reports.

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk
NOES: None

COMMITTEE MATTERS REQUIRING NO CITY COUNCIL ACTION AT THIS MEETING:

I. Draft Annual Plan for the City’s 2003-04 Community Development Block Grant (CDBG) and Home Investment Partnership (HOME) Programs. The Committee recommended (3-0) that $125,000 be allocated for North Campus improvements and $50,000 to South Campus, with the equipment replacement fund being adjusted by the appropriate amount. The Committee also recommended that the Council should consider shifting economic development and fair housing funding decisions to the community organization funding process next fiscal year.

J. Consideration of the City of Chico 2002-03 Update of Development Impact Fees Analysis and Recommendations (Nexus Study) Assumptions. Item “J” was removed from the agenda.
and rescheduled for Wednesday, March 12, 2003 at 8:00 a.m.

A motion was made by Councilmember Bertagna and seconded by Councilmember Wahl to accept the report and recommendations from the Finance Committee meeting held on 2/26/03.

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk
NOES: None

4.4. CONSIDERATION OF REQUEST FROM MAYOR KIRK TO RECONSIDER DIRECTING THE COUNCIL POLICY AND PROCEDURE COMMITTEE TO REVIEW AND PROVIDE RECOMMENDATIONS REGARDING REQUESTS FOR COUNCIL ACTIONS ON ISSUES WHICH DO NOT DIRECTLY IMPACT THE CITY OF CHICO

At its 3/4/03 meeting, the City Council voted against (4-3) sending to committee for review, the policy of the City Council taking a stand on issues which do not directly impact the City of Chico either at the request of a citizen or a Councilmember. The Mayor, as a member of the majority, asked, via email dated 3/5/03 for reconsideration of this matter. Pursuant to City Council Rules of Procedure, the Council may, by majority vote, consider this matter tonight.

A motion was made by Vice Mayor Jarvis and seconded by Councilmember Bertagna to reconsider this item.

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk
NOES: None

A motion was made by Vice Mayor Jarvis and seconded by Councilmember Bertagna to direct the Council Policy and Procedure Committee consider developing a policy of the City Council on taking a stand on issues which do not directly impact the City of Chico either at the request of a citizen or a Councilmember.

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk
NOES: None

4.5. CONSIDERATION OF REQUEST FROM MAYOR KIRK TO SCHEDULE A JOINT MEETING OF THE PLANNING COMMISSION AND CITY COUNCIL

Mayor Kirk requested that the City Council consider setting a joint meeting of the Planning Commission and City Council. This meeting would allow an opportunity to make sure there is clear criteria for both the Planning Commission and the development community to evaluate new projects and to eliminate ambiguity. Council concurred to hold this joint meeting after finalization of the Council priority list.

4.6. ITEMS ADDED AFTER POSTING OF THE AGENDA – Posted Addendum
4.6. **CONSIDERATION OF COUNCILMEMBER WAHL’S REQUEST OF AGENDIZING COUNCIL DISCUSSION OF CHICO’S PREPAREDNESS FOR AN ACT OF TERRORISM**

By letter dated 3/12/03, Councilmember Wahl has requested that the City Council consider agendizing a discussion of Chico’s preparedness for an act of terrorism on the City or region. Pursuant to City Council Rules of Procedure, the Council may, by majority vote, consider this matter tonight or set a date for discussion at a future meeting.

A motion was made by Councilmember Wahl and seconded by Councilmember Herbert to agendize this item for the 4/1/03 Council meeting.

The motion carried by the following vote:

**AYES:** Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk  
**NOES:** None

A motion was made by Councilmember Nguyen-Tan and seconded by Vice Mayor Jarvis to agendize a 30-minute discussion to take public comment on the local impact of the Patriot Act at the 4/15/03 City Council meeting. Staff was directed to provide a report on the ramifications of the U.S. Patriot Act as it relates to local law enforcement.

The motion carried by the following vote:

**AYES:** Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk  
**NOES:** Bertagna

5. **BUSINESS FROM THE FLOOR**

A motion was made by Vice Mayor Jarvis and seconded by Mayor Kirk to schedule Council discussion regarding the definition of the word “encourage” and interpretation of the word “encourage” when used in the General Plan.

The motion carried by the following vote:

**AYES:** Gruendl, Jarvis, Nguyen-Tan, Kirk  
**NOES:** Bertagna, Herbert, Wahl

6. **REPORTS AND COMMUNICATIONS**

The following reports and communication items are provided for the Council’s information. No action can be taken on any of the items unless the Council agrees to include them on a subsequent posted agenda.


7. **ADJOURNMENT**

Adjourned at 10:50 p.m. to April 1, 2003, at 7:00 p.m., in Conference Room No. 2 if a closed session is scheduled, followed by a regular meeting in the Council Chamber at 7:30 p.m.
1. **CALL TO ORDER** — Mayor Kirk called the Adjourned Regular Chico City Council meeting to order at 7:00 p.m. in the Chico Municipal Center, Conference Room #2, 421 Main Street.

1.1. Roll Call — Present: Bertagna, Gruendl, Jarvis, Herbert, Nguyen-Tan, Wahl, Kirk
Absence: None

2. **CLOSED SESSION**

2.1. **CONFERENCE WITH LABOR NEGOTIATOR:** The City's negotiator is Personnel Director Erlandson for all employee organizations except the Management Employees, for which City Manager Lando is the City's negotiator. The names of the employee organizations that represent employees are Chico Police Officers Association (Sworn and Non-Sworn Units), International Association of Firefighters, and Service Employees International Union (Trades and Crafts Unit and Clerical, Technical and Professional Unit). The unrepresented employees are Confidential Employees and Management Employees. (Gov. Code Sec. 54957.6.)

2.2. **CONFERENCE WITH LEGAL COUNSEL** - Pending Litigation: The City Attorney reviewed the following: *Dubray v. City of Dublin et al.*, Alameda Superior Court Case 2002057128 (Gov. Code Sec. 54956.9(a.).)

2.3. **CONFERENCE WITH LEGAL COUNSEL — PENDING LITIGATION:** The City Attorney reviewed the following: *Meghdadi v. Chico City Council*, Butte County Superior Court Case 127773. (Gov. Code Sec. 54956.9(a.).)

3. **ADJOURNMENT**

Adjourned at 7:30p.m. to a Redevelopment Agency meeting in the Council Chamber.
REGULAR CHICO REDEVELOPMENT AGENCY MEETING — April 1, 2003
Minutes

1. **CALL TO ORDER** — Mayor Kirk called the Regular Chico Redevelopment Agency meeting to order in the Chico Municipal Center, Council Chamber, 421 Main Street.

1.1. Flag Salute

1.2. Invocation - Reverend Dr. Carolyn McKeown – Church of Religious Science

1.3. Roll Call — Present: Bertagna, Gruendl, Jarvis, Herbert, Nguyen-Tan, Wahl, Kirk
    Absent: None

1.4. Proclamations — Child Abuse Prevention Month – received by Margie Ruegger
    Crime Victim’s Week – received by Courtland Read and Diane Chaplin
    National Telecommunicator’s Week – received by Norm Stump

1.4. Closed Session Announcement — None

2. **CONSENT AGENDA**

2.1. **APPROVAL OF FUNDING AND ALLOCATION OF 60 UNITS OF ARTICLE XXXIV AUTHORITY TO FACILITATE CONSTRUCTION OF A TRANSITIONAL HOUSING FACILITY AT 2920 ESPLANADE, CHICO, CALIFORNIA AS A LOW INCOME HOUSING PROJECT** — At the request of Mayor Kirk, this item was removed from the Consent Agenda and heard under 4.1. for further discussion.

3. **NOTICED PUBLIC HEARINGS**

4. **REGULAR AGENDA**

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

2.1. **APPROVAL OF FUNDING AND ALLOCATION OF 60 UNITS OF ARTICLE XXXIV AUTHORITY TO FACILITATE CONSTRUCTION OF A TRANSITIONAL HOUSING FACILITY AT 2920 ESPLANADE, CHICO, CALIFORNIA AS A LOW INCOME HOUSING PROJECT** — this item was removed from the Consent Agenda

At its 3/4/03 meeting, the Redevelopment Agency approved the allocation of $1.8 million in Low and Moderate Income Housing Funds for the development of a 60 unit transitional housing facility at 2920 Esplanade. The approval included staff’s recommendations which required documentation that other funding sources are committed. Adoption of the below resolutions would implement previous Agency direction regarding this project.

A motion was made by Vice Mayor Jarvis and seconded by Councilmember Nguyen-Tan to adopt RDA Resolution No. 04-03 which allocates $1,800,000 from the Agency’s Low and Moderate Income Housing Fund for the 2920 Esplanade Transitional Housing Project as amended to require a semi-annual report on the project.

**A. RESOLUTION NO. 04-03 — A RESOLUTION OF THE CHICO REDEVELOPMENT AGENCY APPROVING A GRANT OF FUNDS FROM THE AGENCY’S LOW AND MODERATE INCOME HOUSING FUND TO BUTTE COUNTY COMMUNITY ACTION AGENCY, INC. TO FACILITATE CONSTRUCTION OF A TRANSITIONAL HOUSING FACILITY AT 2920 ESPLANADE, CHICO, CALIFORNIA AS A LOW INCOME HOUSING PROJECT**

AYES: Bertagna, Gruendl, Jarvis, Nguyen-Tan, Kirk
NOES: Herbert, Wahl
A motion was made by Vice Mayor Jarvis and seconded by Councilmember Nguyen-Tan to adopt Resolution 107 02-03

B. **RESOLUTION NO. 107 02-03** — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO ALLOCATING SIXTY UNITS OF EXISTING ARTICLE XXXIV AUTHORITY TO THE COMMUNITY ACTION AGENCY OF BUTTE COUNTY, INC. FOR THE ESPLANADE HOUSE II TRANSITIONAL HOUSING PROJECT

The motion carried by the following vote:

**AYES:** Bertagna, Gruendl, Jarvis, Nguyen-Tan, Kirk
**NOES:** Herbert, Wahl

5. **ITEMS ADDED AFTER POSTING OF THE AGENDA** — None

6. **ADJOURNMENT**

Adjourned ay 7:50 p.m. to a Regular City Council meeting.
1. **CALL TO ORDER** — Mayor Kirk called the Regular Chico City Council meeting to order at 7:30 p.m. in the Chico Municipal Center, Council Chamber, 421 Main Street.

1.1. Roll Call — Present: Bertagna, Gruendl, Jarvis, Herbert, Nguyen-Tan, Wahl, Kirk

Absent: None

2. **CONSENT AGENDA** — Item 2.7. was removed from the Consent Agenda and heard under Item 4.1. A motion was made by Vice Mayor Jarvis and seconded by Councilmember Wahl to approve the remaining Consent Agenda items:

2.1. **ADOPTION OF RESOLUTIONS LEVYING ASSESSMENT INSTALLMENTS IN LIEU OF THE PAYMENT OF SEWER SYSTEM CONNECTION FEES INCIDENT TO THE CONNECTION OF PREMISES TO THE CITY SEWER SYSTEM**

By memoranda dated 3/11/03, the Director of Public Works reported that in accordance with a petition from each of the below property owners, adoption of the following resolutions would authorize sewer assessments to be collected on the tax roll as set forth in the Director of Public Works' reported dated 3/11/03 attached to each resolution. These assessments are in lieu of payment of the sewer system connection fees which would ordinarily be due and payable at the time of connecting the premises to the City’s sewer system. The Director of Public Works recommended adoption of the resolutions.

A. **RESOLUTION NO. 104 02-03** — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO LEVYING ASSESSMENT INSTALLMENTS IN LIEU OF THE PAYMENT OF SEWER SYSTEM CONNECTION FEES INCIDENT TO THE CONNECTION OF PREMISES TO THE CITY SEWER SYSTEM - 2828 ESPLANADE / A.P. NO. 006-230-003 (petition from property owner Herbert W. Humber)

B. **RESOLUTION NO. 105 02-03** OF THE CITY COUNCIL OF THE CITY OF CHICO LEVYING ASSESSMENT INSTALLMENTS IN LIEU OF THE PAYMENT OF SEWER SYSTEM CONNECTION FEES INCIDENT TO THE CONNECTION OF PREMISES TO THE CITY SEWER SYSTEM - 709 and 709A POMONA AVENUE/ 004-500-026 (petition from property owners Michael P. Tefs and Suzanne P. Tefs)

2.2. **MINUTE ORDER NO. 13-03** — AUTHORIZING ELECTION OF COVERED EMPLOYEES FOR POSSIBLE CHANGES IN MEDICAL INSURANCE PLAN

By memorandum dated 3/24/03, the Personnel Director reported that the Health Plan Review Committee has recommended an employee election for possible changes in the City’s Blue Shield medical insurance plan. This Minute Order provided formal Council approval for the employee election. The Personnel Director recommended approval of this minute order.

2.3. **RESOLUTION NO. 106 02-03** — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO DECLARING PUBLIC NUISANCE AND SETTING TIME FOR HEARING ON OBJECTIONS TO ABATEMENT AND ASSESSMENT OF COSTS RELATING TO THE ABATEMENT OF WEEDS, RUBBISH, REFUSE AND/OR DEBRIS

By memorandum dated 3/17/03, Projects Manager Wood reported that the Lot Cleaning/Weed Abatement Program is conducted each year under the provisions of the California Government Code. Pursuant to those provisions, the City is required to inspect properties located within the City limits and determine which properties contain weeds, rubbish, refuse and/or debris which constitute a fire hazard, or may become a fire hazard, if not abated.

Adoption of this resolution declares that noxious, combustible, or dangerous weeds and/or rubbish, refuse and/or debris existing on the properties set forth on Exhibit “A” attached to the resolution, constitute, or have the potential to constitute, a public nuisance which must be abated.
The resolution also set a public hearing for Tuesday, 5/6/03. The purpose of the hearing is to consider all objections to the proposed removal of weeds, rubbish, refuse and/or debris, and the assessment of the cost of such removal and to set a deadline for the removal of weeds, rubbish, refuse and/or debris. The Projects Manager recommended adoption of the resolution.

2.4. ACCEPTANCE OF REPORT FROM THE FINANCE COMMITTEE ON ITS MEETING HELD ON FEBRUARY 19, 2003

By memorandum dated 3/26/03, the Finance Committee provided a report on its meeting held on 2/19/03. Committee members present were Councilmembers Gruendl, Wahl, and Nguyen-Tan, Chair. The Committee continued its discussion of the review of park financing options prepared for CARD to its 8:00 a.m. meeting of 3/10/03.

2.5. ACCEPTANCE OF REPORT FROM THE FINANCE COMMITTEE ON ITS MEETING HELD ON MARCH 10, 2003

By memorandum dated 3/26/03, the Finance Committee provided a report on its meeting held on 3/10/03. Committee members present were Councilmembers Gruendl, Wahl, and Nguyen-Tan, Chair. The Committee will continue its discussion of the review and consideration of park impact fee assumptions to its 8:00 a.m. meeting of 4/9/03.

2.6. MINUTE ORDER 14-03 — AUTHORIZATION FOR CITY MANAGER TO ENTER INTO EXCHANGE AGREEMENT FOR ACQUISITION OF RIGHT OF WAY AND EASEMENTS IN CONNECTION WITH THE EAST AVENUE WIDENING PROJECT FROM Ceanothus Avenue to the Bidwell Vista Subdivision (Chico Unified School District)

At its 5/2/02 closed session, the City Council authorized negotiations with Chico Unified School District (CUSD) for acquisition of right of way from the Marigold Elementary School Site, a storm drain easement, and a public utility easement from the Pleasant Valley High School site in connection with the City’s East Avenue widening project (Project 18041). Because of the mitigation requirement to offset the loss of the Marigold Elementary school acreage, the City was required to purchase the adjacent parcel at 1577 East Avenue. This minute order would authorize the City Manager to enter into an Exchange Agreement to convey the mitigation acreage, and exchange the remainder of the City-owned site at 1577 East Avenue for the necessary right of way and easement acquisitions as set forth in the minute order. Additionally, the agreement provided that the City will compensate CUSD $19,450 as the difference between the appraised value of the remainder of the City’s property and the CUSD acquisitions, such payment to be disbursed or applied to additional improvements in the high school parking lot as CUSD elects. There are adequate funds budgeted for the project to cover the exchange cost. The Assistant City Manager recommended approval of the minute order.

2.7. MINUTE ORDER 15-03 — AUTHORIZING THE CITY ATTORNEY TO ENTER INTO AN ENGAGEMENT AGREEMENT FOR LEGAL SERVICES WITH THE SANTA CLARA COUNTY COUNSEL’S OFFICE IN THE CASE OF DUBRAY VS. CITY OF DUBLIN, ET AL — this item was removed from the Consent Agenda and heard under Item 4.1.

3. NOTICED PUBLIC HEARINGS

3.1. HEARING ON ABANDONMENT AND VACATION OF A PORTION OF A PUBLIC STREET (A PORTION OF THE INTERSECTION OF WEST 1ST STREET AND IVY STREET)

At the request of the University, this item was removed from the agenda and not discussed by Council.

3.2. HEARING ON 2003-2004 DRAFT ANNUAL PLAN FOR THE COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM AND THE HOME INVESTMENT PARTNERSHIP (HOME) PROGRAM

By memorandum dated 3/20/03 the Housing Officer reported that the City will receive $1,825,797 of
Community Development Block Grant (CDBG) and Home Investment Partnerships (HOME) funds for the 2003-2004 program year. The memorandum includes a list of proposed housing and community development activities recommended by the Finance Committee at its 2/26/03 meeting for inclusion in the City's draft Annual Plan.

This evening the City Council conducted the first of two public hearings to receive citizen input on the use of CDBG and HOME funds in compliance with the Citizen Participation requirements of the Department of Housing and Urban Development (HUD). A second hearing and adoption of the final Plan will be scheduled for Council's meeting of 5/20/03. Councilmember Gruendl disqualified himself from the discussion and subsequent action. Mayor Kirk opened the hearing to the public and Charlie Pruesser, Bob Ray, and Mike Campos addressed their comments to the Council. The hearing was closed.

A motion was made by Councilmember Nguyen-Tan and seconded by Vice Mayor Jarvis to adopt the draft Annual Plan, direct staff to publish the draft Annual Plan as part of a 30-day public comment period, schedule the second hearing and adoption of the final plan for Council's meeting of 5/20/03, and sent the request from Chico Community Shelter Partnership back to the Finance Committee for review at its 4/23/03 meeting. Additional items requested by Council was to direct the Solid Waste Committee to review the issue of enclosed containers to eliminate 3-4 cans on the street and to have Public Works examine the ability to improve street lighting in the campus area.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk
NOES: None
ABSENT: None
DISQUAL: Gruendl

4. REGULAR AGENDA

4.1. ITEMS REMOVED FROM THE CONSENT AGENDA

2.7. MINUTE ORDER 15-03 — AUTHORIZING THE CITY ATTORNEY TO ENTER INTO AN ENGAGEMENT AGREEMENT FOR LEGAL SERVICES WITH THE SANTA CLARA COUNTY COUNSEL'S OFFICE IN THE CASE OF DUBRAY VS. CITY OF DUBLIN, ET AL — this item was removed from the Consent Agenda

This minute order authorized the City Attorney to hire the Santa Clara County Counsel to represent the City in the case of Dubray vs. City of Dublin, et al.

A motion was made by Councilmember Nguyen-Tan and seconded by Councilmember Herbert to approve Minute Order 15-03.

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk
NOES: None

4.2. CONSIDERATION OF REPORT AND RECOMMENDATIONS FROM THE INTERNAL AFFAIRS COMMITTEE ON ITS MEETING HELD ON FEBRUARY 11, 2003

By memorandum dated 3/26/03, the Internal Affairs Committee provided a report on its meeting held on 2/11/03. Committee members present were Councilmembers Bertagna, Jarvis, and Herbert, Chair. The matters considered by the Committee are listed below.

COMMITTEE MATTERS REQUIRING CITY COUNCIL ACTION AT THIS MEETING:

A. Approval of Recommendation to Provide Leaf Pick Up Service on Private Streets Subject to a Release of Liability. The Committee recommended (3-0) approval to provide leaf pick up on
private streets subject to a release of liability signed by all property owners on the street.

A motion was made by Vice Mayor Jarvis and seconded by Councilmember Wahl to provide leaf pick up on private streets subject to a release of liability signed by all property owners on the street. A confirming policy and procedure will be prepared.

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk
NOES: None

B. Request of EarthShare to Establish a Payroll Withholding Donation Program for City Employees. The Committee recommended (3-0) approval of the request from EarthShare of California to mail information to City employees and to attend the annual City of Chico Employee Workshop.

A motion was made by Vice Mayor Jarvis and seconded by Councilmember Gruendl to approve the following minute order:

MINUTE ORDER NO. 16-03 — AUTHORIZING THE DISTRIBUTION OF WORKPLACE GIVING MATERIALS TO CITY EMPLOYEES

The motion carried by the following vote:

AYES: Gruendl, Jarvis, Nguyen-Tan, Kirk
NOES: Bertagna, Herbert, Wahl

C. Consideration of a Proposed Tree Ordinance for Chico. Although the Committee voted against (2-1, Jarvis in favor) the Tree Ordinance as written, the Committee recommended (3-0) that the proposed ordinance and all related comments be forwarded to the City Council for review and consideration.

A motion was made by Vice Mayor Jarvis and seconded by Councilmember Gruendl to direct staff to work with the Tree Action group on a modified tree ordinance, with staff to provide Council with a report on the modifications, with the item coming back to the full Council for consideration in May or June ’03.

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk
NOES: None

D. Reconsideration of Proposed Code Amendment to Allow Lights on Cell Towers Under Certain Circumstances. The Committee recommended (2-0-1, Bertagna disqualified) that the City Council reconsider its earlier decision and adopt an ordinance amending the Chico Municipal Code to allow lights on cell towers under certain circumstances. Councilmember Bertagna disqualified himself from this discussion and subsequent action.

A motion was made by Vice Mayor Jarvis and seconded by Councilmember Herbert to direct staff to prepare the necessary ordinance and bring it back at a future meeting for introduction and then final adoption.

The motion carried by the following vote:

AYES: Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk
NOES: None
E. **Consideration of Policy Regarding Sanitary Sewer Service for Properties in the Unincorporated Areas.** The Committee recommended (3-0) that annexation be pursued and if unsuccessful, directed the City Attorney to amend the Chico Municipal Code to allow sanitary sewer service for properties in the unincorporated areas. Efforts are underway to pursue the annexation. The Council was provided a memorandum dated 3/18/03 from Assistant Community Development Director Sellers which indicated the criteria to be used if annexation should not be possible. At this time there is no need to develop a policy or an agreement until the success of the annexation is determined.

A motion was made by Vice Mayor Jarvis and seconded by Councilmember Herbert that should annexation be unsuccessful, the City Attorney will develop an amendment to the Chico Municipal Code to allow sanitary sewer service for properties in the unincorporated areas using the criteria set forth in the Assistant Community Development Director’s memorandum.

The motion carried by the following vote:

**AYES:** Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk

**NOES:** None

Council recessed at 8:40 p.m. for a 10 minute break.

**COMMITTEE MATTERS REQUIRING NO CITY COUNCIL ACTION AT THIS MEETING:**

F. **Approval of Traffic Regulation Amendment No. 754 Which Designates Class 2 Bike Lanes Along Bruce Road from State Highway Route 32 to East Eighth Street.** The Committee approved (2-0-1, Herbert disqualified) Traffic Regulation Amendment No. 754 which designates Class 2 bike lanes along Bruce Road from State Highway Route 32 to East Eighth Street.

G. **Approval of Traffic Regulation Amendment No. 753 Which Will Remove a Total of Eight Parking Spaces Adjacent to the Driveways of the Sandalwood Apartments on Lassen Avenue and Formally Designate a No Parking Area on the North Side of Lassen Avenue.** The Committee approved (2-0-1, Herbert disqualified) adoption of Traffic Regulation No. 753 which will authorize the removal of eight parking spaces and the formal designation of a no parking area on the north side of Lassen Avenue.

H. **Consideration of Request from Silver Dollar BMX for Assistance to Construct a BMX Facility on 3.56 Acre City Parcel Adjacent to the Silver Dollar Fairgrounds.** The Committee recommended (3-0) that representatives of the Silver Dollar BMX submit a revised funding request and a complete business plan highlighting the economic benefits and costs of an upgraded and expanded facility for consideration at a future Finance Committee meeting.

A motion was made by Vice Mayor Jarvis and seconded by Councilmember Herbert to accept the Internal Affairs Committee meeting report dated 2/11/03.

The motion carried by the following vote:

**AYES:** Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk

**NOES:** None

4.3. **CONSIDERATION OF THE MEANING OF THE WORD "ENCOURAGE" WHEN USED IN THE GENERAL PLAN**

By memorandum dated 3/25/03, Senior Planner Tom Hayes provided information concerning general plan policies that use the term “encourage”. Staff recommended that where general plan policies
encourage a particular action, policy or approach, this encouraged direction should be followed unless there is documented justification as to why, in a particular application, the encouraged direction should not be followed.

A motion was made by Councilmember Nguyen-Tan and seconded by Vice Mayor Jarvis to approve staff’s recommendation.

The motion failed due to the following vote:

AYES: Gruendl, Jarvis, Nguyen-Tan
NOES: Bertagna, Herbert, Wahl, Kirk

A motion was made by Councilmember Wahl and seconded by Councilmember Herbert to leave the definition of the word as is.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Wahl, Kirk
NOES: Gruendl, Jarvis, Nguyen-Tan

Council recessed at 9:20 p.m. for a 5 minute break.

4.4. DISCUSSION OF THE CITY OF CHICO’S PREPAREDNESS FOR AN ACT OF TERRORISM ON THE CITY OR REGION

By memorandum dated 3/24/03, the Chief of Police and the Fire Chief provided information on the current state of City emergency readiness as requested by Council at the 3/18/03 Council Meeting. Chief Brown and Police Captain Maloney was in attendance to answer questions. No action was taken on this item.

4.5. CONSIDERATION OF DRAFT LEGISLATION TO RESOLVE CONFLICTS REGARDING ENCROACHMENTS ON LINDO CHANNEL

The City Attorney advised that in consultation with the Council subcommittee on Lindo Channel legislation (Councilmembers Jarvis and Herbert), draft legislation had been developed to authorize the sale, conveyance or exchange of Lindo Channel property by the City under certain stringent conditions. The City Attorney recommended approval of the draft legislation, authorization to submit it to Assemblymember Keene on behalf of the City, and designation of a City representative to appear before the Legislature in support of the legislation.

A motion was made by Councilmember Bertagna and seconded by Councilmember Herbert to approve the draft legislation as written, approving the authorization to submit it to Assemblymember Keene on behalf of the City, and designation of Dan Herbert and Dennis Beardsley to appear with the City Attorney before the Legislature in support of the legislation.

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk
NOES: None

4.6. CONSIDERATION OF AUTHORIZATION FOR THE CITY MANAGER TO EXTEND THE DAYS THE BLUE STAR SERVICE FLAG IS FLOWN AT CITY HALL

The City Council approved the flying of the Blue Star Flag for designated events and holidays at its meeting held 2/18/03. This flag symbolizes recognition of our service men and women who have served or are currently serving in a war. The City Council considered granting the City Manager the authority
to expand the dates that this flag will be flown along with our American flag at City Hall. Mayor Kirk and Councilmember Wahl both supported this request.

A motion was made by Councilmember Bertagna and seconded by Councilmember Herbert to fly the Blue Star Flag and to also obtain and fly a POW/MIA flag at City Hall for the duration of the war.

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk
NOES: None

4.7. ITEMS ADDED AFTER POSTING OF THE AGENDA

5. BUSINESS FROM THE FLOOR

Greg Burton addressed Council about his concern on the Patriot Act.

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.

6.1. Memorandum dated 3/7/03, from the Assistant City Manager providing a report on contracts that have been awarded for the purchase of materials, supplies, and/or services required by the City, within the appropriations approved therefor in the current Annual Budget.

6.2. Memorandum dated 3/22/03 from the Finance Director reporting that the list of claims paid during the month of February 2003 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 at 9:40 p.m. to April 15, 2003, at 9:00 a.m., in the City Council Chamber for an Adjourned Regular all-day work session.

Date Approved: June 3, 2003

__________________________________
Deborah R. Presson, City Clerk
1. **CALL TO ORDER** — Mayor Kirk called the Adjourned Regular Chico Redevelopment Agency meeting to order at 9:00 a.m. in the Chico Municipal Center, Council Chamber, 421 Main Street.

1.1. Flag Salute

1.2. Roll Call — Present: Bertagna, Gruendl, Jarvis, Herbert, Nguyen-Tan, Wahl, Kirk

Absent: None

The City Council concurred to break for lunch from 12:00 - 1:00 p.m. and that Closed Session would heard at 1:00 when it reconvened.

2. **CONSENT AGENDA** — Item 2.3. was removed from the Consent Agenda and will be considered at a future meeting. A motion was made by Councilmember Jarvis and seconded by Councilmember Herbert to approve the remaining Consent Agenda items, with a confirming administrative supplemental appropriation and/or budget modification processed following this meeting.

2.1. **APPROVAL OF BUDGET MODIFICATION NO. 02-03 35 AND RDA NO. 02-03 10 TO REALLOCATE BUDGETED FUNDS IN CONNECTION WITH THE AIRPORT IMPROVEMENT PROGRAM**

Grant funds in the amount of $2,000,000 and matching Chico Merged Redevelopment Project Area funds in the amount of $200,000 were included in the 2002-03 Annual Budget in connection with Airport Improvement Program No. 20 for design and expansion of runways 13R/31L and 13L/31R and rerouting of Mud Creek around the area of the runway project. The City recently was informed by the Federal Aviation Administration that it must accept and begin to use the funds this year or risk losing them. Since the environmental aspects of the runway project are still pending, the City’s consulting airport engineer and staff have identified other projects which are eligible within the airport capital improvement program and are requesting that the budgeted funds be reallocated as set forth in the Budget Modification. In order to meet the FAA’s funding deadline, this request was presented directly to the City Council without prior consideration by the Finance Committee. The Airport Manager recommended approval of the Budget Modification.

2.2. **RESOLUTION NO. 06-03 — A RESOLUTION OF THE CHICO REDEVELOPMENT AGENCY ALLOCATING PROCEEDS FROM THE CHICO MERGED REDEVELOPMENT PROJECT AREA 2001 CHICO PUBLIC FINANCING AUTHORITY TAX ALLOCATION REVENUE BONDS TO FUND IMPROVEMENTS TO THE HUMBOLDT NEIGHBORHOOD PARK (SKATEBOARD)**

RESOLUTION NO. 111 02-03 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO CONSENTING TO THE PAYMENT BY THE CHICO REDEVELOPMENT AGENCY OF COSTS RELATED TO THE INSTALLATION OF CERTAIN IMPROVEMENTS TO THE HUMBOLDT NEIGHBORHOOD (SKATEBOARD) PARK AND MAKING CERTAIN FINDINGS RELATED THERETO

By memorandum dated 4/03/03, the Park Director reported that at its meeting held 12/03/02, the City Council approved the recommendation of the Internal Affairs Committee related to structural changes to the existing fence and installation of cameras (web cam) to help monitor the Humboldt Neighborhood Park. The Park Director recommended an allocation of $40,950 for the fencing improvements and $7,020 for the web cam from the 2001 Chico Public Financing Authority Tax Allocation Bonds Capital Improvement Fund (355) as set forth in the Redevelopment Project Analysis attached to the Park Director’s memorandum. The Park Director recommended adoption of these resolutions. To consider this matter, the City Council convened as both the City Council and the Chico Redevelopment Agency.

2.3. **MINUTE ORDER AUTHORIZING THE EXECUTIVE DIRECTOR/CITY MANAGER TO EXECUTE AN AMENDMENT TO THE “COOPERATION AGREEMENT BETWEEN THE CHICO REDEVELOPMENT AGENCY, THE CITY OF CHICO, AND GREENLINE PRESERVATION ASSOCIATES” AND AGREEMENTS FOR INSTALLMENT PAYMENTS IN LIEU OF FORECLOSURE FOR NORTHEAST CHICO SEWER ASSESSMENT DISTRICT DELINQUENCIES FOR ASSESSOR PARCELS 048-020-067**

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The motion to approve the Consent Agenda, with Item 2.3, tabled to a future meeting, carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk

NOES: None

3. **NOTICED PUBLIC HEARINGS** — None

4. **REGULAR AGENDA**

4.1. **ITEMS REMOVED FROM THE CONSENT AGENDA** — None

4.2. **BUDGET REVIEW**

Agency staff reviewed the financial status of the Chico Merged and Greater Chico Urban Area Redevelopment Project Areas and related funds. The Chico Redevelopment Agency was provided with the following documents:

A. Chico Merged Redevelopment Project Area Fund Five Year Trends

B. Greater Chico Urban Area Redevelopment Project Area Fund Five Year Trends

C. Chico Merged Redevelopment Project Area Low and Moderate Income Housing Fund Summary

D. Greater Chico Urban Area Redevelopment Project Area Low and Moderate Income Housing Fund Summary

4.3 **CONSIDERATION OF ELIMINATION OF TIME LIMITS FOR INCURRING DEBT IN THE CHICO REDEVELOPMENT PROJECT AREAS (SB 211)**

By memorandum dated 04/08/03, the Executive Director forwarded a report from the Agency’s redevelopment consultant regarding the elimination of time limits for incurring debt in the Chico redevelopment project areas. The report summarized the potential advantages and disadvantages of adopting an ordinance to repeal the time limits. If, following analysis of the financial impacts, Agency staff determines that it would be financially feasible to repeal the time limits, an ordinance to do so will be placed on a future agenda for introductory reading.

4.4. **STATUS OF DISCUSSIONS WITH THE COUNTY OF BUTTE RELATED TO THE POTENTIAL MERGER OF REDEVELOPMENT PROJECT AREAS**

The City Council subcommittee comprised of Council members Bertagna, Herbert and Nguyen-Tan has met with County representatives several times. Preliminary agreement was reached regarding an approach that both the City and County committees could recommend to their respective bodies, pending analysis of the financial impact on both entities. Staff provided a verbal report.

4.5. **CONSIDERATION OF PROPOSAL TO ALLOCATE FUNDS FOR THE INSTALLATION OF SOLAR POWER GENERATING FACILITIES ON THE CITY PARKING STRUCTURE AND MUNICIPAL CENTER BUILDING** — This item is being referred from the Finance Committee meeting held on 3/26/03.

To consider this matter, the City Council convened as both the City Council and the Chico Redevelopment Agency. At the meeting held on 3/26/03, the Finance Committee was provided with a memorandum dated 3/14/03 from the Risk Manager forwarding a staff proposal to allocate $1,500,000
in redevelopment funds for the installation of an 80 kilowatt (kW) solar power generation facility on the
top floor of the downtown parking structure, and a 70kW solar generation facility on the roof of the
Municipal Center. The proposal also included the submittal of a request for a rebate of $675,000 from
Pacific Gas & Electric Company under the State-approved alternative energy Self-Generation Incentive
Program.

Committee Recommendation: In order to secure State funding, the Committee recommended (3-0)
this item be immediately forwarded to the full City Council for consideration and action at its
meeting of 4/15/03.

By memorandum dated 4/7/03, the Risk Manager provided supplemental information regarding this matter
as requested by the Finance Committee at its 3/26/03 meeting. The information includes a revised
overall project cost ($1,755,000 initial cost; $1,080,000 after rebates) to reflect the City’s standard
administrative overhead charge, information regarding the ability of the parking structure and Municipal
Center building to structurally handle the weight of the solar facilities, and an expanded financial analysis
regarding the facility savings payback period and future additional savings from reduced purchased
energy costs. The Committee requested that this item be considered at today’s meeting in advance of
the Finance Committee report. By memorandum dated 4/10/03, the Risk Manager provided Council with
a revised staff recommendation. Scott Johnson and Mark Seeman urged Council to consider the project.

A motion was made by Councilmember Bertagna and seconded by Councilmember Nguyen-Tan to
approve the recommendation of the Risk Manager, as set forth in this memorandum dated 4/10/03, to
allocate $450,000 from the Parking Revenue Fund and $126,000 from the Buildings and Facility
Improvement Fund for the installation of the solar facility on the downtown parking structure and to
authorize the City Manager to apply for a rebate to PG&E’s Self-Generation Incentive Program. Council
concurred to refer the solar issue back to the Finance Committee to determine whether it makes
economic sense to borrow against other City funds to fund additional solar facilities.

AYES: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk
NOES: None

5. ITEMS ADDED AFTER POSTING OF THE AGENDA

6. ADJOURNMENT

Adjourned to a City Council meeting in the Council Chamber.
1. **CALL TO ORDER** — Mayor Kirk called the Adjourned Regular Chico City Council meeting to order in the Chico Municipal Center, 421 Main Street.

1.1. Roll Call — Present: Bertagna, Gruendl, Jarvis, Herbert, Nguyen-Tan, Wahl, Kirk
Absent: None

2. **CLOSED SESSION** These matters were considered at approximately 1:00 p.m.

2.1. **CONFERENCE WITH LABOR NEGOTIATOR:** The City's negotiator is Personnel Director Erlandson for all employee organizations except the Management Employees, for which City Manager Lando is the City's negotiator. The names of the employee organizations that represent employees are Chico Police Officers Association (Sworn and Non-Sworn Units), International Association of Firefighters, and Service Employees International Union (Trades and Crafts Unit and Clerical, Technical and Professional Unit). The unrepresented employees are Confidential Employees and Management Employees. (Gov. Code Sec. 54957.6.)

2.2. **CONFERENCE WITH LEGAL COUNSEL — EXISTING LITIGATION:** The City Attorney reviewed the following: *Meghdadi v. Chico City Council*, Butte County Superior Court Case 127773. (Gov. Code Sec. 54956.9(a).)

3. **ADJOURNMENT**

Adjourned at 1:30 p.m. to a City Council meeting in the Council Chamber.
1. **CALL TO ORDER** — Mayor Kirk called the Adjourned Regular Chico City Council meeting to order in the Chico Municipal Center, Council Chamber, 421 Main Street.

1.1. **Roll Call** — Present: Bertagna, Gruendl, Jarvis, Herbert, Nguyen-Tan, Wahl, Kirk

Absent: None

1.2. **Closed Session Announcement** — None

2. **CONSENT AGENDA** — A motion was made by Councilmember Herbert and seconded by Councilmember Bertagna to approve the following Consent Agenda items. A confirming administrative supplemental appropriation and/or budget modification will be processed following this meeting for all budget related items.

2.1. **RESOLUTION NO. 108 02-03** — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO AUTHORIZING GRANT OF LICENSE TO DOWNTOWN CHICO BUSINESS ASSOCIATION FOR ENCROACHMENT ON PUBLIC RIGHT OF WAY IN A PORTION OF THE CENTRAL BUSINESS DISTRICT

By memorandum dated 3/19/03, the Director of Public Works forwarded this resolution which authorizes the City Manager to execute a revocable grant of license to the Downtown Chico Business Association (DCBA) to encroach upon the public right-of-way. The proposed Grant of License would revoke and replace an existing Grant of License which allows DCBA to install, repair and remove seasonal decorations, banners and brackets on City street light poles located within the Central Business District. The new Grant of License would additionally authorize DCBA to install and remove banners at the banner poles on First and Main Street which notify the public of events in the Chico community. The Director of Public Works recommended adoption of the Resolution.


By memorandum dated 4/1/03, the Personnel Director recommended approval of a resolution approving a replacement Memorandum of Understanding between the City and Chico Police Officers’ Association-Non-Sworn Unit for the period of 12/29/02 through 12/31/07. The MOU provides for pay increases of either 10% or 20% for all employees retroactive to 12/29/02. Future pay increases are based on a City General Fund revenue formula. The resolution also authorized an administrative supplemental appropriation in the amount of approximately $140,902 to cover additional costs in the 2002-03 Annual Budget. The Personnel Director recommended adoption of the resolution.

2.3. **MINUTE ORDER NO. 19-03** — AUTHORIZING THE CITY MANAGER TO EXECUTE THE COOPERATIVE FUNDING AGREEMENT FOR BUTTE COUNTY TRANSIT BETWEEN THE COUNTY OF BUTTE AND THE CITIES OF BIGGS, CHICO, GRIDLEY, OROVILLE, AND THE TOWN OF PARADISE

On 2/8/80, the City entered into an agreement with Butte County and the cities of Biggs, Gridley, Oroville and the Town of Paradise which provided for cooperative funding of the intercity bus service Butte County Transit System (BCT). The agreement provides for the net operating costs for BCT to be funded each year based on each participating entity’s population in proportion to the entire county population. During discussions among the entities regarding transit systems consolidation, it was agreed to develop a new cooperative funding formula for BCT based on 50% population and 50% service hours, the same formula approved for the Chico Area Transit System. Therefore, this minute order authorizes the City Manager to execute a new agreement with the County of Butte, the cities of Biggs, Chico, Gridley, Oroville, and the Town of Paradise to implement this new cooperative funding formula for BCT. The Assistant City Manager recommended approval of this minute order.
2.4. **MINUTE ORDER NO. 20-03 — AUTHORIZATION FOR THE CITY MANAGER TO EXECUTE AN AGREEMENT WITH HERITAGE PARTNERS FOR NON-EXCLUSIVE LEASE OF 50 SPACES IN THE MUNICIPAL CENTER PARKING LOT FOR EVENING PARKING FOR THE UNIVERSITY OF PHOENIX**

By letter dated 3/27/03, Heritage Partners requested a lease of 50 spaces for evening parking in the Municipal Center parking lot at a lease rate of $4,000 per year. Heritage Partners is proposing to lease approximately 10,000 feet of space at 371 East 5th Street (formerly the King of Kings building) to the University of Phoenix. The University of Phoenix was requesting that additional parking spaces be available as part of the lease agreement with Heritage Partners. The City Manager recommended approval of this request with a lease rate of $4,000 per year and the condition that parking be on a “hunting/space available” basis.

2.5. **APPROVAL OF BUDGET MODIFICATION TO REALLOCATE BUDGETED GRANT FUNDS FROM THE SAFE NEIGHBORHOOD PARKS, CLEAN WATER, CLEAN AIR AND COASTAL PROTECTION BOND ACT OF 2000 (PROPOSITION 12) TO THE UPPER PARK GUN RANGE CLEAN-UP**

By memorandum dated 4/3/03, the Park Director indicated that grant funds in the amount of $59,683 from the Safe Neighborhood Parks, Clean Water, Clean Air and Coastal Protection Bond Act of 2000 (Proposition 12) and matching City funds in the amount of $34,045 were included in the 2002-03 Annual Budget to replace the existing pedestrian/bicycle bridge in Lower Bidwell Park in the vicinity of SHR 99 (12029). However, the existing bridge is within the right-of-way owned by the State of California and concerns have been expressed about proceeding with the project before development of final construction plans for SHR 99 which are not expected to be completed for another three to four years. In order to take advantage of the grant funding, the Bidwell Park and Playground Commission and the Park Director are recommending the grant funding and the matching funding be reallocated to the Upper Park Gun Range Clean-Up project (19001). The Bidwell Park and Playground Commission and Park Director recommended approval.

2.6. **ACCEPTANCE OF REPORT AND RECOMMENDATIONS FROM THE INTERNAL AFFAIRS COMMITTEE ON ITS MEETING HELD ON MARCH 11, 2003**

By memorandum dated 4/3/03, the Internal Affairs Committee provides a report on its meeting held on 3/11/03. Committee members present were Councilmembers Bertagna, Jarvis, and Herbert, Chair. Actions taken by the Committee included:

A. Adoption of Traffic Regulation Amendment No. 755 – Removal of 275 Feet of Parking Along the North, and 256 Feet of Parking Along the South Side of West Eighth Avenue at its Intersection with Nord Avenue

B. Adoption of Traffic Regulation Amendment No. 756 – Removal of 60 Feet of Parking on Panama Avenue Adjacent to the Exit of Jay Partridge Elementary School

C. Denial of (a) Request for Installation of a Traffic Signal at the Intersection of West Second and Normal Streets; and (b) Removal of the Traffic Signal at West Second and Chestnut Streets The Committee directed staff to assess the lighting of the crosswalk at the intersection of West 2nd and Normal Streets.

D. Approval of (A) a Multi-way Stop at the Intersection of West Second and Citrus Avenues; and (B) Denial of Diagonal Parking on Citrus Avenue Between West Second and West Fourth Avenue The Committee directed staff to schedule a meeting with neighbors and the Chico Unified School District to discuss parking problems, student drop off areas, and the installation of additional school zone signs.

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3. **NOTICED PUBLIC HEARINGS**

3.1. **HEARING ON ABANDONMENT AND VACATION OF A PORTION OF PUBLIC RIGHT-OF-WAY (953 YOSEMITE DRIVE (PRATER) / ASSESSOR’S PARCEL NO. 011-120-057)**

By memorandum dated 3/19/03, the Director of Public Works reported on the abandonment of a portion of excess public right-of-way located at 953 Yosemite Drive, Assessor’s Parcel No. 011-120-057, in order to relinquish 281 square feet of the public right-of-way to the property owners, Chris and Becky Prater. This easement was originally set aside for road construction, but now that all work on Yosemite Drive has been completed, the easement is no longer needed.

At its meeting of 3/18/03, the City Council adopted a resolution of intention to abandon the easement and set a public hearing for 4/15/03. The Director of Public Works recommended adoption of the resolution. Mayor Kirk disqualified herself on this item. Vice Mayor Jarvis opened the hearing to the public. No one spoke and the hearing was closed.

A motion was made by Councilmember Herbert and seconded by Councilmember Wahl to adopt:

RESOLUTION NO. 110 02-03 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO ORDERING ABANDONMENT AND VACATION OF A PORTION OF EXCESS PUBLIC RIGHT-OF-WAY PURSUANT TO THE PUBLIC STREETS, HIGHWAYS AND SERVICE EASEMENTS VACATION LAW (953 YOSEMITE DRIVE (PRATER) / ASSESSOR’S PARCEL NO. 011-120-057)

The motion carried by the following vote:

| AYES: | Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl |
| NOES: | None |
| ABSTAIN: | None |
| DISQUAL: | Wahl, on item 2.4. only |

3.2. **HEARING ON THE IMPACT OF THE PATRIOT ACT ON LOCAL LAW ENFORCEMENT** — In accordance with City Council direction, this item was limited to no more than 30 minutes for public comment and was considered at approximately 11:30 a.m.

At its meeting of 3/18/03, the City Council voted to hold a public hearing, not to exceed 30 minutes, to allow public comment on the impact of the Patriot Act on local law enforcement. By memorandum dated 4/08/03, the Chief of Police has provided his analysis of the impact of the Patriot Act on the Chico Police Department.

Addressing the Council with concerns regarding the Patriot Act were Greg Burton, Susan Green, Robert Tracsch, Leslie Johnson, Jeffrey Lards, Jim Dwiver, Carol Eberling, Ellen Rowan and Frederick-Earl.

No action was taken on this item.

4. **REGULAR AGENDA**

4.1. **ITEMS REMOVED FROM THE CONSENT AGENDA** — None

4.2. **GENERAL BUDGET REVIEW**
City staff provided an overview of the 2002-03 and 2003-04 annual budgets. The City Council was also provided with the following budget documents:

A. General and Park Funds Projected Trends
   Council directed staff to obtain proposals for updating the Bidwell Park Master Management Plan, including the south side, the Annie Bidwell Trail, and the Disc Golf Course, and bring this item back to the Council for action within approximately 60 days.

B. Memorandum dated 04/07/03 from the City Manager outlining the budget situation
C. Summary of Estimated Fund Balances
D. Capital Project Status Report
E. Preliminary Draft 2003-04 Major (white) and Minor (yellow) Capital Project Request Summaries

4.3. CONSIDERATION OF REVISION TO 2003-04 BUDGET CALENDAR

At its meeting held 11/19/02, the City Council requested discussion at today's meeting regarding scheduling of the June work session. The Council concurred that the June 2003 work session will be held on 6/3/03 only, with the meeting to start at 8:30 a.m.

4.4. CONSIDERATION OF COUNCILMEMBER WAHL’S REQUEST TO DISCUSS UTILITY USERS’ TAX COLLECTION RATE

Councilmember Wahl requested discussion of the Finance Director’s memorandum dated 4/01/03, which provided an explanation of the City’s Utility Users’ Tax Collection Rate.

A motion was made by Councilmember Wahl and seconded by Councilmember Herbert to leave the current “reduced” rate in place. The motion failed due to the following vote:

AYES: Bertagna, Herbert, Wahl
NOES: Gruendl, Jarvis, Nguyen-Tan, Kirk

4.5. FINALIZATION OF CITY COUNCIL PRIORITIES

The City Council appointed a committee consisting of Mayor Kirk and Council members Gruendl and Wahl to review the work accomplished on establishing City Council priorities to date, and to develop a recommendation to the full Council. By memorandum dated 4/1/03, the City Council Priority Committee recommended that the City Council accept the priority lists consisting of the work items in progress and the 16 items added to the list at the City Council meeting on 3/4/03.

A motion was made by Vice Mayor Jarvis and seconded by Councilmember Nguyen-Tan to approve the City Council priorities as set forth in the City Manager memorandum with Items 4, 7, and 8 being moved to Category III, Item 9 moved to Category I, and Item 2 clarified to include a community committee and an indication that the list is not ranked or prioritized.

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk
NOES: None

4.6. CONSIDERATION OF THE COMMUNITY TRANSIT ADVISORY COMMITTEE’S RECOMMENDATIONS REGARDING NELSON/NYGAARD CONSULTING ASSOCIATE’S FINAL REPORT ON THE CHICO AREA TRANSIT SERVICE ANALYSIS
At its 1/28/03 meeting, the City Council received a presentation from Nelson Nygaard Consulting Associates regarding the final report of its analysis of the Chico Area Transit System (CATS). The Council requested the Community Transit Advisory Committee review the final report and make recommendations regarding the consultant’s proposed transit service improvements for Council consideration at today’s meeting. By memorandum dated 3/25/03, Management Analyst Herman submitted the Committee’s recommendations regarding this issue.

A motion was made by Vice Mayor Jarvis and seconded by Councilmember Nguyen-Tan to (1) refer the issue of advertising on buses to the Internal Affairs Committee and request the City Attorney to advise what limits could be placed on such advertising within the recommendation to be considered by the Council at a public hearing; (2) schedule a hearing on the proposed fare increases; (3) implement the Route 7 changes; and (4) implement the other service improvements if adequate funds are available after the advertising and the fares are considered.

The motion carried by the following vote:

**AYES:** Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk

**NOES:** None

4.7. **CONSIDERATION OF REPORT ON HALLOWEEN 2002 DEPLOYMENT AND PLANS FOR HALLOWEEN 2003**

By memorandum dated 4/07/03, the Chief of Police forwarded a report summarizing the deployment for Halloween 2002 and outlining plans for Halloween 2003. Staff was directed to bring back this issue sometime in the fall, along with direction from Council to work with the advertising firm on the commercials. It was suggested that the focus on cops be toned down and that the testimony of those who were arrested and required to perform community service be included in the ads. The Council also requested that the Town-Gown committee consider a City funded community event (not on Halloween.)

4.8. **APPOINTMENT TO FILL VACANCY ON ARTS COMMISSION**

By letter dated 3/7/03, Stephanie Roos resigned from the Arts Commission effective immediately. This resignation creates a vacancy, the term of which expires 1/01/07. Council acknowledged the resignation and considered making an appointment from those applicants with applications currently on file in the Clerk’s office. Paul Friedlander was appointed to fill the vacancy.

4.9. **PARKING PLACE COMMISSION APPOINTMENT TO FILL VACANCIES**

The City Council at its meeting held on 1/6/03 conducted its biennial recruitment for the City’s Boards and Commissions. During this meeting, due to a lack of applicants who met the requirements for appointment to the Parking Place Commission, the Council directed the City Attorney’s office to provide Council with an opinion as to whether this commission could be disbanded with any future items to be heard by the Internal Affairs Committee. Subsequent to this action, Council had received two applications from individuals who meet the requirements for appointment. Bob Malowney and Don Kidd were appointed to fill the two vacancies.

4.10. **INTERIM REPORT FROM HUMBOLDT ROAD BURN DUMP COMMUNITY COMMITTEE** – This item was timed certain for 1:30 p.m. and was limited to no more than 30 minutes.

The Humboldt Road Burn Dump Committee was established by the City Council to provide an opportunity for interested and concerned citizens to review the remediation alternatives presented in the Feasibility Study for the Humboldt Road Burn Dump Remediation project and to suggest additional alternatives. The Council requested that the Committee meet for a period of six months (January through June 2003) and provide both an interim report and a final report. By memorandum dated 4/8/03, Public Works Administrative Manager Collene Halldorson transmitted information on the Committee’s
work to date. In response to concerns of committee members, Council directed the City Manager to review the changes from the Administrative Draft to the final Health Risk Assessment for the Preferred Remedial Alternative Report and report back to Council. The final committee report is due in June 2003.

4.11. **AUTHORIZATION TO FLY THE AMERICAN FLAG FOR THE DURATION OF THE WAR**

Prior City Council action authorized the flying of the American flag in designated areas of the City on patriotic holidays. The City Council considered flying the flags for the duration of the war.

A motion was made by Councilmember Wahl and seconded by Councilmember Bertagna to fly the flags for the duration of the war.

The motion failed by the following vote:

**AYES:** Bertagna, Herbert, Wahl  
**NOES:** Gruendl, Jarvis, Nguyen-Tan, Kirk

4.12. **ITEMS ADDED AFTER POSTING OF THE AGENDA — None**

5. **FUTURE MEETINGS**

At its meeting of 4/1/03, the City Council directed staff to continue to work with the Tree Action committee to review the Committee’s revised proposal for a tree ordinance and to develop a staff recommendation. The City Council considered setting a date and time to consider the revised proposal. The following meetings were set by Council:

**May 5, 2003**  
Council will meet from 6:30 - 8:30 p.m. to review the Tree Action Committee’s revised proposal for a tree ordinance.

**May 6, 2003**  
Council will hold a joint meeting with the Planning Commission from 6:00 - 7:30 p.m. prior to the regularly scheduled City Council meeting. Dinner is to be served.

6. **BUSINESS FROM THE FLOOR**

Jimmy Reed, AS President thanked Council for the planning that went into Halloween which had clearly worked. He also mentioned that the infrastructure, such as sidewalks and lighting, continues to be an issue in both the North and South campus areas.

Bobby Armstrong, Michael Dailey and Rick Rees also expressed appreciation for how Halloween had been handled.

7. **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.

7.1. Memorandum from Risk Manager dated 4/7/03 providing a report regarding the tort claims that were denied during the quarter ended 3/31/03.
8. **ADJOURNMENT**

Adjourned at 3:21 p.m. to May 5, 2003, at 6:30 p.m., in Conference Room No. 2.

Date Approved: June 3, 2003

__________________________
Deborah R. Presson, City Clerk
1. CALL TO ORDER — Mayor Kirk called the Adjourned Regular Chico City Council Meeting to order at
   6:30 p.m. in the Chico Municipal Center, Council Chamber, 421 Main Street.

1.1. Flag Salute

1.2. Roll Call — Present: Bertagna, Gruendl, Jarvis, Herbert, Nguyen-Tan, Wahl, Kirk
       Absent: None

1.3. CLOSED SESSION — The following Closed Session items were tabled to the 5/6/03 meeting.

1.4. CONFERENCE WITH LABOR NEGOTIATOR: The City’s negotiator is Personnel Director Erlandson for
      all employee organizations except the Management Employees, for which City Manager Lando is the
      City’s negotiator. The names of the employee organizations that represent employees are Chico Police
      Officers Association (Sworn and Non-Sworn Units), International Association of Firefighters, and Service
      Employees International Union (Trades and Crafts Unit and Clerical, Technical and Professional Unit).
      The unrepresented employees are Confidential Employees and Management Employees. (Gov. Code
      Sec. 54957.6.) — This item was tabled.

1.5 CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION: The City Attorney was to review
      the following: Meghdadi v. Chico City Council., Butte County Superior Court Case 127773. (Gov. Code
      Sec. 54956.9(a).) — This item was tabled.

1.6. PUBLIC EMPLOYEES PERFORMANCE EVALUATION: The City Council was to review the City
      Manager's performance. (Gov. Code Section 54957.) — This item was tabled.

1.7. Closed Session Announcement – None

2. CONSENT AGENDA - No items

3. NOTICED PUBLIC HEARINGS - No items

4. REGULAR AGENDA

4.1 REVIEW OF REVISED PROPOSED TREE ORDINANCE

By memorandum dated 4/29/03, the Community Development Director transmitted the Tree Action
Committee’s proposal for a tree ordinance along with staff recommendations on the proposal. Also being
forwarded for Council information were letters and e-mail messages that were received regarding the
proposed ordinance.

Addressing the Council on this issue were Karen Laslo, Kathleen Faith, Lin Jensen, Sarkis Shmavonian,
Alex DuBose, Walter Ballin, Tanya Heinrich, Mark Gailey, Catherine Fish, Francine Gair, Nora Burnham,
Audrey Small, Heidi Ingmire, Jim Moravec, Michael Dempsey, Patricia Puterbach, and Rick Coletti.

A motion was made by Councilmember Nguyen-Tan and seconded by Mayor Kirk to proceed with the
development of a modified draft tree ordinance which will apply only to vacant, undeveloped lots of one-
half acre or larger, and which classifies trees with a diameter of 24” or larger, as “big trees.”

Vice Mayor Jarvis asked the City Attorney if the vote on the above noted motion could be delayed to the
5/6/03 meeting. The City Attorney informed Council that its vote could be delayed pursuant to
Government Code Section 94954.2.(b)(3).

A motion was made by Vice Mayor Jarvis and seconded by Councilmember Herbert to table the vote on
the motion made by Councilmember Nguyen-Tan to the meeting of 5/6/03.
The motion carried by the following vote:

AYES: Bertagna, Gruendl, Jarvis, Herbert, Nguyen-Tan, Wahl, Kirk
NOES: None

5. **BUSINESS FROM THE FLOOR** – None

6. **REPORTS AND COMMUNICATIONS** – No items

7. **ADJOURNMENT**

   Adjourned at 8:58 p.m. to a Regular City Council Meeting on May 6, 2003, at 6:00 p.m. for a joint meeting of the City Council with the members of the Planning Commission, in Conference Room No. 1, followed by a regular meeting in the Council Chamber at 7:30 p.m.

Date Approved: August 5, 2003

____________________________________
Deborah R. Presson, City Clerk
1. **CALL TO ORDER** – Mayor Kirk called the Adjourned Regular Chico City Council meeting to order at 6:00 p.m. in the Chico Municipal Center, Conference Room 1, 421 Main Street. Council met with the City of Chico Planning Commission to discuss items of mutual concern.

1.1. Flag Salute

1.2. Roll Call — Present: Bertagna, Gruendl, Jarvis, Herbert, Nguyen-Tan, Wahl, Kirk
Absent: None

Planning Commissioners Present: Alvistur, Brownell, Francis, Hughes, Luvaas, Monfort
Absent: Schiffman

2. **REGULAR AGENDA**

2.1. **DISCUSSION OF ITEMS OF MUTUAL CONCERN**

The City Council and the Chico Planning Commission met to discuss items of mutual concern.

Planning Director Seidler provided an overview of the Planning Commission meetings, staff responsibilities and role of the Planning Commissioners. The City Manager clarified that the General Plan sets forth the vision of the community and the guidelines for future development and that the requirements of subdivisions must be consistent or compliant with the General Plan. In addition, one member cannot speak for the majority of the commission.

The City Attorney provided an overview of ex parte communications to both boards. The Brown Act mandates that all public business must be done in public. In an ex parte contact, the proponent or opponent is allowed to present ideas or opinions to one or several officials that the rest of the public never hears, violating the Constitutional due process rights of the opposing point of view. The City Attorney reviewed with both the City Council and the members of the Planning Commission how ex parte communications were to be disclosed in conjunction with an item on the agenda. He encouraged members of both bodies to not participate in discussions with citizens and for the Planning Commissioners not to talk with an applicant before the application is made.

Council discussed the need to add a section to the City Council agenda regarding “ex parte communications” in order to remind Councilmembers about this requirement.

3. **ADJOURNMENT**

Adjourned at 7:02 p.m. to an Adjourned Regular Chico City Council in the Chico Municipal Center, Conference Room #2, 421 Main Street for a Closed Session.
1. **CALL TO ORDER** — Mayor Kirk called the meeting to order at 7:15 p.m. in the Chico Municipal Center, Conference Room #2, 421 Main Street.

   1.1. Roll Call — Present: Bertagna, Gruendl, Jarvis, Herbert, Nguyen-Tan, Wahl, Kirk  
       Absent: None

2. **CLOSED SESSION** — Mayor Kirk recessed the Adjourned Regular Chico City Council Meeting to Closed Session at 7:15 p.m. in the Chico Municipal Center, Conference Room #2.

   2.1. **CONFERENCE WITH LABOR NEGOTIATOR:** The City’s negotiator is Personnel Director Erlandson for all employee organizations except the Management Employees, for which City Manager Lando is the City’s negotiator. The names of the employee organizations that represent employees are Chico Police Officers Association (Sworn and Non-Sworn Units), International Association of Firefighters, and Service Employees International Union (Trades and Crafts Unit and Clerical, Technical and Professional Unit). The unrepresented employees are Confidential Employees and Management Employees. (Gov. Code Sec. 54957.6.) — **This item was not considered.**

   2.2. **CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:** The City Attorney was to review the following: *Meghdadi v. Chico City Council*, Butte County Superior Court Case 127773. (Gov. Code Sec. 54956.9(a).) — **This item was not considered.**

   2.3. **PUBLIC EMPLOYEES PERFORMANCE EVALUATION:** The City Council reviewed the City Manager's performance. (Gov. Code Section 54957.)

3. **ADJOURNMENT**

   Adjourned at 7:30 p.m. to a Regular Redevelopment Agency meeting in the Council Chamber.
1. **CALL TO ORDER** — Mayor Kirk called the Regular Chico Redevelopment Agency Meeting to order at 7:30 p.m. in the Chico Municipal Center, Council Chamber, 421 Main Street.

1.1. Flag Salute

1.2. Invocation – Chaplain Ronald Summers, Grace Community Church

1.3. Roll Call — Present: Bertagna, Gruendl, Jarvis, Herbert, Nguyen-Tan, Wahl, Kirk
    Absent: None

1.4. Closed Session Announcement — None

1.5. Presentation of letter of appreciation to Sgt. Kessler.

2. **CONSENT AGENDA** — A motion was made by Vice Mayor Jarvis and seconded by Councilmember Herbert to approve the following Consent Agenda:

2.1. **ACCEPTANCE OF REPORT FROM THE FINANCE COMMITTEE ON ITS MEETING HELD ON MARCH 12, 2003**

   By memorandum dated 4/18/03, the Finance Committee provided a report on its meeting held on 3/12/03. Committee members present were Councilmembers Gruendl, Wahl and Nguyen-Tan, Chair. The Committee continued its discussion of the review and consideration of the City of Chico 2002-03 Update of Development Impact Fees Analysis to its meeting 8:00 a.m. meeting of 4/30/03.

   The motion to approve the Consent Agenda, as read, carried by the following vote:

   **AYES:** Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk
   **NOES:** None

3. **NOTICED PUBLIC HEARINGS**

4. **REGULAR AGENDA**

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

4.2. **CONSIDERATION OF REPORT AND RECOMMENDATIONS FROM THE FINANCE COMMITTEE ON ITS MEETING HELD ON MARCH 26, 2003**

   By memorandum dated 4/18/03, the Finance Committee provided a report on its meeting held on 3/26/03. Committee members present were Councilmembers Gruendl, Wahl, and Nguyen-Tan, Chair. The matters considered by the Committee are listed below.

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

   A. **Approval of Use of Chico Merged Redevelopment Project Area Minor Unallocated Funds for Acquisition and Placement of Historical Chico Photographs.** The Committee recommended (3-0) approval of the use of Chico Merged Redevelopment Project Area minor unallocated funds in the amount of $5,000 for acquisition and placement of historical Chico photographs on buildings in the downtown area. The Committee also requested that its members be included in the photograph selection process.
A motion was made by Councilmember Herbert and seconded by Vice Mayor Jarvis for the approval of use of Chico Merged Redevelopment Project Area Minor Unallocated Funds for acquisition and placement of historical Chico photographs.

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Jarvis, Herbert, Nguyen-Tan, Wahl, Kirk
NOES: None

B. Consideration of Loan Rates for Chico Redevelopment Agency and City of Chico Renovation Loans. The Committee recommended (2-0-1, Wahl disqualified) reconsideration of the interest rate charged in conjunction with the Diamond Hotel renovation to establish an annual variable interest rate loan with no administrative fees. The Committee directed staff to research and recommend a fair transaction fee for all loans which are renegotiated annually and to submit any other available financing options to the Committee at a future meeting.

A motion was made by Councilmember Herbert and seconded by Councilmember Bertagna to approve the following RDA minute order and directed staff to research and recommend a fair transaction fee for all loans which are renegotiated annually, and to look into any other available financing options.

RDA MINUTE ORDER NO. 03-03 — AUTHORIZING THE EXECUTIVE DIRECTOR TO AMEND THE TERMS OF THE PROMISSORY NOTE EXECUTED BY WAYNE COOK IN CONNECTION WITH THE LOAN FOR THE REHABILITATION OF THE DIAMOND HOTEL

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Jarvis, Herbert, Nguyen-Tan, Kirk
NOES: None
ABSTAIN: None
DISQUAL: Wahl

COMMITTEE MATTERS REQUIRING NO CITY COUNCIL ACTION AT THIS MEETING:

C. Mortgage Subsidy Program-Applicant Request to Waive Sale Price Limit — The Committee approved (2-1, Wahl voting against) a sale price limit of $235,000 for this mortgage subsidy program applicant request only. The Committee requested the Housing Element Technical Advisory Committee to evaluate the entire mortgage subsidy program; including its viability, subsidy levels, and sales price limits, and to provide a report to the Finance Committee at a future meeting.

D. Approval of Request from Independent Living Services of Northern California for Approval of Grant Request Through the City’s Rental Housing Accessibility Program — The Committee approved (3-0) the request from Independent Living Services of Northern California for approval of a grant request through the City’s Rental Housing Accessibility Program for the installation of accessibility improvements at 803 West 2nd Avenue.

E. Consideration of Increasing Sanitary Sewer Monthly User Fees and Adding a New Fee for Breweries — The Committee directed staff to: (a) itemize the increases in major and minor capital projects, (b) account for increases in operating costs, (c) outline required methodology, and (d) submit details on past fees for the Sierra Nevada brewery; bringing this information back to a future Committee meeting.

F. Consideration of Proposal to Allocate Redevelopment Funds for the Installation of Solar Power Generating Facilities on City Parking Structure and Municipal Center Building — In order to secure state funding, the Committee recommended (3-0) this item be immediately
A motion was made by Vice Mayor Jarvis and seconded by Councilmember Nguyen-Tan to accept the 3/26/03 Finance Committee Report.

The motion carried by the following vote:

**AYES:** Bertagna, Gruendl, Jarvis, Herbert, Nguyen-Tan, Wahl, Kirk

**NOES:** None

5. **ITEMS ADDED AFTER POSTING OF THE AGENDA**

6. **ADJOURNMENT**

Adjourned to a Regular City Council meeting.
1. **CALL TO ORDER** — Mayor Kirk called the Regular Chico City Council Meeting to order in the Chico Municipal Center, Council Chamber, 421 Main Street.

1.1. Roll Call — Present: Bertagna, Gruendl, Jarvis, Herbert, Nguyen-Tan, Wahl, Kirk

Absene: None

2. **CONSENT AGENDA** — A motion was made by Councilmember Herbert and seconded by Councilmember Nguyen-Tan to approve the following Consent Agenda:

2.1. **ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO AMENDING TITLE 19 OF THE MUNICIPAL CODE TO ALLOW LIGHTS ON TELECOMMUNICATIONS TOWERS WHERE NEEDED TO PREVENT HAZARDS TO AIRCRAFT - Introductory Reading**

By memorandum dated 4/22/03, the Planning Director reported that the current code disallows lighting on wireless telecommunications towers except where required by Federal Aviation Administration regulations. This amendment, recommended by the Airport Land Use Commission and the Planning Commission, would also allow lighting if the Planning Commission finds that it should be required to prevent the tower from becoming a hazard to aircraft. In any case, when lighting is required, it would have to be shielded or directed in such a manner as to minimize the amount of light that falls onto nearby properties. At its 4/1/03 meeting, the City Council directed staff to prepare this ordinance. The Planning Director recommended that the City Council (1) introduce the ordinance by reading of the title only, and (2) schedule a public hearing for adoption of the ordinance at the 5/20/03 City Council meeting.

2.2. **ADOPTION OF RESOLUTIONS LEVYING ASSESSMENT INSTALLMENTS IN LIEU OF THE PAYMENT OF SEWER SYSTEM CONNECTION FEES INCIDENT TO THE CONNECTION OF PREMISES TO THE CITY SEWER SYSTEM**

By memoranda dated 3/31/03, 4/8/03, and 4/9/03, the Director of Public Works reported that in accordance with a petition from the below property owners, adoption of the following resolutions will authorize sewer assessments to be collected on the tax roll as set forth in the Director of Public Works' reports dated 3/31/03, 4/8/03, and 4/9/03, attached to each resolution. These assessments are in lieu of payment of the sewer system connection fees which would ordinarily be due and payable at the time of connecting the premises to the City’s sewer system. The Director of Public Works recommended adoption of the resolutions.


B. **RESOLUTION NO. 114 02-03 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO LEVYING ASSESSMENT INSTALLMENTS IN LIEU OF THE PAYMENT OF SEWER SYSTEM CONNECTION FEES INCIDENT TO THE CONNECTION OF PREMISES TO THE CITY SEWER SYSTEM - 1285 FILBERT AVENUE/ASSESSOR'S PARCEL NO. 045-292-006** (petition from property owners John Kirk Powell and Leann M. Powell)

C. **RESOLUTION NO. 115 02-03 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO LEVYING ASSESSMENT INSTALLMENTS IN LIEU OF THE PAYMENT OF SEWER SYSTEM CONNECTION FEES INCIDENT TO THE CONNECTION OF PREMISES TO THE CITY SEWER SYSTEM - 1641 OAK VISTA AVENUE / ASSESSOR'S PARCEL NO. 045-420-016** (petition from property owners Bill J. McFeature and Cindy McFeature)

D. **RESOLUTION NO. 116 02-03 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO LEVYING ASSESSMENT INSTALLMENTS IN LIEU OF THE PAYMENT OF SEWER
2.3. **RESOLUTION NO. 112 02-03 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO HONORING MANUEL A. ESTEBAN UPON HIS RETIREMENT AS THE PRESIDENT OF CALIFORNIA STATE UNIVERSITY, CHICO**

By adoption of this resolution, the City Council acknowledged Manuel A. Esteban for his many contributions during his tenure as the President of California State University, Chico and congratulates him on his retirement.

2.4. **MINUTE ORDER NO. 21-03 — AUTHORIZING THE CITY MANAGER TO GRANT AN EASEMENT TO PACIFIC GAS AND ELECTRIC COMPANY TO PROVIDE UTILITY SERVICE TO THE NEW BOYS AND GIRLS CLUB FACILITY (APN 004-381-018)**

The Minute Order authorized the City Manager to grant an easement to Pacific Gas and Electric Company in order to provide electrical energy services to the new Boys and Girls Club facility. The easement would run along the Campbell Commons project to the Boys and Girls Club facility located between Flume and Wall Streets. Both the Campbell Commons and Boys and Girls Club properties are owned by the City of Chico. The Director of Public Works recommended approval of the minute order.

2.5. **MINUTE ORDER NO. 22-03 — AUTHORIZING THE CITY MANAGER TO CONVEY BY DEED A ONE-FOOT FEE SIMPLE STRIP OF PROPERTY TO THE OWNERS OF MINOR LAND DIVISION 03-3, IN EXCHANGE FOR RIGHT OF WAY OVER SAME ONE-FOOT STRIP (ASSESSOR’S PARCEL NO. 042-073-004)**

The Minute Order authorized the City Manager to convey by deed a one-foot strip of property adjacent to the Cromwell Drive frontage of Minor Land Division No. 03-3 and held by the City in fee simple interest to Adam I. and Diane M. Tischler, husband and wife as joint tenants, reserving a public right of way over same one-foot strip. The Director of Public Works recommended approval of the minute order.

2.6. **APPROVAL OF VEHICLE FOR HIRE OWNER’S PERMIT - FRIENDLY CAB**

By memorandum dated 4/23/03, the Risk Manager recommended that the City Council approve the issuance of a Vehicle for Hire Owner’s Permit to Friendly Cab (Mughis Ahmed), finding that the public convenience and necessity warrant the issuance of such a permit, subject to the applicant meeting all Chico Municipal Code requirements relating to Vehicle for Hire permits.

2.7. **APPROVAL OF A SUPPLEMENTAL APPROPRIATION TO PROVIDE ADDITIONAL FUNDING TO EXTEND THE HOMELESS SHELTER BUS SHUTTLE SERVICE.**

- This item is being referred from the Finance Committee meeting held on 4/30/03.

Through its annual budget process, the City Council allocated $25,000 in Transit Funds (Fund 859) for the operation of a winter shuttle bus for the emergency shelter program each year. The shuttle service transports guests from the shelter to offsite eating facilities, such as the Jesus Center, seven days a week from the end of October to the end of April each year. At its meeting on 4/30/03, the Finance Committee considered a request from the Chico Community Shelter Partnership that this shuttle bus service be extended to continue to transport shelter guests on a year round basis. The estimated cost to provide the additional six months of shuttle service for the shelter is estimated at $25,000. By memorandum dated 4/30/03, Management Analyst Herman submits the letter dated 4/10/03 from the Partnership and provided more information regarding the determination of costs and funding for this request. The Committee recommended (3-0) that the City Council approve a supplemental appropriation allocating $8,500 from the Transit Fund (859) to extend this shuttle service through 6/30/03.
The approved supplemental appropriation which includes the $8,500 increase in funding for the remainder of 2002-03 will be reflected in the estimated expenditures (859-656-5330 and 859-656-5260). The $25,000 increase in funding for 2003-04 will be reflected as the Department Request in the 2003-04 Proposed Budget. At its meeting of 4/30/03 the Finance Committee recommended approval of a supplemental appropriation in the amount of $8,500 to fund the homeless shelter bus shuttle service through the end of the 2002-03 fiscal year.

2.8. ACCEPTANCE OF REPORT AND RECOMMENDATIONS FROM THE INTERNAL AFFAIRS COMMITTEE ON ITS MEETING HELD ON APRIL 8, 2003

By memorandum dated 4/24/03, the Internal Affairs Committee provided a report on its meeting held on 4/8/03. Committee members present were Councilmembers Bertagna, Jarvis, and Herbert, Chair. (Copies of all documents provided to the Committee are available for review in the offices of the City Clerk.) Actions taken by the Committee include:

A. Draft Ordinance to Regulate Aggressive and Deceptive Solicitation. — This item will be heard tonight under Public Hearings, Item 3.5.

B. Adoption of Traffic Regulation Amendment No. 758 – Installation of a Stop Sign on Westminster Court at its Intersection with Huntington Drive. The Committee adopted (2-0-1, Herbert absent) Traffic Regulation Amendment No. 758, which authorized the installation of a stop sign on Westminster Court at its intersection with Huntington Drive.

C. Update on Chico Urban Area Fire & Rescue Agreement. The Committee requested that Chief Brown provide an update regarding City progress on acquiring a Fire Station No. 7 site, acquisition by the County of a site in the same area, and the requirements of the Chico Urban Area Fire and Rescue Plan regarding the Eaton Rd./Highway 99 station location. The Committee recommended that further contacts be made with the County Fire Department and that the issue be forwarded for discussion at a future Intergovernmental or Internal Affairs Committee meeting.

D. Consideration of Request for Additional Limitations on Billboard Advertising. This item was removed from the agenda by Diana Fogel, the citizen requesting Committee consideration and not heard by the Committee.

E. Approval of Request for Installation of a Multi-Way Stop at the Intersection of Ceanothus Avenue and Colonial Drive. The Committee adopted the Resolution of the Internal Affairs Committee of the City Council of the City of Chico adopting Traffic Regulation Amendment No. 759, which authorized the installation of a stop sign on Colonial Drive at its intersection with Ceanothus Avenue.

The motion to approve the Consent Agenda carried by the following vote:

AYES: Bertagna, Gruendl, Jarvis, Herbert, Nguyen-Tan, Kirk
NOES: None
ABSENT: Wahl
DISQUAL: None

3. NOTICED PUBLIC HEARINGS

3.1. HEARING ON APPEAL BY AGASY, INC. (SYMMES) OF PLANNING COMMISSION’S REQUIREMENT THAT THE HERLAX PLACE VESTING TENTATIVE SUBDIVISION MAP (S 02-18) PROVIDE VEHICULAR CONNECTION BETWEEN 11TH AND 12TH AVENUES

By memorandum dated 4/22/03, the Planning Director reported that this subdivision was approved by the Planning Commission on 3/18/03. In approving the subdivision, the Planning Commission added a condition of approval that the subdivision map provide for a street connection from 11th Avenue to 12th Avenue, either directly through the property to be subdivided, or indirectly to the west through another
subdivision recently approved by Butte County. The applicant has appealed to the City Council, requesting that this condition of approval be deleted.

Mayor Kirk opened the hearing to the public. Speaking in favor of the appeal were Tony Symmes and Jim Currin. Those opposed included Don and Linda Jones and Jose Luis Gonzales. The hearing was closed to the public.

A motion was made by Councilmember Bertagna and seconded by Councilmember Herbert to uphold the appeal, thereby deleting the condition of approval that a street connection between 11th and 12th Avenues be provided.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Nguyen-Tan, Wahl, Kirk
NOES: Gruendl, Jarvis
ABSENT: None
DISQUAL: None

3.2. HEARING ON RESOLUTION DECLARING WEEDS, RUBBISH, REFUSE AND/OR DEBRIS TO BE A PUBLIC NUISANCE AND ORDERING THEIR ABATEMENT AND REMOVAL

By memorandum dated 4/16/03, Projects Manager Wood reported that the purpose of tonight’s hearing was to consider all objections to the removal of weeds, rubbish, refuse and/or debris. Notice of the hearing was mailed to all property owners on the list attached to the resolution as Exhibit “A”.

This resolution also established Sunday, June 1, 2003 as the last day for abatement and removal of weeds. The Projects Manager recommended adoption of the resolution. Mayor Kirk opened the hearing to the public and no one spoke. The hearing was closed.

A motion was made by Vice Mayor Jarvis and seconded by Councilmember Bertagna to adopt the following resolution:

RESOLUTION NO. 117 02-03 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO OVERRULING OBJECTIONS TO RESOLUTION DECLARING WEEDS, RUBBISH, REFUSE AND/OR DEBRIS TO BE A PUBLIC NUISANCE AND ORDERING ABATEMENT AND REMOVAL OF THE WEEDS, RUBBISH, REFUSE AND/OR DEBRIS, AND PROVIDING FOR AN ASSESSMENT OF THE COST OF SUCH ABATEMENT AND REMOVAL

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Jarvis, Herbert, Nguyen-Tan, Wahl, Kirk
NOES: None

3.3. HEARING ON ANNEXATION FOR MANZANITA AVENUE ANNEXATION DISTRICT NO. 15

By memorandum dated 3/17/03, the Assistant Community Development Director forwarded a report on initiation of the annexation of 38 parcels which comprise the entirety of two “islands” of unincorporated territory, with a total area of 72.088 acres. The larger island area proposed for annexation is generally bounded by East Avenue on the north, Manzanita Avenue on the east, Lindo Channel on the south and Marigold Avenue on the west. A smaller four parcel island is located at the Madrone Avenue and Manzanita Avenue intersection.

After review of an initial, smaller annexation consisting of only those parcels acquired by the City for the East Avenue widening project, Butte LAFCo staff directed the City to initiate annexation of the entire
“islands” as required by LAFCo policy. The area is nearly fully developed with residential uses, the Chico Elks Lodge facilities and a private recreational club. The two non-residential uses would be non-conforming uses under current zoning designations. Prezoning is R-1 Low Density Residential and R-2 Medium Density Residential. Property owners are identified in the staff report. A neighborhood meeting to discuss annexation issues was held on 2/6/03.

State law provided that a resolution initiating proceedings for the annexation of an “island” of unincorporated territory can be adopted only after a public hearing on the proposal, providing an opportunity for those residing and/or owning property within the area to comment on the proposal. Notice of the hearing was provided by publication and direct mailing to those parties requesting such notice. The hearing was opened to the public. Jim Glander from the Chico Elks Lodge spoke. The hearing was closed to the public.

A motion was made by Councilmember Bertagna and seconded by Councilmember Herbert to direct the Planning Commission to initiate action to rezone the properties at 1629 and 1705 Manzanita Avenue to a designation reflecting usage as a fraternal organization, with significant outdoor activity areas, and a private recreation facility and to adopt the following resolution:

RESOLUTION NO. 118 02-03 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO INITIATING PROCEEDINGS TO ANNEX PROPERTY NOW LOCATED IN THE UNINCORPORATED TERRITORY OF THE COUNTY OF BUTTE TO THE INCORPORATED TERRITORY OF THE CITY OF CHICO - MANZANITA AVENUE ANNEXATION DISTRICT NO. 15

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Jarvis, Herbert, Nguyen-Tan, Wahl, Kirk
NOES: None

3.4. HEARING ON ANNEXATION FOR SHERIDAN AVENUE ANNEXATION DISTRICT NO. 6

By memorandum dated 3/17/03, the Assistant Community Development Director forwarded a report on initiation of the annexation of 119 parcels which comprise the entirety of an “island” of unincorporated territory, with a total area of 65.507 acres. The area proposed for annexation is generally bounded by Palmetto Avenue on the north, the freeway on the east, Vallombrosa Avenue on the south and Arbutus Avenue on the west, and also includes properties on Sheridan Avenue between East 1st Avenue and Palmetto Avenue. After review of an initial, smaller annexation proposal in this area, Butte LAFCo staff directed the City to initiate annexation of the entire “island” as required by LAFCo policy. The area is nearly fully developed with residential uses, consistent with R-1 Low Density residential zoning. Property owners are identified in the staff report. Council originally considered this annexation proposal at the meeting held on 11/5/02, but tabled consideration of the proposal and directed staff to meet with the neighborhood. That meeting was held on 3/11/03.

State law provides that a resolution initiating proceedings for the annexation of an “island” of unincorporated territory can be adopted only after a public hearing on the proposal, providing an opportunity for those residing and/or owning property within the area to comment on the proposal. Notice of the hearing was provided by publication and direct mailing to those parties requesting such notice. Mayor Kirk opened the hearing to the public. No one spoke and the hearing was closed. The Assistant Community Development Director recommended adoption of the resolution.

A motion was made by Councilmember Herbert and seconded by Councilmember Bertagna to adopt:

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Jarvis, Herbert, Nguyen-Tan, Wahl, Kirk
NOES: None

3.5. HEARING ON AGGRESSIVE AND DECEPTIVE SOLICITATION ORDINANCE — Introductory Reading

This item was considered at the 4/8/03 Internal Affairs Committee meeting and the recommendation of the committee was to have Council discuss specific distance requirements. (See item 2.7. for committee minutes.) By memorandum dated 4/09/03, Assistant City Attorney Rock reported that this ordinance would add Chapter 9.54, entitled “Aggressive and Deceptive Solicitation,” to the Chico Municipal Code to define conduct constituting aggressive and deceptive solicitation and restrict the places and manner in which such solicitation may occur. The Internal Affairs Committee recommended (3-0) that the draft ordinance, with time restrictions deleted, be forwarded to the City Council for discussion of specific distance requirements. Mayor Kirk opened the hearing to the public. Addressing the Council on this issue were Katrina Davis, Tami Ritter, and Geremiah West. The hearing was closed to the public.

A motion was made by Vice Mayor Jarvis and seconded by Councilmember Bertagna for conceptual approval, with direction to the City Attorney to work with area judges to encourage creative sentencing such as community service within an organization providing assistance to individuals in need. Distances of 15 and 50 feet will be replaced with 5 feet and 15 feet, respectively. Modifications include: the consideration of the addition of a specific distance restriction of within 5 feet of pay phones and bus stops, the addition of veterans to Section 9.54.040 (Deceptive Solicitation), and the possibility of mandating the required sentence to community service, eliminating monetary fines. Re-introduction of the ordinance will be made a future meeting.

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Jarvis, Herbert, Nguyen-Tan, Wahl, Kirk
NOES: None

4. REGULAR AGENDA

4.1. ITEMS REMOVED FROM THE CONSENT AGENDA

4.2. REVIEW AND PRELIMINARY CONSIDERATION OF CITY PLAZA MASTER PLAN

By memorandum dated 4/14/03, the Park Director indicated that after several public meetings and review by the Bidwell Park and Playground Commission, an updated master plan has been prepared for Council consideration. The purpose of the plan is to accommodate and encourage community use and enjoyment while preserving the historic significance of City Plaza. The plan was presented for conceptual approval prior to finalizing design details, environmental review and implementation plan. The Bidwell Park and Playground Commission and Park Director recommend conceptual approval as presented or amended and authorization to finalize the plan, proceed with environmental review and prepare an implementation plan. Mary Van Buskirk of Heritage Partners provided Council with an overview of the plan.

A motion was made by Vice Mayor Jarvis and seconded by Councilmember Bertagna for conceptual approval and the authorization to finalize the plan, to proceed with environmental review and to prepare an implementation plan. The Council agreed that the BPPC should initiate and incorporate community involvement and set up a donation policy, perhaps offering placement of memorials such as honorary benches or stones.
4.3. CONSIDERATION OF AN AMENDMENT TO COUNCIL RULES OF PROCEDURE TO ADDRESS COUNCIL ACTION ON AN ITEM THAT DOES NOT HAVE A DIRECT EFFECT ON THE CITY OF CHICO

By memorandum dated 4/28/03, the City Clerk forwarded the recommendation made by the City Council’s Procedures Committee at its meeting of 4/15/03. The Council was being asked to consider an amendment to the Council Rules of Procedure (AP&P 10-10) that would address Council action on an item that does not have a direct effect on the City of Chico.

A motion was made by Vice Mayor Jarvis and seconded by Councilmember Gruendl to approve the amendment to address Council action on an item that does not have a direct effect on the City of Chico to the City’s Administrative Policies and Procedures, 10-10 with the additional revisions submitted by Councilmember Nguyen-Tan, which requires justification that the item will have an impact on the City of Chico’s operations and/or budget. The super majority vote required of Council will be left at a simple majority vote.

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Jarvis, Herbert, Nguyen-Tan, Wahl, Kirk
NOES: None

4.4. TOWN AND GOWN COMMITTEE REPORT BY COUNCILMEMBER GRUENDL

Councilmember Gruendl provided the City Council with an verbal update of the Town and Gown Committee meetings.

4.5. CONSIDERATION OF COUNCILMEMBER GRUENDL’S REQUEST TO AGENDIZE THE DISCUSSION OF A COMMUNITY CELEBRATION TO BE HELD WHEN ALL MEMBERS OF THE ARMED FORCES RETURN HOME

By e-mail dated 4/23/03, Councilmember Gruendl asked that the City Council consider having a community celebration to welcome back those who served in the war. Pursuant to City Council Rules of Procedure, the Council by majority vote, could consider this matter tonight or set a date for discussion at a future meeting.

A motion was made by Councilmember Wahl and seconded by Councilmember Bertagna to consider this item at this meeting.

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Jarvis, Herbert, Nguyen-Tan, Wahl, Kirk
NOES: None

A motion was made by Councilmember Wahl and seconded by Councilmember Bertagna to refer this matter to committee.

The motion carried by the following vote:
AYES: Bertagna, Gruendl, Jarvis, Herbert, Nguyen-Tan, Wahl, Kirk
NOES: None

A motion was made by Councilmember Wahl and seconded by Councilmember Bertagna to request the City Manager to authorize allocation of seed funding, not to exceed $2,500.

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Jarvis, Herbert, Nguyen-Tan, Wahl, Kirk
NOES: None

A motion was made by Vice Mayor Jarvis and seconded by Councilmember Herbert to appoint Councilmembers Wahl, Gruendl, and Kirk to be part of an ad hoc committee and to serve as liaisons between the City of Chico and the American Legion and Veterans of Foreign Wars.

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Jarvis, Herbert, Nguyen-Tan, Wahl, Kirk
NOES: None

4.6. DESIGNATION OF A DELEGATE FOR THE 5/15/03 SPECIAL LEAGUE OF CALIFORNIA CITIES (LCC) GENERAL ASSEMBLY

By letter received on 4/9/03, the LCC requested the designation of a voting delegate for a Special Meeting scheduled for 5/15/03 of the League of California Cities General Assembly. A response is required by 5/9/03. Councilmember Nguyen-Tan was selected to represent the City of Chico.

4.7. REVIEW OF REVISED PROPOSED TREE ORDINANCE

At its meeting of 5/5/03, and pursuant to Gov. Code Sec. 54954.2.(b)(3), the City Council voted (7-0) to continue this matter to tonight’s meeting. Since public testimony was taken at last night’s meeting, this item was limited to Council discussion. At the request of Councilmember Nguyen-Tan, the City Council was provided with a memorandum dated 5/6/03 from the Planning Director forwarding a copy of the response from the State Contractors Licensing Board regarding the removal of trees at the Terra Bella Subdivision. The City Council was also provided with e-mails and faxes dated 5/6/03 regarding the proposed tree ordinance.

The motion, which was carried over from meeting of 5/5/03, originally made by Councilmember Nguyen-Tan and seconded by Mayor Kirk, was to proceed with the development of a modified draft tree ordinance which would apply only to vacant, undeveloped lots of one-half acre or larger, and which classifies trees with a diameter of 24" or larger, as “big trees”. Once drafted, the ordinance will be referred to the Finance Committee for review of penalty provisions.

The motion carried by the following vote:

AYES: Gruendl, Jarvis, Nguyen-Tan, Kirk
NOES: Bertagna, Herbert, Wahl

5. FUTURE MEETINGS

At the request of Mayor Kirk, the Council agreed to begin the 5/20/03 Council meeting at 7:00 p.m. instead 7:30 p.m.

6. BUSINESS FROM THE FLOOR – None
7. **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.

7.1. Memorandum dated 4/11/03 from the Assistant City Manager provided a report on contracts that have been awarded for the purchase of materials, supplies, and/or services required by the City, within the appropriations approved therefor in the current Annual Budget.

7.2. Letter received on 4/11/03 from Colleen Uhyrek, owner of Blue Frog, transmitting 38 signatures, urged Council to consider an ordinance specifically detailing acceptable locations for protests and protestors to assemble.

7.3. Memorandum dated 4/28/03 from the Finance Director reported that the list of claims paid during the month of March 2003 has been produced and is available for review in the offices of the Finance Director, the City Clerk and the City Council.

7.4. Memorandum dated 4/7/03 from the Chief of Police provided the Citizens’ Option for Public Safety Grant Summary Report for the period of February 2003.

8. **ADJOURNMENT**

Adjourned at 10:59 p.m. to May 20, 2003, at 7:00 p.m. in the Council Chamber.

Date Approved: August 5, 2003

Deborah R. Presson
City Clerk
1. **CALL TO ORDER** — Vice Mayor Jarvis called the Adjourned Regular Chico Redevelopment Agency meeting to order at 7:00 p.m. in the Chico Municipal Center, Council Chamber, 421 Main Street.

1.1. Flag Salute

1.2. Invocation — Pastor Tom Shifflet, First Christian Church

A moment of silence was observed in honor of the passing of James Davis, who retired from the City of Chico Parks Department after 35 years of service.

1.3. Roll Call — Present: Bertagna, Gruendl, Jarvis, Herbert, Nguyen-Tan, Wahl

Absent: Kirk

1.4. Mayor’s Awards — Vice Mayor Jarvis recognized outstanding students from Chico area schools for their academic achievements, citizenship, leadership qualities, and contributions to their schools and community. The students were Jeffrey Probst, Amy English, Sheevaun Khaki, Alba Miranda, Michael Major, Kristen Thengvall, Bryana McNally, Zachary Conway, Jameson Sheehan, Kathleen Markham, Pao Ge Lor, Dee Thao, Katie Vogel, Robert Pease, Annya Valdez and Cody Stalions.

2. **CONSENT AGENDA**

3. **NOTICED PUBLIC HEARINGS**

4. **REGULAR AGENDA**

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

The City Council was acting in its capacity as both the Chico Redevelopment Agency and the City Council to consider the following matter

4.2. **CONSIDERATION OF REPORT AND RECOMMENDATIONS FROM THE FINANCE COMMITTEE ON ITS MEETING HELD ON APRIL 22, 2003**

By memorandum dated 5/14/03, the Finance Committee provided a report on its meeting held on 4/22/03. Committee members present were Councilmembers Gruendl, Wahl, and Nguyen-Tan, Chair. The matters considered by the Committee are listed below.

**COMMITTEE MATTERS REQUIRING CITY COUNCIL:REDEVELOPMENT AGENCY ACTION AT THIS MEETING:**

A. **Request from Chico Housing and Credit Counseling Center (CHCCC) for a $30,106 Operational Grant for the 2003-04 Program Year.** The Committee recommended (3-0) approval of the request with the funding to be allocated from the Low and Moderate Income Housing Fund, and concurred with staff’s recommendation that the project be included in the 2003-04 budget.

A motion was made by Councilmember Bertagna and seconded by Councilmember Herbert to approve the request from Chico Housing and Credit Counseling Center (CHCCC) for a $30,106 operational grant for the 2003-04 program year.

The motion carried by the following vote:

**AYES:** Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl

**NOES:** None

**ABSENT:** Kirk
B. Request for Reimbursement of Costs to Develop Peterson Park. The Committee recommended (3-0) that the City enter into an agreement with Webb Homes providing for reimbursement of neighborhood park development costs, subject to identification of funding sources. This item was forwarded to City Council for action following the Finance Committee meeting with the Chico Area Recreation and Park District scheduled for 5/22/03.

C. Review of City’s Annual Plan for the Community Development Block Grant (CDBG) and HOME Programs and Consideration of Request for CDBG Funds from Chico Community Shelter Partnership (CCSP). This item was heard tonight under Public Hearings — Item 3.3. The Committee recommended (2-0-1, Gruendl disqualified) Council approval of (1) the CCSP request with funding from 2002-03 Program Income; and (2) approval of the 2003-04 Annual Plan as presented.

D. Consideration of Increases to Sanitary Sewer Monthly Fees and the Addition of a New Fee Category. Discussion of this item was continued to the Finance Committee meeting of 5/22/03.

E. Approval of $37,820 Housing Rehabilitation Loan Request - Larry Decker - 44 Quista Drive. The Committee (3-0) approved the Housing Rehabilitation Loan request in the amount of $37,820 and recommended that the funds to be allocated from the City’s HOME Program.

A motion was made by Councilmember Bertagna and seconded by Councilmember Herbert to accept the April 22, 2003 Finance Committee Report.

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl
NOES: None
ABSENT: Kirk
DISQUAL: None

5. ITEMS ADDED AFTER POSTING OF THE AGENDA

6. ADJOURNMENT

Adjourned to a City Council meeting.
1. **CALL TO ORDER** — Vice Mayor Jarvis called the adjourned regular Chico City Council meeting to order in the Chico Municipal Center, Council Chamber, 421 Main Street.

1.1. Roll Call — Present: Bertagna, Gruendl, Jarvis, Herbert, Nguyen-Tan, Wahl  
Absent: Kirk

2. **CONSENT AGENDA** — Items 2.2. and 2.5. were removed from the Consent Agenda and heard under Item 4.1. A motion was made by Councilmember Wahl to approve the remaining Consent Agenda items:


By memorandum dated 4/29/03, the Assistant Community Development Director forwarded a report on the initiation of an amendment of the City of Chico Sphere of Influence to include 240 acres located north of Sycamore Creek and southwest of the Chico Municipal Airport, and the annexation of those properties and three others south of Sycamore Creek along Eaton Road to the City limits, totaling 358 acres. The properties south of Sycamore Creek are designated and zoned for a variety of residential densities and mixed use; the properties north of the creek are designated and prezoned for industrial use, with a resource management overlay. Property owners are listed in the cover page of the Council report. In accordance with adopted LAFCo policy, the City must adopt a resolution to initiate a sphere of influence amendment and the annexation of property to the City. The Assistant Community Development Director recommended adoption of the resolution.

2.2. **RESOLUTION NO. 121 02-03** — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO AUTHORIZING THE SUBMITTAL OF USED OIL RECYCLING BLOCK GRANT APPLICATIONS TO THE CALIFORNIA INTEGRATED WASTE MANAGEMENT BOARD — This item was removed from the Consent Agenda and heard under Item 4.1.

2.3. **MINUTE ORDER NO. 23-03** — MINUTE ORDER APPROVAL OF THE BUTTE INTERAGENCY NARCOTICS TASK FORCE (BINTF) GENERAL BUDGET FOR FY 2003-04

By Minute Order No. 06-02, adopted 3/05/02, the City Council authorized execution of the consolidation of the Butte Interagency Narcotics Task Force (BINTF) and Butte Anti-Drug and Gang Special Supervision Unit (BASS). The minute order also authorized execution of the revised Butte Interagency Narcotics Task Force Memorandum of Understanding which effected the consolidation of BINTF and BASS operations and authorized the City to participate, along with various other agencies in Butte County, in a task force targeting the illegal production, distribution, and use of narcotics and other controlled substances. The BINTF Memorandum of Understanding is extended on a year-to-year basis and provides that each participating agency shall approve or disapprove the BINTF budget by no later than June 30th of each year. This minute order approved the BINTF General Budget for FY 2003-04. The Chief of Police recommended approval of the minute order.

2.4. **MINUTE ORDER NO. 24-03** — AUTHORIZING THE CITY ATTORNEY TO ENTER INTO AN AGREEMENT FOR LEGAL SERVICES OF COVERAGE COUNSEL WILLIAM D. BROWN OF DALEY & HEFT IN THE CASE OF CALIFORNIA DEPARTMENT OF TOXIC SUBSTANCES CONTROL VS. PAYLESS CLEANERS, ET AL., UNITED STATES DISTRICT COURT, EASTERN DISTRICT, CASE NO. CIV.S-02-2389 LKK DAD

The City Attorney recommended entering into an Agreement with William D. Brown for legal services pertaining to insurance coverage issues of the City of Chico in the case of California Department of Toxic Substances Control vs. Payless Cleaners, et al., regarding groundwater contamination from dry cleaning solvent in an area designated as the Southwest Plume. The City Attorney recommended approval of the minute order.
2.5. **MINUTE ORDER NO. 25-03 — AUTHORIZING THE CITY MANAGER TO EXECUTE A LISTING AGREEMENT AND A LEASE AGREEMENT FOR THE PROPERTY LOCATED AT 1500 HUMBOLDT ROAD** — This item was removed from the Consent Agenda and heard under Item 4.1.

2.6. **DETERMINATION OF PUBLIC CONVENIENCE OR NECESSITY - COST PLUS WORLD MARKET, 2101 WHITMAN AVENUE, SUITE 30, CHICO**

Pursuant to California Business and Professions Code Section 23958.4, a determination was required by the local governing body prior to issuance of an off-sale alcoholic beverage license in certain areas. By memorandum dated 5/5/03 the Community Development Director recommended City Council approval of a determination of public convenience or necessity concerning the issuance of an off-sale alcoholic beverage license for the Cost Plus World Market located at 2101 Whitman Avenue, Suite 30, Chico.

The motion to approve the Consent Agenda with Items 2.2. and 2.5. removed and heard under Item 4.1. carried by the following vote:

**AYES:** Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl

**NOES:** None

**ABSENT:** Kirk

**DISQUAL:** None

3. **NOTICED PUBLIC HEARINGS**

Council concurred to hear Item 3.2. before Item 3.1.

Mayor Kirk arrived in time for the discussion of Item 3.1.

3.1. **APPEAL OF THE PLANNING COMMISSION’S APPROVAL OF THE PARK WOOD ESTATES TENTATIVE SUBDIVISION MAP NO. S 03-01 (LAMB) AUTHORIZING AN INFILL SUBDIVISION THAT DIVIDES A 1.77 ACRE SITE INTO 10 SINGLE-FAMILY RESIDENTIAL lots WITH A GROSS DENSITY OF 5.44 DWELLING UNITS PER ACRE**

By memorandum dated 5/12/03, Planning Division staff reported that at its 4/17/03 meeting, the Planning Commission approved a subdivision (4 in favor, 2 in opposition, and 1 absent) authorizing an in-fill subdivision that divides a 1.77 acre site into 10 single-family residential lots with a gross density of 5.44 dwelling units per acre. Proposed lots range in size from 5,023 square feet to 7,088 square feet with an average size of 5,600 square feet. A timely appeal was filed by residents in the area. The subject site is designated Low Density Residential (allowing 2.01 to 6.0 dwelling units per acre) on the City of Chico General Plan Diagram and is located in a R1 Low Density Residential zoning district. Additional letters, e-mails and calls received from citizens regarding this matter were included in the agenda packet. The Planning Director recommended that the City Council deny the appeal, thereby upholding the decision of the Planning Commission.

A motion was made by Councilmember Herbert and seconded by Councilmember Wahl to grant the appeal and by a motion of intent refer the subdivision back to the Planning Commission with direction that the maximum number of lots in the subdivision not exceed 7.

The motion carried by the following vote:

**AYES:** Bertagna, Herbert, Wahl, Kirk

**NOES:** Gruendl, Jarvis, Nguyen-Tan

**ABSENT:** None

**DISQUAL:** None
3.2. **HEARING ON A TEXT AMENDMENT TO TITLE 19 (LAND USE AND DEVELOPMENT REGULATIONS) OF THE CHICO MUNICIPAL CODE TO ADOPT REVISED REGULATIONS AND DEVELOPMENT STANDARDS FOR SECOND DWELLING UNITS AND A ZONING MAP REVISION TO ESTABLISH THE SD-4 SPECIAL DESIGN CONSIDERATIONS OVERLAY ZONE (WEST AVENUES NEIGHBORHOOD AREA) GENERALLY DEFINED AS THE AREA WEST OF THE ESPLANADE, NORTH OF WEST SACRAMENTO AVENUE, EAST OF WARNER STREET AND SOUTH OF WEST 11TH AVENUE. ALL NEW SECOND DWELLING UNITS WITHIN THE SD-4 OVERLAY ZONE WOULD REQUIRE USE PERMIT APPROVAL AND OWNER-OCUPANCY OF THE PRIMARY OR SECONDARY UNIT. THE OVERLAY DISTRICT ALSO PROVIDES THE WEST AVENUES NEIGHBORHOOD AREA WITH A DEFINED BOUNDARY FOR A FUTURE NEIGHBORHOOD PLAN. (CITY OF CHICO - RZ 03-02) - Introductory Reading**

By memorandum dated 05/06/03, Principal Planner Pam Figge reported that at the Planning Commission meeting of 5/1/03, the Commission voted 4-2-1 (Chair Francis and Commissioner Hughes opposing and Commissioner Brownell disqualified) to recommend approval of (1) text amendments to the current regulations and standards for second dwelling units; and (2) revision to the City zoning map to establish a SD-4 Special Design Considerations Overlay Zone (West Avenues Neighborhood Area). The amendments to the text and map are in compliance with recent State legislation which mandated that second dwelling units be permitted by ministerial (administrative) permit (effective 7/1/03). Currently, second dwelling units are allowed in the City by discretionary action (use permit) only. The new regulations include expanded development standards. Second dwelling unit applications which do not comply with the standards can be considered through the use permit process. The SD-4 Special Design Considerations Overlay Zone (West Avenues Neighborhood Area) includes a provision for use permit approval of all second dwelling units and a requirement for owner-occupancy of the primary or secondary unit. This area has been distinguished due to several factors including, but not limited to, proximity to traffic generating uses and deficient and/or lacking infrastructure. The amendments are statutorily exempt pursuant to Section 21080.17 of the Public Resources Code and set forth in Section 15182(i) of the Guidelines for the California Environmental Quality Act.

Councilmember Nguyen-Tan indicated that he supported the changes as requested by the Planning Commission, but at this time was not ready to support the owner occupied requirement until such time as an analysis could be provided to Council on the use permit process.

Council recessed for a 7 minute break at 8:30 p.m.

A motion was made by Councilmember Nguyen-Tan and seconded by Councilmember Bertagna to approve the introductory reading of the following amended ordinances, by the reading of title only, with the final reading and adoption to be held on 6/3/03, along with discussion of the procedure and criteria which could be used to allow rentals if an owner occupancy requirement was imposed. Staff and Planning Commission were also directed to look at future expansion of the special overlay zone to possibly include the Mansion Park and the expanded Avenues area and if needed, bring it back to Council at a future date.

**ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO AMENDING TITLE 19 OF THE CHICO MUNICIPAL CODE IN REGARD TO SECOND DWELLING UNITS – Introductory Reading**

**ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO REZONING PROPERTIES GENERALLY LOCATED EAST OF WARNER STREET, WEST OF THE ESPLANADE, NORTH OF WEST SACRAMENTO AVENUE AND SOUTH OF WEST 11TH AVENUE TO INCLUDE A SD-4 SPECIAL DESIGN CONSIDERATIONS OVERLAY ZONE – WEST AVENUES NEIGHBORHOOD AREA (REZONE 03-02 CITY OF CHICO) – Introductory Reading**

The motion carried by the following vote:

**AYES:** Bertagna, Herbert, Nguyen-Tan

**NOES:** Gruendl, Jarvis

**ABSENT:** Kirk

**DISQUAL:** Wahl
3.3. **FINAL HEARING ON THE 2003-2004 ANNUAL PLAN FOR THE COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) AND HOME INVESTMENT PARTNERSHIPS (HOME) PROGRAMS**

By memorandum dated 5/6/03, the Housing Officer reported on the 2003-2004 Annual Plan for the allocation of Community Development Block Grant (CDBG) and HOME Investment Partnerships (HOME) funds. The memorandum includes the 2003-2004 Proposed Annual Plan adopted by Council at its 4/01/03 meeting and published for a 30 day comment period. There were no comments received during the public review period. In the event comments are received subsequent to the preparation of this agenda, they will be provided to Council. The Council is being provided with previous staff reports regarding the CDBG/HOME Programs. At its meeting of 4/22/03, the Finance Committee reviewed the Annual Plan a letter dated 4/8/03, a copy of which is being provided with tonight’s agenda, from the Chico Community Shelter Partnership (CCSP). The Committee recommended that the Annual Plan not be modified and that the request from CCSP be funded from current year CDBG program income. The below minute order will authorize the City Manager to execute an agreement with CCSP for the use of 2002-2003 CDBG Program Income funds to complete landscaping of the Emergency Shelter and for professional services to prepare funding applications.

During this meeting the City Council conducted the second of two public hearings to receive citizen input on the use of CDBG and HOME funds in compliance with the Citizen Participation requirements of the Department of Housing and Urban Development (HUD). Councilmember Gruendl disqualified himself from the discussion and subsequent action. Mayor Kirk opened the hearing to the public. No one spoke and the hearing was closed.

A motion was made by Vice Mayor Jarvis and seconded by Councilmember Herbert to 1) adopt the final “2003-2004 Proposed Annual Plan”; 2) authorize the City Manager to submit the “2003-2004 Proposed Annual Plan” to the Department of Housing and Urban Development along with the required certifications; and 3) approve the following minute order which authorizes the City Manager to execute an agreement with the Chico Community Shelter Partnership for the use of CDBG funds and approves the supplemental appropriation.

**MINUTE ORDER NO. 26-03 — AUTHORIZATION FOR THE CITY MANAGER TO EXECUTE A FUNDING ASSISTANCE AGREEMENT WITH CHICO COMMUNITY SHELTER PARTNERSHIP AND APPROVAL OF A SUPPLEMENTAL APPROPRIATION TO PROVIDE FUNDING ASSISTANCE FROM COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS**

The motion carried by the following vote:

**AYES:** Bertagna, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk

**NOES:** None

**ABSENT:** None

**DISQUAL:** Gruendl

3.4. **HEARING ON AMENDMENT TO TITLE 19 OF THE CHICO MUNICIPAL CODE TO ALLOW LIGHTS ON TELECOMMUNICATIONS TOWERS WHERE NEEDED TO PREVENT HAZARDS TO AIRCRAFT**

By memorandum dated 5/12/03, the Planning Director forwarded the ordinance introduced at the 5/6/03 Council meeting. This ordinance would allow lights on telecommunications towers only where lighting is an FAA requirement or the Planning Commission finds it necessary to prevent the tower from becoming a hazard to aircraft. The Planning Director recommended that the City Council adopt the ordinance by motion that includes a reading of the title only.

A motion was made by Councilmember Wahl and seconded by Councilmember Bertagna to adopt:

**ORDINANCE NO. 2262 — AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO AMENDING TITLE 19 OF THE MUNICIPAL CODE TO ALLOW LIGHTS ON TELECOMMUNICATIONS TOWERS WHERE NEEDED TO PREVENT HAZARDS TO AIRCRAFT - Final Reading and Adoption**

The motion carried by the following vote:

**AYES:** Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk
4. **REGULAR AGENDA**

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

2.2.  **RESOLUTION NO. 121 02-03 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO AUTHORIZING THE SUBMITTAL OF USED OIL RECYCLING BLOCK GRANT APPLICATIONS TO THE CALIFORNIA INTEGRATED WASTE MANAGEMENT BOARD**

By memorandum dated 5/2/03, the Director of Public Works and Management Analyst Herman provided staff’s proposal to submit a Used Oil Recycling Block Grant application to the California Integrated Waste Management Board (CIWMB) for the City of Chico’s share of entitlement funds available through the California Oil Recycling Enhancement Act. These funds are not competitive and are available to jurisdictions each year on a population basis. The City is eligible to receive $20,592 for the 2003-04 funding cycle. Staff is proposing to use 50% of these funds for the City’s stormwater education and mitigation program, and the other 50% for used oil recycling programs, such as converting the City fleet to use re-refined motor oil. This resolution would also authorize staff to submit an application each year until 2008, if needed. After adoption, the entitlement funds and expenditures will be included in the 2003-04 Final Budget Resolution. The Director of Public Works and Management Analyst Herman recommended approval of the resolution.

A motion was made by Vice Mayor Jarvis and seconded by Councilmember Wahl to adopt Resolution No. 121 02-03.

The motion carried by the following vote:

**AYES:** Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk  
**NOES:** None

2.5.  **MINUTE ORDER NO. 25-03 — AUTHORIZING THE CITY MANAGER TO EXECUTE A LISTING AGREEMENT AND A LEASE AGREEMENT FOR THE PROPERTY LOCATED AT 1500 HUMBOLDT ROAD**

In May 2001, the City Council authorized the City Manager to acquire the property at 1500 Humboldt Road from Hignell & Hignell, Inc. for future expansion of the Police Facility. Hignell has been leasing the property from the City while they developed their new office building on Humboldt Road. Hignell recently completed their new office building and provided notice to the City that they would vacate the City-owned property by middle of May 2003. The City Manager recommended that the City lease the property for three to five years with the revenue allocated to the General Fund. The City Manager recommended approval of the minute order which authorizes execution of a listing agreement and lease agreement for the property located at 1500 Humboldt Road in accordance with the terms set forth in the minute order.

A motion was made by Vice Mayor Jarvis and seconded by Councilmember Wahl to approve Minute Order No. 25-03, with the discussion of long term plans referred to Internal Affairs.

The motion carried by the following vote:

**AYES:** Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk  
**NOES:** None

4.2.  **FURTHER DISCUSSION OF DEVELOPMENT PLAN FOR NORTHWEST CHICO DEVELOPMENT AREA (AGENDIZED AT THE REQUEST OF COUNCIL MEMBER WAHL) — this item was continued to the 6/3/03 meeting**

By memorandum dated 5/13/03, the Planning Director reported that Council Member Wahl had requested additional discussion of a development plan for the Northwest Chico Development Area (NCDA). A
request for proposals for consultant services in the preparation of this plan was distributed. The Planning Director recommended that the Council direct that this plan be prepared as a specific plan. This item was not discussed at this meeting and tabled to the 6/03/03 meeting.

4.3. CONSIDERATION OF REPORT AND RECOMMENDATIONS FROM THE FINANCE COMMITTEE ON ITS MEETING HELD ON APRIL 9, 2003 — This item was continued to the 6/3/03 meeting

By memorandum dated 5/14/03, the Finance Committee provided a report on its meeting held on 4/9/03. Committee members present were Councilmembers Gruendl, Wahl, and Nguyen-Tan, Chair. The Committee matter requiring City Council action at this meeting was:

A. Review and Consideration of Park Impact Fee Assumptions. The Committee agreed (3-0) to forward this item to the City Council without a recommendation to allow full Council discussion.

4.4. ITEMS ADDED AFTER POSTING OF THE AGENDA — None

4. BUSINESS FROM THE FLOOR

Lance Wright expressed his appreciation for the Council’s actions regarding the Halloween event and stated his concerns regarding the parking issues due to street closures.

5. 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.

6.1. Acknowledgment of a CSU position paper developed at a Chico Town Hall Meeting and Youth Alcohol Forum held on 5/7/03. This information was provided to the City Council by Marian Gage from the Butte County Office of Education.


6. ADJOURNMENT

Adjourned at 11:41 p.m. to June 3, 2003, at 8:30 a.m., in the City Council Chamber for an adjourned regular all-day work session.

Date Approved: August 19, 2003

Deborah R. Presson, City Clerk
REGULAR CHICO CITY COUNCIL MEETING — June 3, 2003
Minutes

ANNOUNCEMENT OF IDENTIFICATION OF NEGOTIATORS, PROPERTIES AND PARTIES WITH WHOM NEGOTIATORS MAY NEGOTIATE IN REGARD TO CLOSED SESSION ITEM NO. 2.1, CONFERENCE WITH REAL PROPERTY NEGOTIATOR

The City Council adjourned to closed session at 1:00 p.m. to discuss negotiations with the City’s real property negotiator regarding the following proposed acquisitions:

<table>
<thead>
<tr>
<th>Property Owner</th>
<th>Property Address</th>
<th>Assessor's Parcel No.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Meadow Woods Condominium</td>
<td>1110 W. 8th Avenue</td>
<td>043-440-099</td>
</tr>
<tr>
<td>Homeowners Association</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Van Court/Heisler</td>
<td>920 W. 8th Avenue</td>
<td>043-360-001</td>
</tr>
<tr>
<td>Asher</td>
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</tr>
<tr>
<td>Slightom</td>
<td>810 W. 8th Avenue</td>
<td>043-080-047</td>
</tr>
<tr>
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</tr>
<tr>
<td>Vanella Trust</td>
<td>438 W. 8th Avenue</td>
<td>043-080-008</td>
</tr>
</tbody>
</table>

The City’s negotiator is City Manager Tom Lando and the parties with whom negotiations are proposed to be conducted are the respective property owners (or such persons designated as their agent for the purpose of negotiations).

1. CALL TO ORDER — Mayor Kirk called the meeting to order at 8:30 a.m. in the Chico Municipal Center, Council Chamber, 421 Main Street.

1.1. Roll Call — Present: Bertagna, Gruendl, Jarvis, Herbert, Nguyen-Tan, Wahl, Kirk
Absent: None

2. CLOSED SESSION Council concurred that Closed Session would be considered at approximately 1:00 p.m.

2.1. CONFERENCE WITH REAL PROPERTY NEGOTIATOR FOR PROPOSED ACQUISITION OF PORTIONS OF VARIOUS PARCELS FOR WEST 8TH AVENUE RECONSTRUCTION PROJECT

Pursuant to Government Code Section 54954.8, the item of business to be discussed is a conference with the real property negotiator. The items under discussion are instruction to the City’s negotiator on price and terms of payment for proposed acquisitions. The City’s negotiator is City Manager Tom Lando and the parties with whom negotiations are proposed to be conducted are the owners (or such persons designated as their agent for the purpose of negotiations) as listed below:

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<td>Vanella Trust</td>
<td>438 W. 8th Avenue</td>
<td>043-080-008</td>
</tr>
</tbody>
</table>

2.3. CONFERENCE WITH LABOR NEGOTIATOR: The City’s negotiator is Personnel Director Erlandson for all employee organizations except the Management Employees, for which City Manager Lando is the City's negotiator. The names of the employee organizations that represent employees are Chico Police Officers Association (Sworn and Non-Sworn Units), International Association of Firefighters, and Service Employees International Union (Trades and Crafts Unit and Clerical, Technical and Professional Unit). The unrepresented employees are Confidential Employees and Management Employees. (Gov. Code Sec. 54957.6.)

3. ADJOURNMENT
Adjourned to a Redevelopment Agency meeting in the Council Chamber.
CALL TO ORDER — Mayor Kirk called the Regular Chico Redevelopment Agency Meeting to order in the Chico Municipal Center, Council Chamber, 421 Main Street at 8:40 a.m.

1.1. Flag Salute

1.2. Roll Call — Present: Bertagna, Gruendl, Jarvis, Herbert, Nguyen-Tan, Wahl, Kirk
   Absent: None

1.3. Closed Session Announcement — none

2. CONSENT AGENDA — none

3. NOTICED PUBLIC HEARINGS — none

4. REGULAR AGENDA

4.1. ITEMS REMOVED FROM THE CONSENT AGENDA — none

4.2. REDEVELOPMENT BUDGET REVIEW

   A. General Budget Review

      The Chico Redevelopment Agency 2003-04 Proposed Budget pages were contained in the budget binder under the brown tabs.

      The Executive Director provided an overview of the 2003-04 Proposed Chico Redevelopment Agency Budget, including a review of the Chico Merged and Greater Chico Urban Area Redevelopment Project Areas Five Year Trends (located under the brown RDA “Fund Projections” tab), the Operating Budget, and the Low and Moderate Income Housing Fund Summary, a copy of which was provided with the agenda, and an update on the proposed merger of the Chico Merged and Greater Chico Urban Area Redevelopment Project Areas.

   B. Capital Budget Review

      By memorandum dated 05/21/03, the Executive Director forwarded Redevelopment Project Analyses on 2003-04 requests for redevelopment capital projects for which redevelopment funding is being requested for the first time.

      By letter dated 5/27/03, the Downtown Chico Business Association (DCBA) submitted a funding request for $25,000 for a downtown study. Katrina Davis, Executive Director, was in attendance at this meeting to present the request.

      A motion was made by Vice Mayor Jarvis and seconded by Councilmember Wahl to approve the DCBA funding request in the amount of $25,000 from the Chico Merged Redevelopment Project Area Fund 351 and directed staff to include the funds in the 2003-04 final budget.

      The motion carried by the following vote:

      AYES: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk
      NOES: None

      A motion was made by Vice Mayor Jarvis and seconded by Councilmember Wahl to determine that pursuant to Government Code Section § 94956.5., the issue of allocating additional funds for the Aero Union Hangar development arose after the posting of the agenda and there is a need to take immediate action.
The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk
NOES: None

A motion was made by Councilmember Wahl and seconded by Councilmember Bertagna to approve the allocation of up to $500,000 the Chico Merged Redevelopment Project Area (Fund 351) and directed staff to include a job creation requirement in the lease agreement.

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk
NOES: None

C. Conclude Redevelopment Agency Budget Review

In order to review both the 2003-04 Proposed City Budget and the 2003-04 Proposed Redevelopment Budget prior to the City Council taking action, the resolution adopting the 2003-04 Tentative Budget was placed at the end of the City budget review agenda (City Council Agenda Item No. 4.2.).

4.3. CONSIDERATION OF HOUSING AUTHORITY OF THE COUNTY OF BUTTE (HACB) AND THE AFFORDABLE HOUSING DEVELOPMENT CORPORATION REQUEST FOR $1.3 MILLION ADDITIONAL FUNDING FOR THE 1200 PARK AVENUE SENIOR HOUSING PROJECT

By memorandum dated 5/27/03, the Housing Officer transmitted a letter dated 5/27/03, from HACB requesting the additional funds and explaining why it needs the commitment of funds now and the actions that will be taken to reduce the amount of funds needed. Gary Sannar addressed Council on this item.

A motion was made by Councilmember Wahl and seconded by Vice Mayor Jarvis to approve the request and directed staff to provide Council with updates on the awarding of the tax credits.

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk
NOES: None

5. ITEMS ADDED AFTER POSTING OF THE AGENDA

6. ADJOURNMENT

Adjourned to a City Council meeting.
1. **CALL TO ORDER** —

1.1. Roll Call — Present: Bertagna, Gruendl, Jarvis, Herbert, Nguyen-Tan, Wahl, Kirk
Absents: None

2. **CONSENT AGENDA** — Items 2.1. and 2.2. were removed from the Consent Agenda and heard under Item 4.1. A motion was made by Vice Mayor Jarvis and seconded by Councilmember Nguyen-Tan to approve the remaining Consent Agenda items:

2.1. **ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO ADDING CHAPTER 9.54, ENTITLED "AGGRESSIVE AND DECEPTIVE SOLICITATION," TO THE CHICO MUNICIPAL CODE** - Introductory Reading — this item was removed from the Consent Agenda at the request of Councilmember Wahl and heard under Item 4.1.

2.2. **ORDINANCE NO. 2263 — AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO AMENDING TITLE 19 OF THE CHICO MUNICIPAL CODE IN REGARD TO SECOND DWELLING UNITS** - Final Reading and Adoption — this item was removed from the Consent Agenda at the request of Councilmember Herbert and heard under Item 4.1.

**ORDINANCE NO. 2264 — AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO REZONING PROPERTIES GENERALLY LOCATED EAST OF WARNER STREET, WEST OF THE ESPLANADE, NORTH OF WEST SACRAMENTO AVENUE AND SOUTH OF WEST 11TH AVENUE TO INCLUDE A SD-4 SPECIAL DESIGN CONSIDERATIONS OVERLAY ZONE - WEST AVENUES NEIGHBORHOOD AREA (REZONE 03-02 CITY OF CHICO)** - Final Reading and Adoption

By memorandum dated 05/22/03, Principal Planner Pam Figge reported that a small portion of the SD-4 overlay zone area, as recommended by the Planning Commission at its 5/1/03 public hearing, was inadvertently omitted from the City Council public notice.

The balance of the properties within the overlay area were included in the notice which received a public hearing and introduction at the 5/20/03 City Council meeting. The proposed zoning map revision is statutorily exempt pursuant to Section 21080.17 of the Public Resources Code and as set forth in Section 15282(i) of the Guidelines for the California Environmental Quality Act. The Planning Director recommended that the City Council introduce Rezone 03-03 SD-4 Special Design Considerations Overlay Zone (West Avenues Neighborhood Area) by reading of the title only and schedule the public hearing and adoption for the 6/17/03 City Council meeting.

2.3. **ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO REZONING PROPERTIES GENERALLY LOCATED ON GREENWOOD LANE AND ALONG THE WEST SIDE OF CITRUS AVENUE SOUTH OF WEST 11TH AVENUE AND NORTH OF WEST 6TH AVENUE TO INCLUDE A SD-4 SPECIAL DESIGN CONSIDERATIONS OVERLAY ZONE - WEST AVENUES NEIGHBORHOOD AREA (REZONE 03-03 CITY OF CHICO)** - Introductory Reading

2.4. **APPROVAL OF THE LIST OF PRIORITY PROJECTS FOR THE 2003-2004 UPDATE OF THE COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGY ANNUAL UPDATE**

At its meeting of 5/8/03, the Economic Development Committee reviewed the request from Tri-County Economic Development Corporation (TCEDC) for a list of priority projects for the City of Chico to be included in the 2003-2004 update of the Comprehensive Economic Development Strategy (CEDS). TCEDC acts as the planning and coordinating agency for the Tri-County Economic Development District, which consists of three counties and ten incorporated cities within the region of Butte, Glenn and Tehama counties. In 1999, the Federal Economic Development Administration (EDA) required TCEDC to submit a five-year CEDS with recommended projects for the District. The projects contained in the CEDS must be related to economic development and must provide technical assistance, financing or infrastructure. The EDA also requires that the CEDS project list be updated each year by each
jurisdiction within the District. By memorandum dated 5/23/03, the Economic Development - Housing Specialist submitted a revised list of projects that were reviewed by the Committee to be included in the 2003-2004 annual update of the CEDS document.

The Economic Development Committee recommended (2-0, Bertagna absent) that the City Council approve submitting the City's 2002-2003 list of priority projects with no revisions or additions to TCEDC for the 2003-04 Comprehensive Economic Development Strategy annual update.

2.5. APPROVAL OF MINUTES FROM PREVIOUS COUNCIL MEETINGS

The City Council was provided with minutes from meetings held 2/18/03, 3/4/03, 3/18/03, 4/1/03, and 4/15/03. The City Clerk recommended approval of the minutes.

The motion to approve the Consent Agenda, with Items 2.1. and 2.2. removed and heard under Item 4.1., carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk
NOES: None
ABSENT: None
DISQUAL: None

3. NOTICED PUBLIC HEARINGS

4. REGULAR AGENDA

4.1. ITEMS REMOVED FROM THE CONSENT AGENDA

2.1. ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO ADDING CHAPTER 9.54, ENTITLED "AGGRESSIVE AND DECEPTIVE SOLICITATION," TO THE CHICO MUNICIPAL CODE - Introductory Reading

By memorandum dated 5/16/03, Assistant City Attorney Rock reported that this ordinance would add Chapter 9.54, entitled "Aggressive and Deceptive Solicitation," to the Chico Municipal Code to define conduct constituting aggressive and deceptive solicitation and restrict the places and manner in which such solicitation may occur. At its meeting of 5/6/03, the City Council held a public hearing on the proposed ordinance, after which it directed staff to make modifications regarding distance restrictions. The City Attorney recommended that the introductory reading of this ordinance be approved by the City Council and the final reading and adoption be considered at its meeting of 6/17/03.

A motion was made by Councilmember Wahl and seconded by Councilmember Bertagna to approve the introductory reading of this ordinance, by reading of title only, and to consider the final reading and adoption at its meeting of 6/17/03.

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk
NOES: None
ABSENT: None
DISQUAL: None

2.2. ORDINANCE NO. 2263 — AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO AMENDING TITLE 19 OF THE CHICO MUNICIPAL CODE IN REGARD TO SECOND DWELLING UNITS - Final Reading and Adoption

ORDINANCE NO. 2264 — AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO REZONING PROPERTIES GENERALLY LOCATED EAST OF WARNER STREET, WEST OF THE ESPLANADE, NORTH OF WEST SACRAMENTO AVENUE AND SOUTH OF WEST 11TH AVENUE TO INCLUDE A SD-4 SPECIAL DESIGN CONSIDERATIONS OVERLAY ZONE - WEST AVENUES
By memorandum dated 05/22/03, Principal Planner Pam Figge reported that the City Council at its 5/20/03 meeting, conducted a public hearing on the proposed second dwelling units zoning amendments and introduced both the text and zoning map ordinances deleting the requirement for owner-occupancy of the primary or second dwelling unit from the SD-4 Special design considerations overlay zone (West Avenues Neighborhood Area). The amendments to the text and map are in compliance with recent State legislation which mandated that second dwelling units be permitted by ministerial (administrative) permit (effective 7/1/03). Currently, second dwelling units are allowed in the City by discretionary action (use permit) only. The new regulations include expanded development standards. Second dwelling unit applications which do not comply with the standards can be considered through the use permit process.

The SD-4 Special Design Considerations Overlay Zone (West Avenues Neighborhood Area) includes a provision for use permit approval of all second dwelling units. This area has been distinguished due to several factors including, but not limited to, proximity to traffic generating uses and deficient and/or lacking infrastructure. The amendments are statutorily exempt from environmental review pursuant to Section 21080.17 of the Public Resources Code and as set forth in Section 15282(ii) of the Guidelines for the California Environmental Quality Act. Councilmember Wahl was disqualified from the discussion and subsequent action.

A motion was made by Councilmember Herbert and seconded by Vice Mayor Jarvis to 1) find that the amendments are statutorily exempt from environmental review; and 2) adopt both the text amendment ordinance and the rezone ordinance to establish the SD-4 Special design considerations overlay zone (West Avenues Neighborhood Area) by reading of the titles only.

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Kirk

NOES: None

ABSENT: None

DISQUAL: Wahl

4.2. BUDGET REVIEW

A. General Budget Review

The City Manager provided an overview of the 2003-04 Proposed Budget, including a review of the Budget Message, Budget Policies, General Fund, and Estimated Fund Balances.

Council concurred that the Transit Consolidation Committee would be made up of Councilmembers Gruendl, Jarvis and Wahl and that the committee would meet with BCAG, County and City representatives regarding possible consolidation of the transit systems.

Budget Policy Review - Allocation of New Positions - Policy No. 34 — Staff was directed to clarify that this policy relates to General Fund positions only and that the revised language be included in the final budget resolution.

Operating Budget Review — Staff was further directed to include the following allocations in the final budget resolution: 1) $380,000 from the General Fund (001) for eight patrol vehicles with the expenditure subject to a general fund reserve of at least $1.5 million upon close of 2002-03 books; and 2) an increase in the 02-03 Graffiti Prevention Expenses of $2,000 and $2,000 in 03-04.

B. Capital Budget Review

The City Council was provided a separate list of what the City Manager considered to be the major capital list to assist with Council’s review.

Staff was directed to include the following allocations:
1200 Park Avenue - 65208 $1,000,000 from the Low and Moderate Income Housing Fund (371) and $300,000 from H.O.M.E. Fund (206)

Bidwell Park Master Management Plan 19005 $62,000 from Park Fund (002); and transfer $206,000 from Disc Golf (10166) project; $25,000 from Upper Bidwell Park Resource Inventory (10146); and $58,000 from the Park Trail System EIR (12064)

Palmetto Avenue Improvements (10140) - Increased 02-03 Estimated Expenditures by $5,000 from the In-Lieu Offsite Improvement Fund (306)

Under Crossing Murals - New Minor - $5,000 from the General Fund (001)

C. Review of Additive Requests

The City Manager reviewed his recommendations for additive requests as set forth in Exhibit “B” to the City Manager’s Budget Message.

D. Community Organization Funding — This item was heard at 2:00 p.m.

By memorandum dated 05/21/03, the Assistant City Manager provided the following:

1. Worksheet which shows 2002-03 allocations, 2003-04 requests and 2003-04 recommendations by the Finance Committee (General/CDBG &TOT - Economic Development & Tourism) and by the Arts Commission (TOT - Arts Funding). The recommendations of the Finance Committee and the Arts Commission achieve a General Fund savings of $151,028 for Fiscal Year 03-04.

   Memorandum dated 04/01/03 from the Park Director providing a report to the Finance Committee on the Bidwell Park and Playground Commission’s funding recommendations for the Chico Creek Nature Center and the Chico Cat Coalition.

   Memorandum dated 05/08/03 from the Art Projects Coordinator providing a report on the Arts Commission’s funding recommendations for TOT funds.

2. Updated summary of funds available with adjusted available funding figures to achieve the recommended General Fund savings of $150,000.

3. Memorandum dated 04/16/03 from the City Manager which sets forth his recommendations to the Committee for funding levels and General Fund cost savings of $150,000 allocated from all three funding categories.

4. Reports from the Finance Committee for its meetings held on 04/10/03 and 04/24/03.

5. Additional information from applicants as listed in the memorandum. Such information was received subsequent to the 03/21/03 distribution of the community organization funding binders.

   A motion was made by Councilmember Herbert and seconded by Councilmember Wahl to approve the list as recommended with an increased allocation to University Public Events by $13,964.

   The motion carried by the following vote:

   AYES: Bertagna, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk
   NOES: None
   ABSENT: None
   DISQUAL: Gruendl
E. Conclude Budget Review

At the conclusion of the City Council Budget Review, the Council and Agency approved the modifications to the proposed budgets which included the adjustments listed above and the additive requests recommended by the City Manager and adopted the resolutions listed below.

_To consider this matter, the City Council acted in its capacity as both the City Council and the Chico Redevelopment Agency._


RESOLUTION NO. 06-03 — A RESOLUTION OF THE CHICO REDEVELOPMENT AGENCY ADOPTING THE 2003-04 TENTATIVE BUDGET FOR THE CHICO REDEVELOPMENT AGENCY

The motion carried by the following vote:

**AYES:** Bertagna, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk

**NOES:** None

**ABSENT:** Gruendl

**DISQUAL:** None

4.3. CONSIDERATION OF AN AGREEMENT FOR THE COMPLETION OF PETERSON NEIGHBORHOOD PARK AND TRANSFER OF THE IMPROVED PARK TO THE CHICO AREA RECREATION AND PARK DISTRICT

By memorandum dated 05/28/03, the City Manager provided background on the 5.44 acres Peterson Park site, which Webb Homes has offered to donate for the construction of a neighborhood park in northwest Chico. Webb Homes has requested reimbursement by the City for the costs of the improvements, which are approximately $675,000. The City Manager recommended approval of the accompanying minute order which would: 1) authorize the City Manager to execute the agreement and related documents which would provide for reimbursement to Webb Homes of the actual costs of the improvements to construct and develop Peterson Park in an amount not to exceed $675,000; 2) accept the conveyance of the constructed, improved Peterson Park from Webb Homes; and 3) authorize the conveyance of Peterson Park upon completion to the Chico Area Recreation and Park District for use as a neighborhood park. At its 4/22/03 meeting, the Finance Committee recommended (3-0) that the City enter into an agreement with Webb Homes providing for reimbursement of neighborhood park development costs, subject to identification of funding sources. At its 5/22/03 meeting with the Chico Area Recreation and Park District, the Finance Committee recommended (2-0-1, Wahl absent) combining Neighborhood Park Benefit Zones D and E to provide the funding for reimbursement of Peterson Park.

A motion was made by Vice Mayor Jarvis and seconded by Councilmember Wahl to approve the following minute order with the funds for reimbursement and associated staff cost to be included in the final budget resolution.

**MINUTE ORDER NO. 27-03 — AUTHORIZATION FOR THE CITY MANAGER TO EXECUTE DOCUMENTS RELATING TO: 1) REIMBURSEMENT OF THE COST OF INSTALLATION OF PETERSON PARK IMPROVEMENTS, 2) ACCEPTANCE OF THE CONVEYANCE OF THE IMPROVED PETERSON PARK, AND 3) CONVEYANCE OF THE IMPROVED PARK TO CHICO AREA RECREATION AND PARK DISTRICT FOR USE AS A NEIGHBORHOOD PARK (WEBB HOMES/CARD)**

The motion carried by the following vote:

**AYES:** Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk

**NOES:** None

**ABSENT:** None
4.4. CONSIDERATION OF FUNDING IN THE AMOUNT OF $10,000 FROM THE TRANSPORTATION FUND 212 FOR FINANCIAL PARTICIPATION IN A GRANT APPLICATION BEING PREPARED BY BUTTE COUNTY ASSOCIATION OF GOVERNMENTS

By memorandum dated 5/27/03, the Director of Public Works requested that $10,000 be allocated in the final budget in order for the City to participate financially in a grant which is being prepared by Butte County Association of Governments (BCAG). The Legaci Greater Valley Center grant application is for $55,000 and, if awarded, provided funds for the preparation of a community plan to address the land use and circulation needs for SHR 32 from Big Chico Creek to East Avenue. The City of Chico, BCAG, and the County of Butte are being asked to participate and to provide local matching funds. If BCAG is not awarded the grant, no financial obligation is required of the City. The Director of Public Works recommended allocating $10,000 from Fund 212 for this request.

A motion was made by Vice Mayor Jarvis and seconded by Councilmember Gruendl to approve allocating $10,000 from Fund 212, with staff to ask BCAG whether the study area could be expanded to Meridan. This item would be included in the final budget resolution.

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk
NOES: None
ABSENT: None
DISQUAL: None

4.5. FURTHER DISCUSSION REGARDING THE CRITERIA AND PROCESS TO ALLOW RENTALS IF AN OWNER OCCUPANCY REQUIREMENT WAS IMPOSED ON SECOND DWELLING UNITS

As requested by Council at its 5/20/03 meeting, by memorandum dated 5/23/03, Principal Planner Pam Figge explained the criteria and process Planning staff would propose to use to determine conditions of approval if the Council decided to adopt a use permit requirement for second dwelling units on properties which were not owner-occupied.

A motion was made by Vice Mayor Jarvis and seconded by Councilmember Gruendl to approve the owner occupancy requirement, city wide with a use permit for non-owner occupied, and directed staff to prepare an ordinance for Planning Commission review.

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk
NOES: None
ABSENT: None
DISQUAL: None

4.6. CONSIDERATION OF CITY MANAGER RECRUITMENT PROCESS

The City Council considered the method and approach for the recruitment of a new City Manager. Funds have been included in the 2003-04 budget to retain the services of a consulting firm to assist in the recruitment process.

A motion was made by Vice Mayor Jarvis and seconded by Councilmember Wahl to approve the recruitment process, using Bob Murray and Associates, with the City Manager coordinating the process to include involvement from the community, unions and management, and which may be incorporated in a third panel during the interview process.

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk
4.7. CONSIDERATION OF INCREASES TO SEWER SERVICE RATES AND ESTABLISHMENT OF A RATE FOR BREWERIES

At its meeting held 5/22/03, the Finance Committee recommended (2-0-1, Wahl absent) to establish a rate for breweries and to increase monthly sewer service rates with such increases to be phased in over a two year period. The Committee requested that the Council be informed that while supporting the motion, Councilmember Gruendl would prefer that the rate increases be implemented as recommended by staff in order to avoid a negative fund balance in 2004-05. The Committee directed staff to meet with Dan Goodrich, owner of the Chico Brewhouse to explain the methodology used in developing the fee for breweries.

The Director of Public Works forwarded a memorandum dated 5/27/03, as requested by the Committee, that provided the Council with a report on staff’s meeting with Mr. Goodrich and provided the Council with a recommended unrestricted fund balance reserve which could trigger a moratorium on future monthly sewer service rate increases.

A motion was made by Councilmember Nguyen-Tan and seconded by Vice Mayor Jarvis to continue this item for 30 days to allow Councilmembers additional time to review the proposed rates.

The motion carried by the following vote:

AYES:  Gruendl, Jarvis, Nguyen-Tan, Kirk
NOES:  Bertagna, Herbert, Wahl
ABSENT:  None
DISQUAL:  None

4.8. FURTHER DISCUSSION OF DEVELOPMENT PLAN FOR NORTHWEST CHICO DEVELOPMENT AREA (AGENDIZED AT THE REQUEST OF COUNCIL MEMBER WAHL)

By memorandum dated 5/13/03, the Planning Director reported that Councilmember Wahl requested additional discussion of a development plan for the Northwest Chico Development Area (NCDA). A request for proposals for consultant services in the preparation of this plan has been distributed. The Planning Director recommended that the Council direct that this plan be prepared as a specific plan.

A motion was made by Vice Mayor Jarvis and seconded by Councilmember Nguyen-Tan to change the development plan to a specific plan.

The motion carried by the following vote:

AYES:  Gruendl, Jarvis, Nguyen-Tan, Kirk
NOES:  Bertagna, Herbert, Wahl
ABSENT:  None
DISQUAL:  None

4.9. CONSIDERATION OF REQUEST FROM COUNCILMEMBER NGUYEN-TAN TO DISCUSS THE PROPOSED ACQUISITION OF THE SENATOR THEATER BY THE RIGHT NOW FOUNDATION

By letter dated 5/27/03, Councilmember Nguyen-Tan submitted a request to discuss the proposed acquisition of the Senator Theater. Pursuant to City Council Rules of Procedure, Council, decided by majority vote, to schedule this item to be heard at its meeting of 7/1/03, with Councilmember Wahl being disqualified from participating in the discussion. The Council was provided with a copy of a letter from Richard Elsom on behalf of the Right Now Foundation dated 5/27/03.
4.10. CONSIDERATION OF REPORT AND RECOMMENDATIONS FROM THE FINANCE COMMITTEE ON ITS MEETING HELD ON APRIL 9, 2003 REGARDING REVIEW AND CONSIDERATION OF PARK IMPACT FEE ASSUMPTIONS

By memorandum dated 5/14/03, the Finance Committee provided a report on its meeting held on 4/9/03. Committee members present were Councilmembers Gruendl, Wahl, and Nguyen-Tan, Chair. The item discussed was the review and consideration of park impact fee assumptions which the committee agreed (3-0) to forward to the City Council without a recommendation to allow for full Council discussion.

The City Council agreed to schedule a work session within 30 - 45 days to review park fee assumptions.

4.11. 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.

6.1. Memorandum dated 5/13/03, from the Assistant City Manager providing a report on contracts that have been awarded for the purchase of materials, supplies, and/or services required by the City, within the appropriations approved therefor in the current Annual Budget.

6.2. Memorandum dated 5/14/03 from the Finance Director reporting that the list of claims paid during the month of April 2003 has been produced and is available for review in the offices of the Finance Director, the City Clerk and the City Council.

6.3. Letter dated 5/5/03 from Tony Symmes requesting that the City Council consider his proposal for affordable single family housing on the remaining Humboldt Road acreage. The City Manager recommended that this item be forwarded to the Finance Committee for consideration after the City Council determines if the site will be used for a park upon conclusion of discussion with the Chico Area Recreation and Park District regarding park funding.

7. ADJOURNMENT

Adjourned at 3:30 p.m. to June 17, 2003 at 7:00 p.m., in Conference Room No. 2 if a closed session is scheduled, followed by an adjourned regular meeting in the Council Chamber at 7:30 p.m.

Date Approved: August 19, 2003

_________________________
Deborah R. Presson, City Clerk
ANNOUNCEMENT OF IDENTIFICATION OF NEGOTIATORS, PROPERTIES AND PARTIES WITH WHOM NEGOTIATORS MAY NEGOTIATE IN REGARD TO CLOSED SESSION ITEM NO. 2.4., CONFERENCE WITH REAL PROPERTY NEGOTIATOR

The City Council announced that it would adjourn to closed session to discuss negotiations with the City’s real property negotiator regarding the proposed acquisition affecting the following:

<table>
<thead>
<tr>
<th>Property Owner</th>
<th>Property Address</th>
<th>Assessor’s Parcel No.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Union Pacific Railroad Company</td>
<td>Railroad Right of Way South of Lindo Channel to South of 11th Avenue</td>
<td>043-630-067 043-040-014</td>
</tr>
</tbody>
</table>

The City’s negotiator is City Manager Tom Lando and the parties with whom negotiations are proposed to be conducted are the respective property owners (or such persons designated as their agent for the purpose of negotiations).

1. CALL TO ORDER — Mayor Kirk called the meeting to order at 7:00 p.m. in the Chico Municipal Center, Conference Room #2, 421 Main Street.

1.1. Roll Call — Present: Bertagna, Gruendl, Jarvis, Herbert, Nguyen-Tan, Wahl, Kirk

Absence: None

2. CLOSED SESSION

2.1. CONFERENCE WITH LABOR NEGOTIATOR: The City’s negotiator is Personnel Director Erlandson for all employee organizations except the Management Employees, for which City Manager Lando is the City’s negotiator. The names of the employee organizations that represent employees are Chico Police Officers Association (Sworn and Non-Sworn Units), International Association of Firefighters, and Service Employees International Union (Trades and Crafts Unit and Clerical, Technical and Professional Unit). The unrepresented employees are Confidential Employees and Management Employees. (Gov. Code Sec. 54957.6.)

2.2. CONFERENCE WITH LEGAL COUNSEL — EXISTING LITIGATION: The City Attorney reviewed the following: Meghdadi v. Chico City Council., Butte County Superior Court Case 127773. (Gov. Code Sec. 54956.9(a).)

2.3. CONFERENCE WITH REAL PROPERTY NEGOTIATOR FOR PROPOSED ACQUISITION OF STORM DRAINAGE EASEMENT. Pursuant to Government Code Section 54954.8, the item of business to be discussed is a conference with the real property negotiator. The items under discussion are instruction to the City’s negotiator on price and terms of payment for proposed acquisition. The City’s negotiator is City Manager Tom Lando and the parties with whom negotiations are proposed to be conducted are the owners (or such persons designated as their agent for the purpose of negotiations) as listed below:

<table>
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<td>043-630-067 043-040-014</td>
</tr>
</tbody>
</table>

2.4. CONFERENCE WITH LEGAL COUNSEL -- EXISTING LITIGATION: The City Attorney reviewed the following: Regional Water Quality Control Board Cleanup and Abatement Order No. R5-2003-0707 (Humboldt Road Burn Dump). (Gov. code Sec. 54956.9(a).)

2.5. PUBLIC EMPLOYEE PERFORMANCE EVALUATION: The City Council reviewed the City Attorney’s performance. (Gov. Code Section 54957.)

3. ADJOURNMENT

Adjourned at 7:30 p.m. to a Redevelopment Agency meeting in the Council Chamber.
1. **CALL TO ORDER** — Mayor Kirk called the Adjourned Regular Chico Redevelopment Agency Meeting to order at 7:30 p.m. in the Chico Municipal Center, Council Chamber, 421 Main Street.

1.1. Flag Salute

1.2. Invocation — Pastor Scott A. Tourville, Landmark Missionary Baptist Church

1.3. Roll Call — Present: Bertagna, Gruendl, Jarvis, Herbert, Nguyen-Tan, Wahl, Kirk

Absent: None

1.4. **Closed Session Announcement** — Mayor Kirk announced that in Closed Session the City Council discussed the Humboldt Road Burn Dump’s abatement order and voted (7-0) to 1) authorize the City Manager to request that the Regional Board extend the time in which to file a draft Remedial Action Plan, in light of the newly discovered requirement for environmental review, and that the Regional Board’s Order be suspended until that request is resolved; and 2) authorize the City Manager to petition the State Board for review, including in that petition a request that the review process be held in abeyance pending negotiations with the Regional Board.

2. **CONSENT AGENDA** — A motion was made by Councilmember Herbert and seconded by Councilmember Wahl to approve the following Consent Agenda item:

2.1. **RDA RESOLUTION NO. 07-03** — A RESOLUTION OF THE CHICO REDEVELOPMENT AGENCY APPROVING AN ADDITIONAL LOAN OF FUNDS FROM THE AGENCY'S LOW AND MODERATE INCOME HOUSING FUND TO THE 1200 PARK AVENUE LIMITED PARTNERSHIP FOR THE DEVELOPMENT OF AN AFFORDABLE SENIOR RENTAL HOUSING PROJECT LOCATED AT 1200 PARK AVENUE, CHICO, CALIFORNIA

At its meeting of 6/03/02, the Agency Board approved a request from the 1200 Park Avenue L.P. for additional funds for the development of the senior housing project at 1200 Park Avenue. The resolution formalizes the approval and provided authorization for the Executive Director to execute an amendment to the existing loan agreement with the Partnership to incorporate the additional funding. In addition the resolution authorized staff to disburse funds to the Partnership for the repayment of a note and deed of trust it executed for acquisition of the project site. The Executive Director recommended adoption of the resolution.

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk

NOES: None

ABSENT: None

DISQUAL: None

3. **NOTICED PUBLIC HEARINGS** - None

4. **REGULAR AGENDA** - None

4.1. **ITEMS REMOVED FROM THE CONSENT AGENDA** - None

4.2. **CONSIDERATION OF REPORT AND RECOMMENDATIONS FROM THE FINANCE COMMITTEE ON ITS MEETING HELD ON MAY 28, 2003**

By memorandum dated 6/2/03, the Finance Committee provided a report on its meeting held on 5/28/03. Committee members present were Councilmembers Gruendl, Wahl, and Nguyen-Tan, Chair. The matters considered by the Committee are listed below.
The City Council acted in its capacity as both the Chico Redevelopment Agency and the City Council to consider Item A. regarding the Esplanade House.

A. Proposed Transfer of Esplanade House at 2505 Esplanade to Caminar Inc., and Butte County Behavioral Health. The Committee recommended (3-0) that the Community Action Agency proceed with the transfer of the Esplanade property to Caminar, Inc. under the conditions recommended and outlined in the memorandum from the Housing Officer, with the exception of the transfer of the HOME loan and the deed of trust which will instead be paid in full upon sale of the property.

A motion was made by Vice Mayor Jarvis and seconded by Councilmember Bertagna to approve the transfer.

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk
NOES: None

B. Request to Accept Grant Funds from California Housing Finance Agency (CHFA) as a Portion of the Borrower’s Five Percent Contribution Requirement of the Mortgage Subsidy Program (MSP). The Committee recommended (3-0) amending the City of Chico Administrative Policies and Procedures to change the previously required minimum borrower contribution from five percent of the total sale price, to a fixed dollar amount of $5,000.

A motion was made by Vice Mayor Jarvis and seconded by Councilmember Wahl to approve the request.

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk
NOES: None

C. Staff Report for Mortgage Subsidy Program (MSP) Discussion by Housing Element Technical Advisory Committee (TAC). The Committee recommended (3-0) modifying the Mortgage Subsidy Program (MSP) as follows: 1) Set the sale price limit for the MSP at $200,000 which is approximately 110% of the previous year’s median sale price; and 2) Increase loan limits for lower income applicants from $20,000 to $45,000, median income from $15,000 to $30,000, and moderate income from $10,000 to $15,000. Staff will also continue to provide the Committee with quarterly reports on sales price activity.

A motion was made by Vice Mayor Jarvis and seconded by Councilmember Wahl to approve staff recommendations.

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk
NOES: None

D. Request from Mortgage Subsidy Program Borrower to Use Home’s Equity to Make Property Improvements. The Committee recommended (3-0) that the current MSP policy be revised to allow subordination of MSP loan interest subject to the following conditions: 1) Principal balance has been paid in full; 2) Proposed repairs and improvements are consistent with the City’s Housing Rehabilitation Program; 3) Combined proposed debt on the property is less than 90% of
its value before the improvements are completed; and 4) Borrower deposits funds in an escrow with disbursements to the contractor requiring City approval.

A motion was made by Vice Mayor Jarvis and seconded by Councilmember Wahl to approve the revisions to the MSP policy, as recommended by the Finance Committee and staff.

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk
NOES: None

COMMITTEE MATTERS REQUIRING NO CITY COUNCIL/REDEVELOPMENT AGENCY ACTION AT THIS MEETING:

E. Approval of $22,850 Housing Rehabilitation Loan Request and a Grant of $8,100 for Lead Hazard Abatement Activity–Rosemary Rist, 1019 Sheridan. The Committee approved (3-0) the housing rehabilitation loan request for $22,850, and a grant for $8,100 for lead hazard abatement activity. Funds will be allocated from the City’s HOME Program.

F. Future Meetings. The Finance Committee agreed to discuss proposals for the development of the Redevelopment Agency owned housing site on the Notre Dame extension at its meeting of 6/19/03.

5. ITEMS ADDED AFTER POSTING OF THE AGENDA - None

6. ADJOURNMENT

Adjourned to a City Council meeting.
1. **CALL TO ORDER** — Mayor Kirk called the Adjourned Regular Chico City Council Meeting to order in the Chico Municipal Center, Council Chamber, 421 Main Street.

1.1. Roll Call — Present: Bertagna, Gruendl, Jarvis, Herbert, Nguyen-Tan, Wahl, Kirk  
Absent: None

2. **CONSENT AGENDA** — Item 2.12 was removed from the Consent Agenda and heard under Item 4.1. A motion was made by Vice Mayor Jarvis and seconded by Councilmember Bertagna to approve the remaining Consent Agenda items:

2.1. **ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO AMENDING SECTIONS OF THE CHICO MUNICIPAL CODE TO REPLACE GENDER-SPECIFIC REFERENCES WITH GENDER-NEUTRAL REFERENCES AND TO MAKE NON-SUBSTANTIVE TECHNICAL CORRECTIONS** - Introductory Reading

By memorandum dated 5/20/03, Assistant City Attorney Rock reported that this ordinance amends sections of the Chico Municipal Code to replace gender-specific references throughout the code with gender-neutral references and makes non-substantive technical corrections to the code. This ordinance was submitted for introduction by reading of title only.

2.2. **ORDINANCE NO. 2265 — AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO ADDING CHAPTER 9.54, ENTITLED “AGGRESSIVE AND DECEPTIVE SOLICITATION,” TO THE CHICO MUNICIPAL CODE** - Final reading and adoption

By memorandum dated 5/16/03, Assistant City Attorney Rock reported that modifications pursuant to Council meeting of 5/6/03 were made to this ordinance. This ordinance was submitted for adoption by reading of title only.


By memorandum dated 6/3/03, Assistant City Attorney Rock forwarded an ordinance repealing Chapter 3.40, entitled “Property Taxes,” of the Chico Municipal Code. Since Proposition 13, local municipalities no longer have the authority to administer property taxes.

2.4. **RESOLUTION NO. 123 02-03 — A RESOLUTION OF INTENTION OF THE CITY COUNCIL OF THE CITY OF CHICO TO ABANDON AND VACATE PUBLIC UTILITY EASEMENT PURSUANT TO THE PUBLIC STREETS, HIGHWAYS, AND SERVICE EASEMENTS VACATION LAW (CAMPBELL HEALTHCARE INVESTMENTS, LP)**

By memorandum dated 5/19/03, the Director of Public Works reported that the property owner, Campbell Healthcare Investments, LP, has petitioned the City to abandon the six-foot-wide public utility easement between Lots 12 and 13 of the Eastwood Subdivision between Raley Boulevard and Skyway, in order to allow recording of a boundary line modification that modifies existing property lines to accommodate development of the site with medical offices. The Director of Public Works recommended adoption of the resolution which would schedule a public hearing regarding this abandonment on 7/15/03 at 7:30 p.m.

2.5. **RESOLUTION NO. 124 02-03 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO INITIATING PROCEEDINGS TO ANNEX PROPERTY NOW LOCATED IN THE UNINCORPORATED TERRITORY OF THE COUNTY OF BUTTE TO THE INCORPORATED TERRITORY OF THE CITY OF CHICO - EAST 7TH AVENUE ANNEXATION DISTRICT NO. 5.**

By memorandum dated 5/6/03, the Assistant Community Development Director forwarded a report on initiation of the annexation of 18 parcels along Palm Avenue, generally between East 6th and 7th
June 17, 2003

Avenues.

The parcels are predominantly developed or proposed for development with single family residences, although several parcels contain more than one residence. The General Plan designates the area on the east side of Palm Avenue for medium density residential and low density residential to the west. Properties are prezoned R-2 Medium Density Residential and R-1 Low Density residential consistent with the plan. Property owners are identified in the staff report. The Assistant Community Development Director recommended adoption of the resolution.

2.6. RESOLUTION NO. 125 02-03 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO AUTHORIZING GRANT OF LICENSE TO CALIFORNIA STATE UNIVERSITY CHICO FOR ENCROACHMENT ON PUBLIC RIGHT OF WAY (25 MAIN STREET / APN 003-190-034-000)

By memorandum dated 5/13/03, the Director of Public Works reported on a request by CSU, Chico Research Foundation to encroach on public right of way adjacent to 25 Main Street for the purpose of installing underground telecommunications equipment in order to provide telecommunications services to the building located at 25 Main Street. The Director of Public Works recommended adoption of this resolution which authorized the Grant of License and execution of the Grant of License by the City Manager.

2.7. RESOLUTION NO. 126 02-03 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO LEVYING ASSESSMENT INSTALLMENTS IN LIEU OF THE PAYMENT OF SEWER SYSTEM CONNECTION FEES INCIDENT TO THE CONNECTION OF PREMISES TO THE CITY SEWER SYSTEM - 1169 E. 8TH STREET / A.P. NO. 004-331-020

By memorandum dated 5/8/03, the Director of Public Works reported that in accordance with a petition from the property owner, Meda-Lou Padden, this resolution authorized sewer assessments to be collected on the tax roll as set forth in the Director of Public Works' report dated 5/8/03 attached to the resolution. These assessments are in lieu of payment of the sewer system connection fees which would ordinarily be due and payable at the time of connecting the premises to the City’s sewer system. The Director of Public Works recommended adoption of the resolution.

2.8. RESOLUTION NO. 127 02-03 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO APPROVING AN ADDITIONAL GRANT OF FUNDS FROM THE CITY’S HOME PROGRAM TO THE 1200 PARK AVENUE LIMITED PARTNERSHIP FOR THE DEVELOPMENT OF AN AFFORDABLE SENIOR RENTAL HOUSING PROJECT LOCATED AT 1200 PARK AVENUE, CHICO, CALIFORNIA

At its meeting of 6/03/02, the Council approved a request from the 1200 Park Avenue L.P. for additional funds for the development of the senior housing project at 1200 Park Avenue. The resolution formalizes the approval and provided authorization for the City Manager to execute an amendment to the existing grant agreement with the Partnership to incorporate the additional funding. In addition the resolution authorized staff to disburse funds to the Partnership for the repayment of a note and deed of trust it executed for acquisition of the project site. The City Manager recommended adoption of the resolution.

2.9. RESOLUTION NO. 128 02-03 — A RESOLUTION OF INTENTION OF THE CITY COUNCIL OF THE CITY OF CHICO TO ORDER FORMATION OF A MAINTENANCE DISTRICT PURSUANT TO THE MAINTENANCE DISTRICT ORDINANCE OF 1997 - CITY OF CHICO MAINTENANCE DISTRICT NO. 535 (CALIFORNIA PARK - DEAD HORSE SLOUGH)

Because of development along Yosemite Drive in the California Park area, the adjacent drainage channel has been impacted by the year-round presence of water, which when combined with the settling of sediment in the small ponds, has created an environment for certain plant species to thrive, thereby affecting the ability of the channel to carry the storm drainage runoff. Because all of the lots within adjacent subdivisions currently contribute or will be contributing to the flows that sustain the plant growth, the formation of a maintenance district is being proposed as the most feasible means to keep the vegetation under control. Therefore, in accordance with the provisions of Proposition 218 and
Chapter 3.81 of the Chico Municipal Code, Council is being asked to adopt the above resolution initiating the formation of a maintenance district and direct the City Clerk to schedule two public hearings.

Prior to these hearings, a ballot will be mailed to all property owners to allow them to vote on whether they wish to be assessed for the ongoing maintenance and operation of the district improvements. The Director of Public Works recommended adoption of the resolution and that the City Clerk schedule the public hearings.

2.10. MINUTE ORDER NO. 28-03 — AUTHORIZATION FOR CITY MANAGER TO EXECUTE AGREEMENTS AND RELATED DOCUMENTS IN CONNECTION WITH THE FOREST AVENUE WIDENING AND FOREST/HUMBOLDT SIGNALIZATION PROJECTS (AP NO. 002-050-171) - MILLER

This minute order authorized the City Manager to execute agreements and other documents to acquire property rights needed for the Forest Avenue projects from the property owner of 1159 Forest Avenue according to the terms set out in the minute order. The Assistant City Manager recommended approval of the minute order.

2.11. ACCEPTANCE OF BUILDING OFFICIAL’S ANNUAL REPORT TO COUNCIL FOR CALENDAR YEAR 2002 — REVENUE & TAXATION REQUIREMENT FOR SUBSTANDARD HOUSING CODE ENFORCEMENT (RENTAL)

By memorandum dated 5/22/03, the Building Official reported that there were no substandard rental units reported to the Franchise Tax Board during the 2002 calendar year. Three violation notices were issued for substandard rental housing units during that time period, all of which were cleared within the calendar year. The Building Official recommended acceptance of the report.

2.12. ACCEPTANCE OF REPORT AND RECOMMENDATIONS FROM THE FINANCE COMMITTEE ON ITS MEETING HELD ON MAY 22, 2003 — this item was removed from the Consent Agenda and heard under Item 4.1.

2.13 APPROVAL OF AWARD OF BIDS FOR LEGAL PUBLICATIONS FOR THE 2003-04 FISCAL YEAR

By memorandum dated 6/9/03, the City Clerk forwarded pertinent information on the bid received for Legal Publications; and the bids received for Display Publications for the 2003-04 fiscal year. It is noted that in 2000 it was determined that the Chico Enterprise-Record was currently the only newspaper in the City that meets the criteria set forth in Government Code Section 6008 as a “newspaper of general circulation,” and is, therefore, the only newspaper qualified to bid for the City’s Legal Publications pursuant to the City’s Charter. The City Clerk recommended: (1) that the bid for Legal Publications be awarded to the Chico Enterprise-Record; and (2) that bids for Display Publications be awarded to both the Chico Enterprise-Record and the Chico News & Review, with display publications to be placed in both newspapers as equally as possible.

The motion to approve the Consent Agenda, with Item 2.12 removed and heard under Item 4.1., carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk
NOES: None

3. NOTICED PUBLIC HEARINGS
3.1. HEARING ON AN AMENDMENT TO THE CITY ZONING MAP TO INCLUDE 34 PARCELS INADVERTENTLY OMITTED FROM THE PLANNING COMMISSION RECOMMENDATION FOR INCLUSION IN THE SD-4 DESIGN CONSIDERATIONS OVERLAY ZONE (WEST AVENUES NEIGHBORHOOD AREA). ALL NEW SECOND DWELLING UNITS WITHIN THE SD-4 OVERLAY ZONE REQUIRE USE PERMIT APPROVAL. THE OVERLAY DISTRICT ALSO PROVIDES THE WEST AVENUES NEIGHBORHOOD AREA WITH A DEFINED BOUNDARY FOR A FUTURE NEIGHBORHOOD PLAN (CITY OF CHICO - RZ 03-03) - Final Reading and Adoption

By memorandum dated 06/06/03, Principal Planner Pam Figge reported that at the May 20, 2003 City Council meeting, Council held a public hearing on text amendments to the current regulations and standards for second dwelling units and a revision to the City zoning map to establish a SD-4 Special design considerations overlay zone (West Avenues Neighborhood Area). The public notice for the Council’s hearing inadvertently omitted 34 parcels from the West Avenues Neighborhood Area as recommended by the Planning Commission.

The balance of the properties within the overlay area were included in the notice which received a public hearing, introduction at the May 20, 2003 and adoption at the June 3, 2003 City Council meeting. Adoption of this ordinance adds the omitted parcels to the SD-4 Special design considerations overlay zone (West Avenues Neighborhood Area). This ordinance was introduced at the June 3, 2003 City Council meeting. The proposed zoning map revision is statutorily exempt pursuant to Section 21080.17 of the Public Resources Code and set forth in Section 15282(i) of the Guidelines for the California Environmental Quality Act.

The Planning Director recommended that the City Council: 1) hold a public hearing on the proposed amendment to the zoning map; 2) find that the map amendment is statutorily exempt from environmental review; and 3) adopt the rezone ordinance to add 34 parcels to the SD-4 Special design considerations overlay zone (West Avenues Neighborhood Area) by reading of the title only. Councilmember Wahl disqualified himself from the hearing and subsequent action. Mayor Kirk opened the hearing to the public. No one spoke and the hearing was closed.

A motion was made by Councilmember Herbert and seconded by Councilmember Bertagna to adopt:

ORDINANCE NO. 2266 — AN ORDINANCE OF THE COUNCIL OF THE CITY OF CHICO REZONING PROPERTIES GENERALLY LOCATED ON GREENWOOD LANE AND ALONG THE WEST SIDE OF CITRUS AVENUE SOUTH OF WEST 11TH AVENUE AND NORTH OF WEST 6TH AVENUE TO INCLUDE A SD-4 SPECIAL DESIGN CONSIDERATIONS OVERLAY ZONE - WEST AVENUES NEIGHBORHOOD AREA (REZONE 03-03 CITY OF CHICO) - Final Reading and Adoption

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Kirk
NOES: None
ABSENT: None
DISQUAL: Wahl

4. REGULAR AGENDA

4.1. ITEMS REMOVED FROM THE CONSENT AGENDA

2.12. ACCEPTANCE OF REPORT AND RECOMMENDATIONS FROM THE FINANCE COMMITTEE ON ITS MEETING HELD ON MAY 22, 2003 — this item was removed from the Consent Agenda and heard under Item 4.1.

By memorandum dated 6/5/03, the Finance Committee provided a report on its meeting held on 5/22/03. Committee members present were Councilmembers Gruendl and Nguyen-Tan, Chair. Actions taken by the Committee included:

A. Review and Consideration of Park Impact Fee Assumptions. The Committee agreed (2-0-1,
Wahl absent) to continue discussion of this item at its meeting of 6/19/03. The Committee requested staff to provide a report on approaches to the use of TOT funds, background information on community bonds, and an inventory of surplus City owned property. The Committee also agreed to discuss park ownership, management, and liability insurance concerns which must be addressed to finalize an agreement with CARD.

B. **Consideration of Increases to Sewer Service Rates and Establishment of a Rate for Breweries.** The Committee recommended (2-0-1, Wahl absent) to increase sewer service rates and establish a rate for breweries, with such increases to be phased in over a two year period. The Committee requested that the City Council be informed that while supporting the motion, Councilmember Gruendl would prefer that the rate increases be implemented as recommended by staff in order to avoid a negative fund balance in 2004-05. This item was forwarded to the City Council for discussion at its meeting of 6/3/03.

A motion was made by Vice Mayor Jarvis and seconded by Councilmember Bertagna to accept the 5/22/03 Finance Committee report.

The motion carried by the following vote:

**AYES:** Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk

**NOES:** None

4.2. **INITIAL CONSIDERATION OF APPEAL BY MARSHALL GREGORY OF THE BIDWELL PARK AND PLAYGROUND COMMISSION’S APRIL 28, 2003 DECISION TO REQUIRE THE REMOVAL OF THE LANDSCAPING AND IRRIGATION FROM CITY PROPERTY IN LINDO CHANNEL**

At its 4/28/03 meeting, the Bidwell Park and Playground Commission denied (5 in favor, 2 absent) the request of Marshall Gregory, 44 Guynn Bridge Court, to retain landscaping and irrigation on City property along Lindo Channel. Marshall Gregory appealed this decision to the City Council. By memorandum dated 5/14/03, the Park Director indicated the City Council has the option of taking no action and upholding the Bidwell Park and Playground Commission decision, thereby denying the appeal, or by a vote of at least four Council members, calling up the record of proceedings and setting a public hearing on the appeal. Addressing Council on this issue were Susan Mason, Michael Jones, and Marshall Gregory.

A motion was made by Councilmember Bertagna and seconded by Councilmember Herbert to hear the appeal thereby calling up the record of proceedings and setting a public hearing on the appeal for 7/1/03. Staff was also directed to provide the Council with a separate report that clarifies the status of all remaining encroachments, along with an outline of the permit process for fire breaks and vegetation.

The motion carried by the following vote:

**AYES:** Bertagna, Gruendl, Herbert, Wahl, Kirk

**NOES:** Jarvis, Nguyen-Tan

4.3. **INITIAL CONSIDERATION OF APPEAL BY THE SIXTH AND MAIN INVESTOR GROUP OF THE BIDWELL PARK AND PLAYGROUND COMMISSION’S APRIL 28, 2003 DECISION TO DENY PLANTING FIVE CALIFORNIA FAN PALM TREES AT 555 MAIN STREET**

At its 4/28/03 meeting, the Bidwell Park and Playground Commission denied (3 in favor, 2 opposed, 2 absent) the request by the Sixth and Main Investor Group to plant, care for, and maintain, five (5) California Fan Palm trees, in addition to the street trees required as conditions of approval of a proposed Mixed Use project located at the northeast corner of Sixth and Main Streets, more commonly known as the 555 Main Street Building. By memorandum dated 5/14/03, the Park Director indicated the City Council has the option of taking no action and upholding the Bidwell Park and Playground Commission decision, thereby denying the appeal, or by a vote of at least four Council members,
calling up the record of proceedings and setting a public hearing on the appeal. Councilmember Wahl disqualified himself from the discussion and subsequent action.

A motion was made by Vice Mayor Jarvis and seconded by Councilmember Bertagna to hear the appeal thereby calling up the record of proceedings and setting a public hearing on the appeal for 7/1/03 and directed staff to provide a background report on why palm trees are not allowed as street trees.

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Kirk
NOES: None
ABSENT: None
DISQUAL: None

4.4. PRESENTATION BY CALIFORNIA REGIONAL WATER QUALITY CONTROL BOARD AND CITY DEPARTMENT OF PUBLIC WORKS STAFF ON NATIONAL POLLUTION DISCHARGE ELIMINATION SYSTEM PHASE II (NPDES II) PROGRAM

By memorandum dated 6/4/03, the Director of Public Works provided an overview of the National Pollution Discharge Elimination System program, and summarized the presentation made by staff from the California Regional Water Quality Control Board (RWQCB) and the City’s Department of Public Works. Council concurred that the storm water quality plan will be revisited as costs become known and referred John Nock’s comments regarding quantity of storm drainage runoff possibly caused by the City to Internal Affairs.

4.5. CONSIDERATION OF REPORT FROM THE INTERNAL AFFAIRS COMMITTEE ON ITS MEETING HELD ON MAY 13, 2003

By memorandum dated 5/15/03, the Internal Affairs Committee provided a report on its meeting held on 5/13/03. Committee members present were Councilmembers Bertagna, Jarvis, and Herbert, Chair.

COMMITTEE MATTERS REQUIRING CITY COUNCIL ACTION ON 6/3/03:

A. Consideration of the Removal of the Crosswalk on Longfellow Avenue at East Lindo Avenue. The Committee recommended (3-0) the removal of the crosswalk on Longfellow Avenue at East Lindo Avenue.

Addressing the Council were John Gillardo, Tom Graham, and Stuart King.

A motion was made by Vice Mayor Jarvis and seconded by Councilmember Bertagna to accept the Committee’s recommendation.

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk
NOES: None

B. Consideration of Administrative Policy & Procedure - Implementation of the Mills Act for Historic Property Preservation. The Committee recommended (3-0) City Council adoption of the AP&P establishing a procedure for entering into Historic Property Preservation Agreements, and establishing an application fee of $500.

A motion was made by Councilmember Bertagna and seconded by Councilmember Nguyen-Tan to adopt the following resolution:
RESOLUTION NO. 129 02-03 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO AMENDING THE CITY’S FEE SCHEDULE (AMENDMENT NO. 277 – PLANNING DIVISION FEES)

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk
NOES: None

C. Approval of Traffic Regulation Amendment No. 761 Which Will Convert One Two-Hour Metered Parking Space in the Downtown Parking Structure to a Police Parking Tow-Away Zone and Designate the Existing Police Parking Space as a Tow-Away Zone. The Committee recommended (3-0) approval of Traffic Regulation Amendment No. 761 which will convert one two-hour metered parking space in the downtown parking structure to a police parking tow-away zone and designate the existing police parking space as a tow-away zone.

A motion was made by Vice Mayor Jarvis and seconded by Councilmember Bertagna to adopt the following resolution:

RESOLUTION NO. 130 02-03 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO ADOPTING TRAFFIC REGULATION AMENDMENT NO. 761

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk
NOES: None

D. Approval of Traffic Regulation Amendment No. 762 Which Will Convert Nine One-Hour Meters to Two-Hour Meters in Municipal Parking Lot No. 5. The Committee recommended (3-0) approval of Traffic Regulation Amendment No. 762 which will convert nine one-hour meters to two-hour meters in Municipal Parking Lot No. 5.

A motion was made by Vice Mayor Jarvis and seconded by Councilmember Herbert to adopt the following resolution:

RESOLUTION NO. 131 02-03 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO ADOPTING TRAFFIC REGULATION AMENDMENT NO. 762

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk
NOES: None

4.6. DISCUSSION OF CLEAN UP AND ABATEMENT ORDER FOR THE HUMBOLDT ROAD BURN DUMP RELATIVE TO THE TIME-FRAME SET FORTH THEREIN

The City has been served with Cleanup and Abatement Order No. R5-2003-0707, for the Humboldt Road Burn Dump. The order is significant in a number of ways, but most importantly in that a Remedial Action Plan is expected in a short time-frame. The City Council discussed how the City should respond to these time-frames, and whether or not to require the Humboldt Road Burn Dump Committee to report back sooner in order to meet these time frames. Addressing the City Council on this item were Susan Minaision, Valerie Schmidt, Phil Woodward and James Fletcher.

A motion was made by Vice Mayor Jarvis and seconded by Councilmember Herbert to move the committee report deadline up to June 30, 2003. A meeting was scheduled for 7/14/03 from 6:30 to 10:00 p.m.
The motion carried by the following vote:

**AYES:** Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk

**NOES:** None

4.7. **FUTURE MEETING**

The Council concurred to discuss park fee assumptions at the City Council meeting to be held on 7/15/03.

4.8. **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.

7. **ADJOURNMENT**

The City Council adjourned the meeting at 9:42 p.m. to July 1, 2003, at 7:00 p.m., in Conference Room No. 2 if a closed session is scheduled, followed by a regular meeting in the Council Chamber at 7:30 p.m.

Date Approved: August 19, 2003

________________________________
Deborah R. Presson
ADJOURNED REGULAR CHICO CITY COUNCIL MEETING — July 1, 2003
Minutes

1. CALL TO ORDER — Mayor Kirk called the Adjourned Regular Chico City Council Meeting to order at 7:00 p.m. in the Chico Municipal Center, Conference Room #2, 421 Main Street.

1.1. Roll Call — Present: Bertagna, Gruendl, Jarvis, Herbert, Nguyen-Tan, Wahl, Kirk
Absent: None

2. CLOSED SESSION

2.1. CONFERENCE WITH LEGAL COUNSEL AND RISK MANAGER — EXISTING LITIGATION: The City Attorney and Risk Manager reviewed settlement of the workers’ compensation claim of John Martin. (Gov. Code Sec. 54956.9(a).)

2.2. PUBLIC EMPLOYEE PERFORMANCE EVALUATION: The City Council reviewed the City Attorney’s performance. (Gov. Code Section 54957.)

3. ADJOURNMENT

Adjourned to a Redevelopment Agency meeting in the Council Chamber.
1. **CALL TO ORDER** — Mayor Kirk called the Regular Chico Redevelopment Agency Meeting to order at 7:33 p.m. in the Chico Municipal Center, Council Chamber, 421 Main Street.

1.1. Flag Salute

1.2. Invocation

Presentation — Letters of appreciation from the Mayor to Corporal Michael Wilson and Sergeant Jeffrey Camozzi.

1.3. Roll Call — Present: Bertagna, Gruendl, Jarvis, Herbert, Nguyen-Tan, Wahl, Kirk

Absent: None

1.4. Closed Session Announcement — none

2. **CONSENT AGENDA**

2.1. **ADOPTION OF 2003-04 CITY OF CHICO AND CHICO REDEVELOPMENT AGENCY FINAL BUDGETS**

To consider this item, the City Council convened as both the City Council and the Chico Redevelopment Agency.

By memorandum dated 6/23/03, the City Manager submitted the Final Budget resolutions for the 2003-04 City of Chico and Chico Redevelopment Agency Annual Budgets together with a summary of budget adjustments which include those approved at the 6/03/03, meeting, and those additional requests and corrections that were discovered by staff following adoption of the Tentative Budgets on 6/03/03. The Budget adjustments adopted by the below resolutions will be incorporated into the Final Budget.

A motion was made by Vice Mayor Jarvis and seconded by Councilmember Bertagna to adopt the following resolutions:


RESOLUTION NO. RDA.08-03 — RESOLUTION OF THE CHICO REDEVELOPMENT AGENCY ADOPTING THE 2003-04 FINAL BUDGET FOR THE CHICO REDEVELOPMENT AGENCY

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk

NOES: None

ABSENT: None

DISQUAL: None

3. **NOTICED PUBLIC HEARINGS** — none

4. **REGULAR AGENDA** — none

4.1. **ITEMS REMOVED FROM THE CONSENT AGENDA** — none

5. **ITEMS ADDED AFTER POSTING OF THE AGENDA** — none

6. **ADJOURNMENT**

Adjourned to a City Council meeting.

REGULAR CHICO CITY COUNCIL MEETING — July 1, 2003
1. **CALL TO ORDER** — Mayor Kirk called the Regular Chico City Council Meeting to order at 7:47 p.m. in the Chico Municipal Center, Council Chamber, 421 Main Street.

1.1. Roll Call — Present: Bertagna, Gruendl, Jarvis, Herbert, Nguyen-Tan, Wahl, Kirk
    Absent: None

2. **CONSENT AGENDA** — Item 2.6. was removed from the Consent Agenda and will be heard at a future meeting. Items 2.9. and 2.11. were removed from the Consent Agenda and heard under Item 4.1. A motion was made by Vice Mayor Jarvis and seconded by Councilmember Herbert to approve the remaining Consent Agenda items:


   At its meeting of 6/17/03, the City Council approved the introductory reading of this ordinance repealing Chapter 3.40, entitled “Property Taxes,” of the Chico Municipal Code. Since Proposition 13, local municipalities no longer have the authority to administer property taxes. The City Manager recommended adoption of this ordinance by reading of title only.

2.2. **ORDINANCE NO. 2268 — AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO AMENDING SECTIONS OF THE CHICO MUNICIPAL CODE TO REPLACE GENDER-SPECIFIC REFERENCES WITH GENDER-NEUTRAL REFERENCES AND TO MAKE NON-SUBSTANTIVE TECHNICAL CORRECTIONS - Final Reading and Adoption**

   At its meeting of 6/17/03, the City Council approved the introductory reading of this ordinance which amends sections of the Chico Municipal Code to replace gender-specific references throughout the code with gender-neutral references and makes non-substantive technical corrections to the code. The City Manager recommended adoption of this ordinance by reading of title only.

2.3. **RESOLUTION NO. 02 03-04 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO AMENDING SECTIONS OF THE CHICO MUNICIPAL CODE TO REPLACE GENDER-SPECIFIC REFERENCES WITH GENDER-NEUTRAL REFERENCES AND TO MAKE NON-SUBSTANTIVE TECHNICAL CORRECTIONS**

   By memorandum dated 6/13/03, Assistant City Attorney Rock reported that this resolution will amend sections of the Chico Municipal Code to replace gender-specific references throughout the code with gender-neutral references and to make non-substantive technical corrections to the code. The City Manager recommended adoption of this resolution.

2.4. **RESOLUTION NO. 03 03-04 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO INITIATING PROCEEDINGS TO ANNEX PROPERTY NOW LOCATED IN THE UNINCORPORATED TERRITORY OF THE COUNTY OF BUTTE TO THE INCORPORATED TERRITORY OF THE CITY OF CHICO - POMONA AVENUE ANNEXATION DISTRICT NO. 5**

   By memorandum dated 6/10/03, the Assistant Community Development Director forwarded a report on initiation of the annexation of two parcels, with a total area of .425 acres, located at 630 and 640 Pomona Avenue. One parcel is developed with a single residence, and a second residence is to be constructed on the second parcel utilizing the sanitary sewer. The property owner is identified in the staff report. The Assistant Community Development Director recommended adoption of the resolution.

2.5. **RESOLUTION NO. 04 03-04 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO**
INITIATING PROCEEDINGS TO ANNEX PROPERTY NOW LOCATED IN THE UNINCORPORATED TERRITORY OF THE COUNTY OF BUTTE TO THE INCORPORATED TERRITORY OF THE CITY OF CHICO - TOM POLK AVENUE ANNEXATION DISTRICT NO. 1

By memorandum dated 6/11/03, the Assistant Community Development Director forwarded a report on initiation of the annexation of a .408 acre parcel located at 2508 Tom Polk Avenue (northeast corner at the intersection of Tom Polk Avenue and East Avenue). The parcel is developed with a former residential care facility that has been converted to an art studio and residence, and a mobile home. The annexation is requested to allow connection to the sanitary sewer. The property owner is identified in the staff report. The Assistant Community Development Director recommended adoption of the resolution.

2.6. RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO INITIATING PROCEEDINGS TO ANNEX PROPERTY NOW LOCATED IN THE UNINCORPORATED TERRITORY OF THE COUNTY OF BUTTE TO THE INCORPORATED TERRITORY OF THE CITY OF CHICO - FILBERT AVENUE ANNEXATION DISTRICT NO. 11 — removed from the agenda and not heard at this meeting

2.7. RESOLUTION NO. 05 03-04 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO ADOPTING A MITIGATED NEGATIVE DECLARATION, APPROVING MODIFICATIONS TO SUBDIVISION DESIGN CRITERIA, AND APPROVING THE HERLAX PLACE VESTING TENTATIVE SUBDIVISION MAP

At its meeting of 5/06/03, the City Council held a public hearing on the appeal of Agasy, Inc. (Symmes), and at the conclusion of the hearing, adopted a motion of intent to uphold the appeal. By memorandum dated 6/23/03, the Planning Director forwarded this resolution adopting a mitigated negative declaration and mitigation monitoring program for the Herlax Place Subdivision, approving several modifications to subdivision design criteria, and approving the Herlax Place vesting tentative subdivision map. The Planning Director recommended adoption of the resolution.

2.8. MINUTE ORDER NO. 29-03 — AUTHORIZE CITY ATTORNEY TO ENTER INTO AN ENGAGEMENT AGREEMENT FOR LEGAL SERVICES WITH FRANCIS M. GOLDSBERRY II OF GOLDSBERRY, FREEMAN, GUZMAN & DITORA, LLP IN REGARDS TO THE CLEANUP AND ABATEMENT ORDER NO. R5-2003-0707 ISSUED BY THE CALIFORNIA REGIONAL WATER QUALITY CONTROL BOARD REGARDING THE HUMBOLDT ROAD BURN DUMP

The minute order authorizes the City Attorney to enter into an Engagement Agreement with Francis M. Goldsberry II, of Goldsberry, Freeman, Guzman & Ditora, LLP for legal services pertaining to the defense of the City of Chico in regards to the Cleanup and Abatement Order No. R5-2003-0707 issued by the California Regional Water Quality Control Board on 6/03/03, regarding lead contamination in an area known as the Humboldt Road Burn Dump. The City Attorney recommended approval of the minute order.

2.9. AUTHORIZATION FOR THE CITY MANAGER TO EXECUTE AN AGREEMENT WITH HERITAGE PARTNERS FOR LEASE OF 70 SPACES IN THE MUNICIPAL CENTER PARKING LOT FOR EVENING PARKING FOR THE UNIVERSITY OF PHOENIX — this item was removed from the Consent Agenda and heard under Item 4.1.

2.10. ACCEPTANCE OF REPORT FROM THE FINANCE COMMITTEE ON ITS MEETING HELD ON APRIL 30, 2003

By memorandum dated 6/5/03, the Finance Committee provided a report on its meeting held on 4/30/03. Committee members present were Councilmembers Gruendl, Wahl and Nguyen-Tan, Chair. The Committee will continue and finalize its discussion of the City of Chico 2002-03 Update of Development Impact Fees Analysis and Recommendations (Nexus Study) Assumptions at a future meeting. No final action is being requested as these items are still under review by the Finance Committee. Approval of this item will simply accept the April 30, 2003 Finance Committee report.

2.11. APPROVAL OF PROPOSED CHANGES TO THE CITY OF CHICO ADMINISTRATIVE PROCEDURE
AND POLICY (AP&P) 10-10 TO INCORPORATE MINOR CHANGES AS RECOMMENDED BY THE CITY COUNCIL’S PROCEDURES COMMITTEE — this item was removed from the Consent Agenda and heard under Item 4.1.

The motion to approve the Consent Agenda, as read, with Item 2.6. being tabled and Items 2.9. and 2.11. removed from the Consent Agenda and heard under Item 4.1. carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk
NOES: None
ABSENT: None
DISQUAL: None

3. NOTICED PUBLIC HEARINGS

3.1. HEARING ON THE APPEAL BY MARSHALL GREGORY OF THE BIDWELL PARK AND PLAYGROUND COMMISSION’S APRIL 28, 2003 DECISION TO REQUIRE THE REMOVAL OF THE LANDSCAPING AND IRRIGATION FROM CITY PROPERTY IN LINDO CHANNEL.

By memorandum dated 6/20/03, the Park Director indicates that at its 4/28/03 meeting, the Bidwell Park and Playground Commission denied (5 in favor, 2 absent) the request of Marshall Gregory, 44 Guynn Bridge Court, to retain landscaping and irrigation on City property along Lindo Channel. Marshall Gregory appealed this decision to the City Council. At its 6/17/03 meeting, the City Council agreed to hear the appeal. The Park Director and Bidwell Park and Playground Commission recommend the appeal be denied. The Council was provided with a faxed copy of a letter from Richard Harriman which was included in the additional information packet.

The Mayor opened the hearing to the public. Michael Jones and Marshall Gregory addressed Council on this item. The hearing was closed to the public.

A motion was made by Councilmember Herbert and seconded by Councilmember Bertagna to grant the appeal and allow the intentional planting.

The motion failed by the following vote:

AYES: Bertagna, Herbert, Wahl
NOES: Gruendl, Jarvis, Nguyen-Tan, Kirk

A motion was made by Vice Mayor Jarvis and seconded by Councilmember Gruendl to deny the appeal, thereby upholding the Park Commission decision.

The motion failed by the following vote:

AYES: Gruendl, Jarvis, Nguyen-Tan
NOES: Bertagna, Herbert, Wahl, Kirk

A motion was made by Mayor Kirk and seconded by Councilmember Herbert to grant the appeal, adding a condition that would require the Gregorys to remove the irrigation and to also obtain a “garden permit.”

The motion carried by the following vote:

AYES: Bertagna, Herbert, Wahl, Kirk
NOES: Gruendl, Jarvis, Nguyen-Tan

3.2. HEARING ON THE APPEAL BY THE SIXTH AND MAIN INVESTOR GROUP OF THE BIDWELL PARK...
AND PLAYGROUND COMMISSION’S APRIL 28, 2003 DECISION TO DENY PLANTING FIVE CALIFORNIA FAN PALM TREES AT 555 MAIN STREET.

By memorandum dated, 6/20/03, the Park Director indicates that at its 4/28/03 meeting, the Bidwell Park and Playground Commission denied (3 in favor, 2 opposed, 2 absent) the request by the Sixth and Main Investor Group to plant, care for, and maintain, five (5) California Fan Palm trees, in addition to the street trees required as conditions of approval of a proposed mixed use project located at the northeast corner of Sixth and Main Streets, more commonly known as the 555 Main Street Building. At its 6/17/03 meeting, the City Council agreed to hear the appeal. The Bidwell Park and Playground Commission recommended the appeal be denied.

The Park Director recommended the appeal be approved provided the City of Chico is not responsible for the care and maintenance of the Fan Palm trees and the trees will not interfere or take priority over the approved street trees. Councilmember Wahl was disqualified from the discussion and subsequent action.

A motion was made by Councilmember Herbert and seconded by Councilmember Bertagna to grant the appeal provided that there is an agreed upon maintenance and liability mechanism so that the City of Chico is not responsible for the care and maintenance of the trees and that the trees will not interfere or take priority over the approved street trees. Staff was directed to refer the policy issue of not allowing Palm trees to the Tree Committee for review.

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Kirk
NOES: None
ABSENT: None
DISQUAL: Wahl

3.3. CONSIDERATION OF A FARE INCREASE FOR THE CHICO AREA TRANSIT SYSTEM (CATS) BUS FARES TO FUND SERVICE IMPROVEMENTS

At its 4/15/03 meeting, the City Council considered the Community Transit Advisory Committee’s (CTAC) recommendations to implement service improvements for the Chico Area Transit System (CATS) suggested by the firm of Nelson\Nygaard Consulting Associates. The Committee also recommended that the Council consider increasing the bus fares to help fund the cost of these improvements. In accordance with Federal Transit Administration (FTA) requirements, display advertisements were placed in the local newspapers to notify the public of tonight’s meeting. By memorandum dated 6/16/03, Management Analyst Herman submitted the Committee’s recommendations regarding the proposed fare increase and the resolution to amend the City of Chico Fee Schedule 10.060 Transportation System Fees. The Community Transit Advisory Committee recommended approval of the resolution.

Mayor Kirk opened the hearing to the public. No one spoke and the hearing was closed. Council tabled this item for six months allowing time to determine the outcome of consolidation discussions.

4. REGULAR AGENDA

4.1. ITEMS REMOVED FROM THE CONSENT AGENDA

2.9. AUTHORIZATION FOR THE CITY MANAGER TO EXECUTE AN AGREEMENT WITH HERITAGE PARTNERS FOR LEASE OF 70 SPACES IN THE MUNICIPAL CENTER PARKING LOT FOR EVENING PARKING FOR THE UNIVERSITY OF PHOENIX

The City Council previously approved Minute Order 02-03 which authorized the City Manager to execute an agreement with Heritage Partners for non-exclusive lease of 50 spaces in the Municipal Center Parking Lot for evening parking for the University of Phoenix. The agreement with Heritage Partners has not been executed due to continuing negotiations between Heritage Partners and the University of
Phoenix. By letter dated 6/20/03, Heritage Partners is requesting that the lease spaces in the Municipal Lot be increased from 50 to 70 spaces with the lease rate increasing from $4,000 to $5,600 per year. Although the proposed lease is on a “space available” basis, the City would agree to not lease the same 70 spaces in the municipal lot to other parties during the term of the lease. Approval of this minute order by the City Council will void the prior minute order. The City Manager recommended approval of the minute order which will authorize a lease rate of $5,600 per year and the condition that parking be on a “hunting/space available” basis.

A motion was made by Councilmember Herbert and seconded by Councilmember Bertagna to approve:

**MINUTE ORDER 30-03 — AUTHORIZATION OF THE CITY COUNCIL OF THE CITY OF CHICO AUTHORIZING THE CITY MANAGER TO EXECUTE AN AGREEMENT WITH HERITAGE PARTNERS FOR NON-EXCLUSIVE LEASE OF 70 SPACES IN THE MUNICIPAL CENTER PARKING LOT FOR EVENING PARKING FOR THE UNIVERSITY OF PHOENIX**

The motion carried by the following vote:

**AYES:** Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk

**NOES:** None

2.11. **APPROVAL OF PROPOSED CHANGES TO THE CITY OF CHICO ADMINISTRATIVE PROCEDURE AND POLICY (AP&P) 10-10 TO INCORPORATE MINOR CHANGES AS RECOMMENDED BY THE CITY COUNCIL’S PROCEDURES COMMITTEE** — this item was removed from the Consent Agenda

By memorandum dated 6/23/03, the City Clerk forwarded the recommendation made by the City Council’s Procedures Committee at its meeting of 4/29/03. The amendment to the Council Rules of Procedure (AP&P 10-10) would make minor changes which would bring the procedure more in line with the policy currently used by the Council. The Council’s Procedures Committee recommended that Council approve these changes and direct staff to incorporate them into AP&P 10-10.

A motion was made by Vice Mayor Jarvis and seconded by Councilmember Herbert to approve the changes as amended, adding a condition that any correspondence sent by a Councilmember on City letterhead will be provided to the City Clerk for distribution to Council.

The motion carried by the following vote:

**AYES:** Bertagna, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk

**NOES:** Gruendl

4.2. **CONSIDERATION OF REPORT AND RECOMMENDATIONS FROM THE INTERNAL AFFAIRS COMMITTEE ON ITS MEETING HELD ON JUNE 10, 2003**

By memorandum dated 6/12/03, the Internal Affairs Committee provided a report on its meeting held on 6/10/03. Committee members present were Councilmembers Bertagna, Jarvis, and Herbert, Chair. The matters considered by the Committee are listed below.

**COMMITTEE REQUIRING CITY COUNCIL ACTION ON 7/1/03:**

A. **Approval of Ordinance of the City Council of the City of Chico Repealing Provisions of and Adding Provisions to the Chico Municipal Code, Relating to Presentment of Claims Against and Commencement of Litigation Against the City of Chico and City Agencies, Officers, and Employees.** The Committee recommended (3-0) approval of the Ordinance of the City Council of the City of Chico Repealing Provisions of and Adding Provisions to the Chico Municipal Code, Relating to Presentment of Claims Against and Commencement of Litigation Against the City of Chico and City Agencies, Officers, and Employees.

A motion was made by Vice Mayor Jarvis and seconded by Councilmember Herbert to approve the introductory reading, by reading of title only, of the following ordinance:

**ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO REPEALING PROVISIONS**
OF AND ADDING PROVISIONS TO THE CHICO MUNICIPAL CODE, RELATING TO PRESENTMENT OF CLAIMS AGAINST AND COMMENCEMENT OF LITIGATION AGAINST THE CITY OF CHICO AND CITY AGENCIES, OFFICERS, AND EMPLOYEES - Introductory Reading

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk
NOES: None

B. Approval of Ordinance of the City Council of the City of Chico Amending Title 14 of the Chico Municipal Code, Entitled “Streets and Sidewalks,” Regarding the Regulation of Parades, Public Assemblies and Athletic Events on Public Streets. The Committee recommended (3-0) approval of the Ordinance of the City Council of the City of Chico Amending Title 14 of the Chico Municipal Code, Entitled “Streets and Sidewalks,” Regarding the Regulation of Parades, Public Assemblies and Athletic Events on Public Streets. The Committee requested that all known parade groups be notified when this item goes before the City Council. Bob Ray addressed Council on this item.

A motion was made by Councilmember Herbert and seconded by Councilmember Bertagna to send the following ordinance back to Internal Affairs to allow additional time for public comment and to notify all parade applicants when the item is scheduled.


The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk
NOES: None

C. Consideration of the Removal of Parking Along Portions of Wittmeier Way (Talbert Drive) as a Result of the Wal-Mart Expansion. The Committee recommended (3-0) widening Wittmeier Way (Talbert Drive) upon dedication of the right-of-way from Wal-Mart, which will accommodate the additional traffic lane(s) and the existing on-street parking. Council concurred to accept the Committee’s report on this item.

D. Consideration of Community Transit Advisory Committee’s Recommendation to Allow the Sale of Advertising on the Chico Area Transit System (CATS) Buses. The Committee did not support (2-1, Herbert in favor) the Community Transit Advisory Committee’s recommendation to allow the sale of advertising on the Chico Area Transit System (CATS) buses.

A motion was made by Vice Mayor Jarvis and seconded by Councilmember Bertagna to table the item for six months and then bring it back to Internal Affairs if consolidation is not pursued.

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk
NOES: None

COMMITTEE REQUIRING NO CITY COUNCIL ACTION ON 7/1/03:

E. Approval of Traffic Regulation Amendment No. 763 – Installation of a Stop Sign at the Intersection of Avondale Way and Legacy Lane. The Committee approved (3-0) Traffic Regulation Amendment No. 763 – Installation of a Stop Sign at the Intersection of Avondale Way and Legacy Lane.

F. Approval of Traffic Regulation Amendment No. 764 Which Will Convert Two Unlimited
Parking Spaces to Two 30-Minute Parking Spaces in Front of 1635 Magnolia Avenue. The Committee approved (3-0) Traffic Regulation Amendment No. 764 which will convert two unlimited parking spaces to two 30-minute parking spaces in front of 1635 Magnolia Avenue.

G. Report on the Installation of Audible Pedestrian Signals at the Intersection of West Second and Salem Streets. Since the final ruling and equipment and installation requirements cannot be anticipated at this time, the Committee recommended (3-0) that the City Council defer action on this item until such time as a new federal regulation has been adopted.

4.3. ACCEPTANCE OF FINANCE COMMITTEE RECOMMENDATION REGARDING AUDITOR

The Finance Committee interviewed audit firms at its meeting of 6/25/03 and presented its recommendation verbally at tonight’s meeting.

A motion was made by Vice Mayor Jarvis and seconded by Councilmember Herbert to accept the Finance Committee’s recommendation to select Macias, Gini & Company as the City’s auditor.

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk
NOES: None

4.4. ITEMS ADDED AFTER POSTING OF THE AGENDA

5. BUSINESS FROM THE FLOOR

Troy Tobin addressed Council regarding smoking shops and the restrictions in place that precludes him from also serving food. This item was referred to Internal Affairs.

6. REPORTS AND COMMUNICATIONS

The following reports and communication items are provided for the Council’s information. No action was taken on any of the items.


6.2. Memorandum dated 4/16/03, from the Assistant City Manager providing a report on contracts that have been awarded for the purchase of materials, supplies, and/or services required by the City, within the appropriations approved therefor in the current Annual Budget.

7. ADJOURNMENT

Adjourned at 10:15 p.m. to an Adjourned Regular City Council Meeting on July 14, 2003, at 6:30 p.m. in the Council Chamber.

Date Approved: August 19, 2003

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Deborah R. Presson, City Clerk
1. **CALL TO ORDER** — Mayor Kirk called the meeting to order at 6:30 p.m. in the Chico Municipal Center, Council Chamber, 421 Main Street.

1.1. Flag Salute

1.2. **Roll Call** — Present: Bertagna, Gruendl, Jarvis, Herbert, Nguyen-Tan, Wahl, Kirk

Absent: None

2. **REGULAR AGENDA**

2.1. **CONSIDERATION OF REPORT FROM THE HUMBOLDT ROAD BURN DUMP COMMITTEE**

The City Council received two reports from the Humboldt Road Burn Dump Citizen’s Advisory Committee providing their recommendations on the alternatives for addressing the contamination on the site of the former burn dump on Bruce Road. The Committee was established for the purpose of reviewing the remediation alternatives developed by the regulatory agencies and the City’s consultants and, as requested by Council, the Committee will complete its charge with presentation of the reports.

The purpose of this meeting was to hear presentations of the Committee’s recommendations and hear from State and County regulatory agencies and the City’s consultants regarding the recommendations and regulations that apply to the project. On behalf of the City, City Manager Tom Lando presented a historical summary to the Council. Susan Minasian, HRBD Committee spokesperson and Valerie Schmidt, a member of that committee, reviewed various aspects of the “Majority” report. Rene Vercruyssen presented the “Minority” report or an overview of “Alternative #3.” Jim Wagoner, Butte County Air Quality Management District Air Pollution Control Officer made a presentation regarding dust and diesel control. Phil Woodward, Regional Water Quality Control Board presented an overview and discussion of the AB2061 process. Steve Walker, California Integrated Waste Management Board also addressed Council, as well as Tim Patenaude of the Department of Toxic Substances Control. Jodie Sparks, Toxic Assessment Group, addressed questions from the City Council, along with Dr. Andy Kopania from EMKO Environmental.

At the conclusion of the meeting, the Council provided staff with further direction or requested additional information. Those additional items are as follows:

1. The Council is to be provided with copies of all the PowerPoint presentations.

2. The Council is to receive confirmation of Flood Plain information.

3. The Council requested a point by point answer on each item contained in the Majority Report that conflicts with state law.

4. The Council is to be provided with the Health and Water Code that pertains to sections as referenced in the Majority Report.

5. The Council asked that staff provide them with information regarding the Basin Plan.

6. The Council requested a copy of LEA 56.

7. The Council requested a breakdown on the distribution of the 75 acres among landowners and density of waste.
8. The Council requested a closed session to discuss with the City Attorney, 1) legal exposure and possible litigation costs; and 2) what is the liability (if any) for the City when accepting the waste from another person’s property.

9. The Council asked for clarification on what might happen if it were to choose an alternative other than what the State wants.

10. The Council directed staff to research why just “cap” the top when the regulatory agency states “encapsulate”?

11. The Council requested a list of mitigation measures which Jody Sparks, Toxics Assessment Group, presented to the Humboldt Road Burn Dump Committee.

12. The City Council also directed staff to schedule a meeting to be held on 8/26/03, from 6:30 p.m. - 10:00 p.m. in order to allow for public comment on this issue, which will be held in the Council Chamber, another location set up should the Council need to move the meeting.

2.2. **ITEMS ADDED AFTER POSTING OF THE AGENDA** — None

3. **BUSINESS FROM THE FLOOR** — None

4. **ADJOURNMENT**

The City Council adjourned at 10:20 p.m. to July 15, 2003, at 6:30 p.m., in Conference Room 2 to a closed session, followed by an adjourned regular meeting in the Council Chamber at 7:00 p.m.

**Date Approved:** August 19, 2003

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Deborah R. Presson, City Clerk
1. **CALL TO ORDER** — Mayor Kirk called the Adjourned Regular Chico City Council Meeting to order at 6:30 p.m. in the Chico Municipal Center, Conference Room #2, 421 Main Street.

1.1. Roll Call — Present: Bertagna, Gruendl, Jarvis, Herbert, Nguyen-Tan, Wahl, Kirk
    Absent: None

2. **CLOSED SESSION**

2.1. **CONFERENCE WITH LEGAL COUNSEL — EXISTING LITIGATION:** The City Attorney reviewed the following: *Meghdadi v. Chico City Council*, Butte County Superior Court Case 127773. (Gov. Code Sec. 54956.9(a).)

2.2. **PUBLIC EMPLOYEE PERFORMANCE EVALUATION:** The City Council reviewed the City Attorney's performance. (Gov. Code Section 54957.)

3. **ADJOURNMENT**

Adjourned to a Redevelopment Agency meeting in the Council Chamber.
1. CALL TO ORDER — Mayor Kirk called the Adjourned Regular Chico Redevelopment Agency Meeting to order at 7:00 p.m. in the Chico Municipal Center, Council Chamber, 421 Main Street.

1.1. Flag Salute

1.2. Invocation — Reverend Dr. Ted H. Sandberg, First Baptist Church of Chico

1.3. Roll Call — Present: Bertagna, Gruendl, Jarvis, Herbert, Nguyen-Tan, Wahl, Kirk
Absent: None

1.4. Closed Session Announcement — None

2. CONSENT AGENDA — None

3. NOTICED PUBLIC HEARINGS — None

4. REGULAR AGENDA

4.1. ITEMS REMOVED FROM THE CONSENT AGENDA

4.2. CONSIDERATION OF REPORT AND RECOMMENDATIONS FROM THE FINANCE COMMITTEE ON ITS MEETING HELD ON JUNE 25, 2003

By memorandum dated 6/25/03, the Finance Committee provided a report on its meeting held on 6/25/03. Committee members present were Councilmembers Gruendl and Nguyen-Tan, Chair. The matters considered by the Committee are listed below.

COMMITTEE MATTERS REQUIRING CITY COUNCIL/REDEVELOPMENT AGENCY ACTION AT THIS MEETING:

A. Approval of Request From Northern Valley Catholic Social Services (NVCSS) to Extend the Term of Agreement for the Forest Manor Housing Project. The Committee recommended (2-0-1, Wahl absent) approval of the request of NVCSS to extend the term of agreement for the Forest Manor Housing Project. This will be the final extension.

A motion was made by Vice Mayor Jarvis and seconded by Councilmember Bertagna to approve the following minute order:

MINUTE ORDER NO. 04-03 — AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE AN AMENDMENT TO THE “LOAN AGREEMENT CHICO REDEVELOPMENT AGENCY LOW AND MODERATE INCOME HOUSING PROGRAM SENIOR RENTAL HOUSING PROJECT AT HARTFORD DRIVE, CHICO, CALIFORNIA (CHICO REDEVELOPMENT AGENCY/NORTHERN VALLEY CATHOLIC SOCIAL SERVICES)” EXTENDING THE PERFORMANCE TERM ONE YEAR

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk
NOES: None

COMMITTEE MATTERS REQUIRING NO CITY COUNCIL/REDEVELOPMENT AGENCY ACTION AT THIS MEETING:

B. Interviews of Auditors to Perform City of Chico Audits for FY 2002-03 with an Option for Four Succeeding Years. The Committee recommended (2-0-1, Wahl absent) and the City Council approved the engagement of Macias, Gini & Company to perform the City’s audits for the 2002-03 fiscal year with an option for four succeeding years. This item was forwarded to the City Council at its meeting of 7/1/03.
4.3. DISCUSSION OF PROPOSED ACQUISITION OF SENATOR THEATER BY RIGHT NOW FOUNDATION

At its meeting of 6/3/03, the Agency appointed an ad hoc committee and asked for an update regarding the Right Now Foundation's proposed acquisition of the Senator Theater. The Committee members were unable to meet, however staff has met with the Right Now Foundation and other potential contributors. Staff, along with representatives of the Right Now Foundation, will be prepared to provide the City Council with an update. There is no written report for this item and no action was taken. Richard Elsom provided Council with a status report.

5. ITEMS ADDED AFTER POSTING OF THE AGENDA — None

6. ADJOURNMENT

Adjourned to a City Council meeting.
1. CALL TO ORDER — Mayor Kirk called the Adjourned Regular Chico City Council Meeting to order in the Chico Municipal Center, Council Chamber, 421 Main Street.

1.1. Roll Call — Present: Bertagna, Gruendl, Jarvis, Herbert, Nguyen-Tan, Wahl, Kirk Absent: None

2. CONSENT AGENDA — Items 2.5. and 2.6. were removed from the Consent Agenda and heard under Item 4.1. A motion was made by Vice Mayor Jarvis and seconded by Councilmember Bertagna to approve the remaining Consent Agenda items:

2.1. ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO REZONING PROPERTY AT 831 WEST 5TH STREET (ASSESSOR’S PARCEL NUMBER 004-204-002), 847 WEST 5TH STREET (ASSESSOR’S PARCEL NUMBER 004-204-001), AND 533 ORANGE STREET (ASSESSOR’S PARCEL NUMBER 004-204-006), FROM ML-L-FS LIGHT MANUFACTURING/INDUSTRIAL-LANDMARK-FRATERNITY AND SORORITY TO R3-L-FS MEDIUM-HIGH DENSITY RESIDENTIAL-LANDMARK-FRATERNITY AND SORORITY (GENERAL PLAN AMENDMENT/REZONE 03-01 GONZALES/FIFTH SUN, LLC) — Introductory Reading

By memorandum dated 7/07/03, Associate Planner Bob Summerville reported that at the Planning Commission meeting of 5/1/03, the Commission voted 7-0 to recommend approval of a General Plan Amendment for three parcels from Manufacturing and Warehousing to Medium-High Density Residential and rezone three parcels from ML-L-FS Light Manufacturing/Industrial-Landmark-Fraternity and Sorority to R3-L-FS Medium-High Density Residential-Landmark-Fraternity and Sorority (General Plan Amendment/Rezone 03-01 Gonzales/Fifth Sun, LLC). Pursuant to the California Environmental Quality Act, an initial study has been prepared for the proposed project. No mitigation measures are recommended and a negative declaration is proposed. The Planning Director recommended that the City Council introduce an ordinance for the rezone by reading of the title only and schedule the public hearing and adoption for the 8/5/03 City Council meeting.

2.2. ORDINANCE NO. 2269 — AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO REPEALING PROVISIONS OF AND ADDING PROVISIONS TO THE CHICO MUNICIPAL CODE, RELATING TO PRESENTMENT OF CLAIMS AGAINST AND COMMENCEMENT OF LITIGATION AGAINST THE CITY OF CHICO AND CITY AGENCIES, OFFICERS, AND EMPLOYEES — Final Reading and Adoption

At its meeting of 7/1/03, the City Council accepted the recommendation of the Internal Affairs Committee and approved the introduction of this ordinance, by reading of title only. If adopted, this ordinance will repeal provisions of and add provisions to the Chico Municipal Code, relating to presentment of claims against and commencement of litigation against the City of Chico and City Agencies, Officers, and Employees. The City Manager recommended adoption of this ordinance.


RESOLUTION NO. 08 03-04 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO AMENDING RESOLUTION NO. 114 00-01 TO IMPLEMENT CHANGES TO EMPLOYEE BENEFITS TO AUTHORIZE VOLUNTARY MEDICARE PARTICIPATION FOR EMPLOYEES OTHERWISE EXCLUDED FROM MEDICARE COVERAGE AND MAKE CHANGES IN HEALTH INSURANCE BENEFITS (AMENDMENT NO. 5 - 2001 MANAGEMENT EMPLOYEES PAY AND BENEFITS RESOLUTION)

RESOLUTION NO. 9 03-04 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO AMENDING RESOLUTION NO. 124 00-01 TO ADD THE NEW POSITION OF PERSONNEL OFFICE TECHNICIAN, EXTEND THE TERM OF THE RESOLUTION AND IMPLEMENT CHANGES TO CITY CONTRIBUTION FOR EMPLOYEE HEALTH INSURANCE COVERAGE (AMENDMENT NO. 3 - 2001 CONFIDENTIAL EMPLOYEES PAY AND BENEFITS RESOLUTION)

By memorandum dated 7/7/03, the Personnel Director recommended approval of four resolutions which modify health insurance and other benefits within employee bargaining agreements between the City and Service Employees International Union (SEIU) - Clerical, Technical and Professional Unit, the Management Team and the Confidential’s Unit. There is no additional budget impact from these amendments to Memoranda of Understanding and Pay and Benefits Resolutions. The Personnel Director recommended adoption of the resolutions.

2.4. RESOLUTION NO. 10 03-04 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO INITIATING PROCEEDINGS TO ANNEX PROPERTY NOW LOCATED IN THE UNINCORPORATED TERRITORY OF THE COUNTY OF BUTTE TO THE INCORPORATED TERRITORY OF THE CITY OF CHICO-OAK WAY ANNEXATION DISTRICT NO. 2

By memorandum dated 6/19/03, the Assistant Community Development Director forwarded a report on initiation of the annexation of a 1.02 acre parcel located at 1965 Oak Way (southwest corner at the intersection of Oak Way and Glenwood Avenue). The parcel is developed with a single family residence. The annexation is requested to allow future subdivision and development of additional single family residences, with connection to the sanitary sewer. The property owner is identified in the staff report. The Assistant Community Development Director recommended adoption of the resolution.

2.5. MINUTE ORDER NO. 31-03 — APPROVAL OF AN EXEMPTION TO THE CHICO MUNICIPAL CODE REQUIREMENTS FOR DOGS TO BE ON LEASH IN BIDWELL PARK TO ALLOW FOR A DOG FLYBALL AND AGILITY EVENT AT THE HOOKER OAK RECREATION AREA IN THE FALL 2003 — this item was removed from the Consent Agenda and heard under Item 4.1.

2.6. MINUTE ORDER NO. 32-03 — AUTHORIZATION FOR THE CITY MANAGER TO ENTER INTO A LEASE AGREEMENT WITH THE CHICO AREA RECREATION AND PARK DISTRICT (CARD) FOR LEASE OF CITY-OWNED PROPERTY LOCATED BETWEEN THE CARD COMMUNITY CENTER AND BIG CHICO CREEK -This item was removed from the Consent Agenda and heard under Item 4.1.

2.7. APPROVAL OF MINUTE ORDERS AUTHORIZING ACQUISITION OF VARIOUS PROPERTY RIGHTS ON WEST 8TH AVENUE LISTED AS FOLLOWS:

At its 6/3/03 closed session, the City Council authorized negotiations with various property owners for acquisition of rights of way and easements needed in connection with the joint City/Butte County project to improve West 8th Avenue. The following minute orders would authorize the City Manager to execute agreements and other documents to acquire these property rights according to the terms set forth in the minute orders: The Assistant City Manager recommended approval of the following minute orders. Councilmember Wahl was disqualified on this item.

A. MINUTE ORDER NO. 33-03 — AUTHORIZATION FOR CITY MANAGER TO EXECUTE AGREEMENTS AND RELATED DOCUMENTS IN CONNECTION WITH THE ACQUISITION OF PROPERTY RIGHTS FOR THE WEST 8TH AVENUE IMPROVEMENT PROJECT (AP NO. 043-080-047) - SLIGHTOM

This minute order authorized the City Manager to execute a sales agreement and other documents necessary to acquire right of way and a temporary construction easement for $5,500.

B. MINUTE ORDER NO. 34-03 — AUTHORIZATION FOR CITY MANAGER TO EXECUTE
AGREEMENTS AND RELATED DOCUMENTS IN CONNECTION WITH THE ACQUISITION OF PROPERTY RIGHTS FOR THE WEST 8TH AVENUE IMPROVEMENT PROJECT (AP NO. 003-612-013) - ASHER

This minute order authorized the City Manager to execute a sales agreement and other documents necessary to acquire right of way and a temporary construction easement for $6,600.

2.8. REQUEST FOR DETERMINATION OF PUBLIC CONVENIENCE OR NECESSITY – MANGROVE SHELL, 1101 MANGROVE AVENUE, CHICO

Pursuant to California Business and Professions Code Section 23958.4, a determination is required by the local governing body prior to issuance of an off-sale alcoholic beverage license in certain areas. By memorandum dated 6/20/03, the Community Development Director recommended City Council make a determination of public convenience or necessity as required by Business and Professions Code Section 23958.4, concerning the issuance of an off-sale alcoholic beverage license for the Mangrove Shell gas station and convenience store located at 1101 Mangrove Avenue, Chico.

The motion to approve the Consent Agenda, as read, with Items 2.5. and 2.6. removed and heard under Item 4.1., carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk
NOES: None
DISQUAL: Wahl, on item 2.7.

3. NOTICED PUBLIC HEARINGS

3.1. APPEAL OF THE PLANNING COMMISSION’S DECISION TO ADOPT A MITIGATED NEGATIVE DECLARATION AND APPROVAL OF PARCEL MAP 03-06 (PACLAND) AUTHORIZING THE DIVISION OF A 10.36 ACRE SITE INTO TWO COMMERCIAL LOTS.

At its 6/5/03 meeting, the Planning Commission adopted a mitigated negative declaration and approved a vesting tentative parcel map (4 in favor, 3 in opposition) authorizing a subdivision of 10.36 acres into two commercial lots of 7.94 acres and 2.42 acres. A timely appeal was filed on behalf of John Shannon to dispute both of these decisions. The property is located south of the Wal-Mart store at 2044 Forest Avenue, adjacent to and west of Forest Avenue and adjacent to and north of Wittmeier Drive (Assessor’s Parcel No. 002-170-004). The site is designated Commercial Services on the City of Chico General Plan Diagram and is zoned CC (Community Commercial). The Planning Director recommended that the City Council deny the appeal, thereby upholding the decision of the Planning Commission, by the adoption of a resolution adopting the mitigated negative declaration and approving Parcel Map 03-06 (PacLand) by reading of the title only. Mayor Kirk opened the hearing to the public. William Dunning and Brett Jolley addressed Council on this item. The hearing was closed.

A motion was made by Vice Mayor Jarvis and seconded by Councilmember Herbert to deny the appeal, thereby upholding the decision of the Planning Commission, and by adoption of Resolution 11 03-04, adopt the mitigated negative declaration and approve Parcel Map 03-06 (PacLand) by reading of title only.

RESOLUTION NO. 11 03-04 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO ADOPTING A MITIGATED NEGATIVE DECLARATION AND CONDITIONALLY APPROVING VESTING TENTATIVE PARCEL MAP 03-06 (PACLAND)

The motion carried by the following vote:

AYES: Bertagna, Herbert, Jarvis, Wahl, Kirk
NOES: Gruendl, Nguyen-Tan
3.2. **HEARING ON ABANDONMENT AND VACATION OF A PUBLIC UTILITY EASEMENT (CAMPBELL HEALTHCARE INVESTMENTS, LP)**

By memorandum dated 6/18/03, the Director of Public Works reported that the property owner, Campbell Healthcare Investments, LP, has petitioned the City to abandon the six-foot-wide public utility easement between Lots 12 and 13 of the Eastwood Subdivision between Raley Boulevard and Skyway, in order to allow recording of a boundary line modification that modifies existing property lines to accommodate development of the site with medical offices.

At its meeting of 6/17/03, the City Council adopted a resolution of intention to abandon the easements and set a public hearing for tonight. The Director of Public Works recommended adoption of the resolution. Mayor Kirk opened the hearing to the public. No one spoke and the hearing was closed.

A motion was made by Vice Mayor Jarvis and seconded by Councilmember Bertagna to adopt the following resolution:

**RESOLUTION NO. 12 03-04 — A RESOLUTION OF THE COUNCIL OF THE CITY OF CHICO ORDERING ABANDONMENT AND VACATION OF A PUBLIC UTILITY EASEMENT PURSUANT TO THE PUBLIC STREETS, HIGHWAYS, AND SERVICE EASEMENTS VACATION LAW (CAMPBELL HEALTHCARE INVESTMENTS, LP)**

The motion carried by the following vote:

**AYES:** Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk

**NOES:** None

4. **REGULAR AGENDA**

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

2.5. **MINUTE ORDER NO. 31-03 — APPROVAL OF AN EXEMPTION TO THE CHICO MUNICIPAL CODE REQUIREMENTS FOR DOGS TO BE ON LEASH IN BIDWELL PARK TO ALLOW FOR A DOG FLYBALL AND AGILITY EVENT AT THE HOOKER OAK RECREATION AREA IN THE FALL 2003**

At its 4/28/03 meeting, the Bidwell Park and Playground Commission unanimously supported a request from the Butte Humane Society and Chico Dog Fanciers Association to hold a dog flyball and agility event at the Hooker Oak Recreation Area in the fall of 2003. The proposed event requires the dogs to be off leash for short periods of time to allow dogs to navigate various jumps and challenges under a handler's control. The proposed event would take place in a controlled environment within a fenced area at the Hooker Oak Recreation Area. Pursuant to Chico Municipal Code Section 12R.04.105, dogs must be on leash after 8:30 a.m. in Bidwell Park. The exemption is being requested to evaluate the feasibility of allowing future events. The Bidwell Park and Playground Commission and Park Director recommend approval of the minute order.

A motion was made by Councilmember Bertagna and seconded by Vice Mayor Jarvis to approve Minute Order No. 31-03.

The motion carried by the following vote:

**AYES:** Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk

**NOES:** None
2.6. **MINUTE ORDER NO. 32-03 — AUTHORIZATION FOR THE CITY MANAGER TO ENTER INTO A LEASE AGREEMENT WITH THE CHICO AREA RECREATION AND PARK DISTRICT (CARD) FOR LEASE OF CITY-OWNED PROPERTY LOCATED BETWEEN THE CARD COMMUNITY CENTER AND BIG CHICO CREEK**

This minute order authorized the City Manager to execute an agreement with the Chico Area Recreation and Park District (CARD), and any amendments thereto, for maintenance and operation of city-owned property located between the CARD Community Center and Big Chico Creek. CARD will maintain the leased area as compensation to the City for the use of this property. The lease agreement will have an initial term of 25 years, with up to five successive five-year periods. The Park Director and the Bidwell Park and Playground Commission recommend approval of this minute order.

A motion was made by Councilmember Bertagna and seconded by Councilmember Wahl to approve Minute Order No. 32-03.

The motion carried by the following vote:

**AYES:** Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk

**NOES:** None

4.2. **REVIEW AND CONSIDERATION OF PARK IMPACT FEE ASSUMPTIONS**

At its meeting of 6/17/03, the City Council accepted the Finance Committee’s recommendation for full Council review of the assumptions which form the basis for the calculation of Park Impact Fees, and directed that the review be placed on this evening’s agenda. The City Council has been provided with Assistant Community Development Director Sellers’ memorandum, dated 6/12/03, describing each of the assumptions and the Finance Committee’s recommendations, and the increase in the fee amount needed if additional recreational facilities are to be funded in part from impact fees. A second memorandum, also dated 6/12/03, provided an estimate of the total cost to complete the park system, the revenue to be generated by impact fees, and the “gap” to be funded from other sources. A memorandum from Bob Best, dated 5/19/03, outlines alternative funding sources.

The City Council reviewed each of the assumptions and Finance Committee recommendations. The Council concurred with all of the Committee recommendations, except for the following revisions reflecting the direction of a majority of the Council.

The East 1st Avenue and Verbena Park site will be retained as open space, with no park facilities installed. The Humboldt Road at Notre Dame Boulevard site will be held as a potential site for specialized recreational facilities, with infrastructure to be installed, but no park facilities. A basketball half court will not be installed as part of the standard facilities in neighborhood parks.

At the request of CARD representatives, the Council discussed adding specialized recreational facilities to the community park assumptions, but took no action.

The approved assumptions, listed in the 6/12/03 memorandum summarizing the Finance Committee recommendations and as modified by Council consensus, will be forwarded to Economic & Planning Systems (EPS) for finalization of the fee calculations and completion of the nexus study.

4.4 **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.

6.1. Letter dated 6/27/03 from Nicholas Ambrosia regarding Council consideration of a policy that would require large private commercial and industrial developments to set aside one percent of their construction budget for art. Staff recommended that the matter be referred to the Arts
Commission for development of a recommendation to Council.

**ADJOURNMENT**

Adjourned at 10:07 p.m. to August 5, 2003, at 7:00 p.m., in Conference Room No. 2 if a closed session is scheduled, followed by a regular meeting in the Council Chamber at 7:30 p.m.

Date Approved:  August 19, 2003

Deborah R. Presson, City Clerk
SPECIAL MEETING OF THE CITY COUNCIL OF THE CITY OF CHICO — August 5, 2003
Minutes

A special meeting of the City Council of the City of Chico was called for 6:30 p.m. on Tuesday, August 5, 2003, held in the Chico Municipal Center, Conference Room #2, 421 Main Street, California, for a closed session. This meeting was noticed pursuant to the requirements of the Government Code Section §54956.

Mayor Kirk called the Special Meeting of the Chico City Council to order at 6:30 p.m. on Tuesday, August 5, 2003, in the Chico Municipal Center, Conference Room #2, 421 Main Street, for a closed session.

Roll Call — Present: Bertagna, Gruendl, Jarvis, Herbert, Nguyen-Tan, Kirk
Absent: Wahl

The matters considered at this meeting were:

1.1. CONFERENCE WITH LEGAL COUNSEL — EXISTING LITIGATION: The City Attorney reviewed the following: Meghdadi v. Chico City Council, Butte County Superior Court Case 127773. (Gov. Code Sec. 54956.9(a).)

1.2. CONFERENCE WITH LABOR NEGOTIATOR: The City's negotiator is Personnel Director Erlandson for all employee organizations except the Management Employees, for which City Manager Lando is the City's negotiator. The names of the employee organizations that represent employees are Chico Police Officers Association (Sworn and Non-Sworn Units), International Association of Firefighters, and Service Employees International Union (Trades and Crafts Unit and Clerical, Technical and Professional Unit). The unrepresented employees are Confidential Employees and Management Employees. (Gov. Code Sec. 54957.6.)

The Council was prohibited by law from considering any other business at this meeting.

B. ADJOURNMENT

Adjourned at 7:25 p.m. to a Redevelopment Agency meeting in the Council Chamber.
1. **CALL TO ORDER** — Mayor Kirk called the Regular Chico Redevelopment Agency Meeting to order at 7:30 p.m. in the Chico Municipal Center, Council Chamber, 421 Main Street.

1.1. Flag Salute

1.2. Invocation — Bruce Finch, Executive Board President, First Church of Christ
Presentation by Mayor Kirk honoring Sergeant David Sutherland, United States Marine Corps

1.3. Roll Call — Present: Bertagna, Gruendl, Jarvis, Herbert, Nguyen-Tan, Kirk
Absent: Wahl

1.4. Closed Session Announcement — None

2. **CONSENT AGENDA** — A motion was made by Vice Mayor Jarvis and seconded by Councilmember Bertagna to approve the following Consent Agenda, as read:

2.1. **ACCEPTANCE OF REPORT AND RECOMMENDATIONS FROM THE FINANCE COMMITTEE ON ITS MEETING HELD ON JUNE 19, 2003**

By memorandum dated 6/24/03, the Finance Committee provided a report on its meeting held on 6/19/03. Committee members present were Councilmembers Gruendl, Wahl, and Nguyen-Tan, Chair. Actions taken by the Committee include:

A. **Review of Housing Proposals For Site Located on Southside of Notre Dame Boulevard Extension.** The Committee recommended (2-1, Wahl voting against) the housing proposal submitted by Chico Housing Improvement Program (CHIP), contingent upon assurance from a tax attorney that the proposed financing is valid. Should CHIP’s proposed financing prove to be invalid, OSM Investment Company will be given an opportunity to modify their site plan for reconsideration. This item will be considered at the 8/19/03 Redevelopment Agency Meeting.

B. **Review and Consideration of Park Impact Fee Assumptions.** The Committee requested staff to provide the background information necessary for a continued discussion on bond financing, and that staff specifically identify the individual pieces of surplus City owned property which may be sold to finance the unfunded portion of neighborhood and community parks. This item was continued for further discussion by the Committee. No Council action is required at this time.

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Kirk
NOES: None
ABSENT: Wahl
DISQUAL: None

3. **NOTICED PUBLIC HEARINGS**

4. **REGULAR AGENDA**

4.1. **ITEMS REMOVED FROM THE CONSENT AGENDA** — None

5. **ITEMS ADDED AFTER POSTING OF THE AGENDA** — None

6. **ADJOURNMENT** — Adjourned to a City Council meeting.
1. CALL TO ORDER — Mayor Kirk called the Regular Chico City Council Meeting to order at 7:30 p.m. in the Chico Municipal Center, Council Chamber, 421 Main Street.

1.1. Roll Call — Present: Bertagna, Gruendl, Jarvis, Herbert, Nguyen-Tan, Kirk Absent: Wahl

2. CONSENT AGENDA — A motion was made by Vice Mayor Jarvis and seconded by Councilmember Bertagna to approve the following Consent Agenda items:

2.1. ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO AMENDING TITLE 19 OF THE CHICO MUNICIPAL CODE TO PERMIT BANKS AND FINANCIAL SERVICES IN THE OR, OFFICE RESIDENTIAL ZONING DISTRICT AND MAKING CERTAIN Clerical Corrections - Introductory Reading

By memorandum dated 7/17/03, Associate Planner Bob Summerville reported that at the Planning Commission meeting of 7/3/03, the Commission voted 5 in favor, 1 absent, 1 abstention, to recommend approval of text amendments to Title 19 Land Use and Development Regulations to allow banks and financial services 2,500 square feet or less, automated teller machines (ATMs) and walk-up service windows using a public sidewalk as permitted uses in the OR Office Residential zoning district. The proposed amendments have been determined to be exempt from the California Environmental Quality Act (CEQA), pursuant to CEQA Guidelines Section 15061 (a)(3) General Rule Exemption. The Planning Director recommended that the City Council introduce the ordinance for the text amendments by reading of the title only and schedule the public hearing and adoption of the ordinance for the 8/19/03 City Council meeting.

2.2. ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO REZONING 10.2 ACRES LOCATED SOUTHWEST OF THE INTERSECTION OF HUMBOLDT ROAD AND EL MONTE AVENUE/NOTRE DAME BOULEVARD, ASSESSOR’S PARCEL NOS. 002-180-091 AND 093 - GENERAL PLAN AMENDMENT/REZONE 01-02 (CITY OF CHICO) - Introductory Reading

By memorandum dated 7/09/03, Senior Planner Claudia Sigona reported that at the Planning Commission meeting of 9/06/01, the Commission voted 7-0 to recommend approval of a proposal to amend the General Plan land use designation for a 5.5-acre parcel located at the southwest corner of Humboldt Road and Notre Dame Boulevard (El Monte Avenue) from High Density Residential to Parks and concurrently rezone the site from R4 High Density Residential to OS2 Secondary Open Space; and amend the General Plan land use designation for a 4.7-acre parcel located on the west side of Notre Dame Boulevard, across from Hank Marsh Junior High, from Parks to High Density Residential and concurrently rezone the site from OS2 Secondary Open Space to R4 High Density Residential. The consideration of the rezone was delayed until the Finance Committee considered the housing proposal for the site. The recommendation of the Finance Committee will be considered at the 8/19/03 meeting. The Planning Director recommended that the City Council: 1) introduce the rezone ordinance by the reading of the title only; and 2) schedule a public hearing for adoption of the negative declaration, consideration of the General Plan Amendment, and adoption of the rezone ordinance at the 8/19/03 City Council meeting.

2.3. RESOLUTION NO. 13 03-04 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO AUTHORIZING GRANT OF LICENSE TO NORVILLE WEISS AND JANET WEISS FOR ENCROACHMENT ON PUBLIC RIGHT OF WAY (430 WEST SEVENTH STREET, APN 004-218-008-000)

By memorandum dated 7/15/03, the Director of Public Works reported on a request for a revocable Grant of License for the installation and maintenance of groundwater monitoring wells at various locations within the City of Chico.
The monitoring wells are being installed at the direction of the Department of Toxic Substances Control in the continuing investigation of ground water contamination in the southwest plume. Enviro-Forensics, acting on behalf of Norville Weiss and Janet Weiss, owners of the benefitting property formerly known as Payless Cleaners located at 430 West Seventh Street, has requested to install, operate and maintain the groundwater monitoring wells. The Director of Public Works recommended adoption of this resolution which will authorize the grant of license and execution of the grant by the City Manager.

2.4. **MINUTE ORDER NO. 35-03 — MINUTE ORDER APPROVING MERIT INCREASE FOR CITY ATTORNEY**

The City Council evaluates the appointed employees annually, and through that evaluation process, has determined to provide the City Attorney with a merit pay increase of five percent. This minute order authorized the merit pay increase for the City Attorney.

2.5. **RESOLUTION NO. 14 03-04 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO CONSENTING TO THE INCLUSION OF A PART OF THE CITY OF CHICO IN BUTTE COUNTY SERVICE AREA NUMBER 23 (PLEASANT VALLEY STORM DRAINAGE) - MARIGOLD GARDENS SUBDIVISION**

By memorandum dated 7/02/03, the Assistant Community Development Director reported that City approval of Marigold Gardens Subdivision requires the annexation of this property to County Service Area No. 23 (Pleasant Valley Storm Drainage) for the maintenance of storm drainage facilities. The nine-lot subdivision is located on the east side of Marigold Avenue, 1300 feet north of East Avenue. Prior to annexation of properties within the City limits to a County Service Area, the City Council must consent to such annexation. The Assistant Community Development Director recommended City Council adoption of the resolution.

2.6. **APPROVAL OF MINUTE ORDERS AUTHORIZING ACQUISITION OF VARIOUS PROPERTY RIGHTS ON WEST 8TH AVENUE LISTED AS FOLLOWS:**

At its 6/3/03 closed session, the City Council authorized negotiations with various property owners for acquisition of rights of way and easements needed in connection with the joint City/Butte County project to improve West 8th Avenue. The following minute orders authorize the City Manager to execute agreements and other documents to acquire these property rights according to the terms set forth in the minute orders: The Assistant City Manager recommended approval of the minute orders.

A. **MINUTE ORDER NO. 36-03 — AUTHORIZATION FOR CITY MANAGER TO EXECUTE AGREEMENTS AND RELATED DOCUMENTS IN CONNECTION WITH THE ACQUISITION OF PROPERTY RIGHTS FOR THE 8TH AVENUE IMPROVEMENT PROJECT (AP NO. 043-080-008) - VANELLA**

This minute order authorizes the City Manager to execute documents necessary to acquire a storm drainage easement from the property owner of 438 West 8th Avenue for $22,000.

B. **MINUTE ORDER NO. 37-03 — AUTHORIZATION FOR CITY MANAGER TO EXECUTE AGREEMENTS AND RELATED DOCUMENTS IN CONNECTION WITH THE ACQUISITION OF PROPERTY RIGHTS FOR THE 8TH AVENUE IMPROVEMENT PROJECT (AP NO. 043-360-001) - VAN COURT/HEISLER**

This minute order authorizes the City Manager to execute a sales agreement and other documents necessary to acquire right of way and a temporary construction easement from the property owner of 920 West 8th Avenue for $11,500.
C. MINUTE ORDER NO. 38-03 — AUTHORIZATION FOR CITY MANAGER TO EXECUTE AGREEMENTS AND RELATED DOCUMENTS IN CONNECTION WITH THE ACQUISITION OF PROPERTY RIGHTS FOR THE 8TH AVENUE IMPROVEMENT PROJECT (AP NO. 043-440-099) - MEADOW WOOD COMMONS

This minute order authorizes the City Manager to execute a sales agreement and other documents necessary to acquire right of way and a temporary construction easement from the property owners of Meadow Wood Commons Condominiums located at 1110 West 8th Avenue for $9,300. The payment includes compensation for improvements and two mature trees which will be impacted by the construction project.

2.7. MINUTE ORDER 39-03 — AUTHORIZATION FOR CITY MANAGER TO EXECUTE INTERAGENCY AGREEMENT REGARDING REPRESENTATION ON THE BUTTE COUNTY AIR QUALITY MANAGEMENT DISTRICT

This minute order authorizes the City Manager to execute an interagency agreement which will memorialize the selection of the Butte County Air Quality Management District's Governing Board. The Board consists of the five Butte County Supervisors and the Mayor or a Councilmember from the Cities of Biggs, Chico, Gridley, Oroville and the Town of Paradise appointed by each municipality's respective elective body rather than the City Selection Committee. The Assistant City Manager recommended approval of the minute order.

2.8. APPROVAL OF CITY COUNCIL MINUTES FOR ITS MEETINGS HELD ON 2/4/03, 5/5/03 AND 5/6/03 - as amended on the 2/4/03 minutes

The City Council was provided with minutes from its meetings held on 2/4/03, 5/5/03, and 5/6/03.

The motion to approve the Consent Agenda, as read, carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Kirk
NOES: None
ABSENT: Wahl
DISQUAL: None

3. NOTICED PUBLIC HEARINGS

3.1. HEARING ON GENERAL PLAN AMENDMENT FOR THREE PARCELS LOCATED BETWEEN ORANGE AND CHERRY STREETS AND NORTH OF WEST 6TH STREET FROM MANUFACTURING AND WAREHOUSING TO MEDIUM-HIGH DENSITY RESIDENTIAL AND REZONING THREE PARCELS LOCATED BETWEEN ORANGE AND CHERRY STREETS NORTH OF WEST 6TH STREET FROM ML-L-FS LIGHT MANUFACTURING/INDUSTRIAL-LANDMARK-FRATERNITY AND SORORITY TO R3-L-FS MEDIUM-HIGH DENSITY RESIDENTIAL-LANDMARK-FRATERNITY AND SORORITY (GENERAL PLAN AMENDMENT/REZONE 03-01 GONZALES/FIFTH SUN, LLC) - Introductory Reading

By memorandum dated 7/17/03, Associate Planner Bob Summerville reported that at the Planning Commission meeting of 5/1/03, the Commission voted 7-0 to recommend approval of a General Plan Amendment for three parcels from Manufacturing and Warehousing to Medium-High Density Residential and rezone three parcels from ML-L-FS Light Manufacturing/Industrial-Landmark-Fraternity and Sorority to R3-L-FS Medium-High Density Residential-Landmark-Fraternity and Sorority (General Plan Amendment/Rezone 03-01 Gonzales/Fifth Sun, LLC). Pursuant to the California Environmental Quality Act, an initial study has been prepared for the proposed project. No mitigation measures are recommended and a negative declaration is proposed. The Mayor opened the hearing to the public. No one spoke and the hearing was closed.

A motion was made by Vice Mayor Jarvis and seconded by Councilmember Bertagna to: 1) adopt the negative declaration; 2) approve the General Plan Amendment by adoption of the City Council resolution by the reading of the title only; and approve the rezone ordinance by the reading of the title only.

RESOLUTION NO. 15 03-04 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO
APPROVING A GENERAL PLAN AMENDMENT TO AMEND THE GENERAL PLAN DESIGNATION FOR THREE PARCELS LOCATED BETWEEN ORANGE AND CHERRY STREETS AND NORTH OF WEST 6TH STREET FROM MANUFACTURING AND WAREHOUSING TO MEDIUM-HIGH DENSITY RESIDENTIAL (GENERAL PLAN AMENDMENT/REZONE 03-01 GONZALES/FIFTH SUN, LLC)

ORDINANCE NO. 2270 — AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO REZONING PROPERTY AT 831 WEST 5TH STREET (ASSESSOR’S PARCEL NUMBER 004-204-002), 847 WEST 5TH STREET (ASSESSOR’S PARCEL NUMBER 004-204-001), AND 533 ORANGE STREET (ASSESSOR’S PARCEL NUMBER 004-204-006), FROM ML-L-FS LIGHT MANUFACTURING/INDUSTRIAL- LANDMARK-FRATERNITY AND SORORITY TO R3-L-FS MEDIUM-HIGH DENSITY RESIDENTIAL- LANDMARK-FRATERNITY AND SORORITY (GENERAL PLAN AMENDMENT/REZONE 03-01 GONZALES/FIFTH SUN, LLC)- Final Reading and Adoption

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Kirk
NOES: None
ABSENT: Wahl
DISQUAL: None

3.2. 2003 LOT CLEANING/WEED ABATEMENT PROGRAM - COST REPORT AND HEARING PERTAINING TO LOTS WHICH WERE CLEANED BY THE CITY

By memorandum dated 7/23/03, Project Manager Wood reported on the costs incurred by the City in connection with the 2003 Lot Cleaning/Weed Abatement Program. In accordance with Section 39575 of the Government Code the cost report attached to the memorandum was posted three days prior to its submission to the Council for consideration. Each property owner will be billed for costs incurred in cleaning the lot. Any unpaid bills will be added to the tax roll for collection. The Project Manager recommended that the City Council either confirm the cost report as submitted, or confirm the report after making any modifications it deems appropriate. Mayor Kirk opened the hearing to the public and no one spoke. The hearing was closed.

A motion was made by Councilmember Bertagna and seconded by Councilmember Herbert to confirm the report.

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Kirk
NOES: None
ABSENT: Wahl
DISQUAL: None

3.3. HEARING ON FORMATION OF MAINTENANCE DISTRICT NO. 533 (CHANNEL ESTATES SUBDIVISION)

By memorandum dated 7/10/03, the Director of Public Works reported that this resolution will order the formation of Chico Maintenance Assessment District No. 533. As a condition of approval of a subdivision map for this development, generally located on West 12th Avenue west of Shoshone Avenue, the developers, Stan and Lynda Merritt, have consented to the formation of this district for the operation, maintenance, and future replacement of the landscaping and irrigation along Egret Way and of the storm water detention facility.

This maintenance assessment district will provide that the City perform (or contract for) the operation and maintenance services which will be paid by property owners within this district. Future annual assessments will be paid at the time other property taxes are collected. The Director of Public Works recommended adoption of the resolution. Mayor Kirk opened the hearing to the public and no one spoke. The hearing was closed.
A motion was made by Councilmember Herbert and seconded by Vice Mayor Jarvis to adopt:

**RESOLUTION NO. 16 03-04 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO ORDERING FORMATION OF A MAINTENANCE DISTRICT PURSUANT TO THE MAINTENANCE ASSESSMENT DISTRICT ORDINANCE OF 1997 (MAINTENANCE ASSESSMENT DISTRICT NO. 533 — CHANNEL ESTATES SUBDIVISION)**

The motion carried by the following vote:

**AYES:** Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Kirk

**NOES:** None

**ABSENT:** Wahl

**DISQUAL:** None

4. **REGULAR AGENDA**

4.1. **ITEMS REMOVED FROM THE CONSENT AGENDA** — None

4.2. **CONSIDERATION OF INCREASES TO BASIC SEWER SERVICE RATES**

At its meeting held 06/03/03, the City Council considered the recommendation of the Finance Committee to increase the monthly sewer service rates and to establish a rate for breweries. The Council continued the matter to allow Councilmembers additional time to review the proposed rates. By memorandum dated 07/18/03, the Director of Public Works forwarded a report which consolidated prior information provided to the Committee and Council and answered additional questions raised by the Council. The ordinance which is being introduced at tonight’s meeting would increase the monthly basic sewer service rates and establish a rate for breweries. As recommended by the Finance Committee, the rate increases would be implemented over a two-year period. The Council was also provided with a budget modification for consideration at this meeting which would amend the Annual Budget Policies to establish a maximum unrestricted Sewer Fund cash balance.

The Council discussed why it was necessary to increase the monthly sewer service rates. Staff indicated that without the rate increase expenditures are projected to exceed revenues by an average of $2 million each year over the next five years and that the unrestricted cash balance in the Sewer Fund (850) would be in a deficit position at the end of the 2004-05 fiscal year. In addition, the City Manager stated that at the time of the last Water Pollution Control Plant (WPCP) rehabilitation and expansion, sewer service rates were raised to cover rehabilitation costs only, and the projected costs of maintaining the expanded WPCP were underestimated.

Staff provided Council with an overview of potential impacts if funding was not available to hire additional personnel for sewer operations. Such ramifications could include fines for violations of regulations, claims for damages from blocked lines, decreased customer service and a lack of preventive maintenance.

Councilmember Gruendl expressed concern with applying the increase over two years, instead of implementing the full increase right away. Councilmember Herbert questioned why there was a delay in bringing forwarded the needed increases thereby resulting in a large increase all at once. He suggested that if staff anticipated additional needs or expenses the Council should plan for them now. Councilmember Nguyen-Tan asked for clarification on whether new development would pay for any future expansions. The City Manager indicated that rehabilitation of existing sewer facilities and expenses of line maintenance would be paid through the Sewer Fund but any expansion to the Water Pollution Control Plant or to trunk line capacity would be paid through development impact fees. Councilmember Bertagna thanked staff for the additional information that was given which clearly outlined the need for the rate increase and indicated that he would support a tiered rate increase over a two year period. Councilmember Gruendl and Vice Mayor Jarvis said that while they supported the rate increase, they could not support the motion because they felt that the rate increase should not be tiered, but instead, be implemented immediately.
A motion was made by Councilmember Bertagna and seconded by Mayor Kirk to approve the introductory reading of the following Ordinance, by reading of title only, to approve the Budget Modification No. 03-04 02, and to have the Finance Committee explore possible programs that could provide assistance to low-income households who might be severely impacted by the rate increase:

**ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO AMENDING SECTION 15.36.050, ENTITLED “SEWER SERVICE RATES,” OF THE CHICO MUNICIPAL CODE – Introductory Reading**

**APPROVAL OF BUDGET MODIFICATION NO. 03-04 02 TO AMEND THE ANNUAL BUDGET POLICIES TO ESTABLISH A MAXIMUM UNRESTRICTED SEWER FUND CASH BALANCE RESERVE FOR USE IN DETERMINING ANNUAL CONSUMER PRICE INDEX INCREASES**

The motion carried by the following vote:

**AYES:** Bertagna, Herbert, Nguyen-Tan, Kirk  
**NOES:** Gruendl, Jarvis  
**ABSENT:** Wahl  
**DISQUAL:** None

4.3. **CONSIDERATION OF COUNCILMEMBER NGUYEN-TAN’S REQUEST FOR A MEASURE TO BE INCLUDED ON THE BALLOT AT THE 2004 ELECTION REGARDING CONFLICT OF INTEREST/CAMPAIGN FINANCE REFORM**

By email dated 7/1/03, Councilmember Nguyen-Tan requested that the City Council consider placing a measure on the ballot for the 11/04 election regarding additional conflict of interest/campaign finance regulations.

Pursuant to City Council Rules of Procedure, Council, by majority vote, with the motion made by Vice Mayor Jarvis and seconded by Councilmember Gruendl, scheduled this matter to be heard at a future meeting. The City Clerk was asked to provide the City Council with any requirements for the placement of a measure on the ballot.

The motion carried by the following vote:

**AYES:** Bertagna, Gruendl, Jarvis, Nguyen-Tan, Kirk  
**NOES:** Herbert  
**ABSENT:** Wahl  
**DISQUAL:** None

4.4. **CONSIDERATION OF VICE MAYOR JARVIS’ REQUEST FOR THE FORMATION OF A CITIZEN COMMITTEE TO REVIEW THE CITY CHARTER**

By memorandum dated 7/29/03, Vice Mayor Jarvis requested that the City Council consider the formation of a citizen committee to review the City Charter.

Pursuant to City Council Rules of Procedure, Council by majority vote, with the motion made by Vice Mayor Jarvis and seconded by Councilmember Bertagna, to schedule this item for discussion at the next Internal Affairs Committee meeting and directed the City Clerk to provide a copy of the Charter to each Councilmember.

The motion carried by the following vote:

**AYES:** Bertagna, Gruendl, Jarvis, Herbert, Nguyen-Tan, Kirk  
**NOES:** None  
**ABSENT:** Wahl  
**DISQUAL:** None

4.5. **FUTURE MEETINGS**
The City Attorney indicated that special legal counsel was not available for closed session originally scheduled for 6:30 p.m. on 8/19/03, regarding the Humboldt Road Burn Dump liability issue. Council concurred to discuss this issue in closed session on 9/02/03, beginning at 6:30 p.m.

4.6. **ITEMS ADDED AFTER POSTING OF THE AGENDA** — None

5. **BUSINESS FROM THE FLOOR**

Dinah Coffman addressed Council about a claim that she had that was denied by the City.

Michael Pierce addressed the Council regarding the Oroville Project 2100, (Item 6.2.).

6. **REPORTS AND COMMUNICATIONS**

The following reports and communication items were provided for the Council’s information.

6.1. Letter dated 7/1/03 from the Bidwell Ranch Committee requesting the City Council consider beginning the process of adding the Bidwell Ranch property to Bidwell Park.

6.2. Letter dated 7/16/03 from Michael V. Pierce requesting that the City Council authorize the Mayor to sign a resolution which is a declaration of unity and mutual support of fellow stakeholders in demanding an equitable, fair, and enduring settlement with the Department of Water Resources regarding Oroville Project 2100. Council concurred to agendize this item for discussion at its 8/19/03 meeting.

6.3. Letter dated 7/24/03 from Thomas R. Russo requesting a hearing before the City Council regarding his Sewer Main Reimbursement Agreement for 1015 Meier Drive. After extensive research, DPW staff has responded to Mr. Russo in writing and is scheduling this item for discussion by the Finance Committee at its meeting of 8/27/03. Staff is recommending the request.

6.4. Memorandum dated 7/16/03 from Risk Manager reporting on claims denied during the quarter ending 6/30/03.


6.6. Memorandum dated 7/10/03 from the Finance Director reporting that the list of claims paid during the months of May 2003 and June 2003 has been produced and is available for review in the offices of the Finance Director, the City Clerk and the City Council.

6.7. Section 3.28.130 of the Chico Municipal Code requires that annually at its first meeting in August the City Council shall be provided with a report showing the disposition of all City property delivered to the City Manager which was not disposed of at public auction during the preceding fiscal year. By memorandum dated 7/11/03, the Finance Director transmitted the annual report for the 2002-03 Fiscal Year.

6.8. Memorandum dated 7/21/03, from the Assistant City Manager providing a report on contracts that have been awarded for the purchase of materials, supplies, and/or services required by the City, within the appropriations approved therefor in the current Annual Budget.

7. **ADJOURNMENT**

Adjourned at 8:37 p.m. to August 19, 2003, at 7:00 p.m. in Conference Room No. 2 for a closed session, followed by an adjourned regular meeting in the Council Chamber at 7:30 p.m.

Date Approved: August 19, 2003

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Deborah R. Presson, City Clerk
1. **CALL TO ORDER** — Mayor Kirk called the Adjourned Regular Chico City Council Meeting to order at 7:00 p.m. in the Chico Municipal Center, Conference Room #2, 421 Main Street.

2. **CLOSED SESSION**

   Roll Call — Present: Bertagna, Gruendl, Jarvis, Herbert, Nguyen-Tan, Wahl, Kirk
   Absent: None

2.1. **CONFERENCE WITH LEGAL COUNSEL — EXISTING LITIGATION:** The City Attorney reviewed the following: *Meghdadi v. Chico City Council*, Butte County Superior Court Case 127773. (Gov. Code Sec. 54956.9(a).)

2.2. **PUBLIC EMPLOYEE PERFORMANCE EVALUATION:** The City Council reviewed the City Manager's performance. (Gov. Code Section 54957.)

3. **ADJOURNMENT**

   Adjourned at 7:20 p.m. to a Redevelopment Agency meeting in the Council Chamber.
1. CALL TO ORDER — Mayor Kirk called the Adjourned Regular Chico Redevelopment Agency Meeting to order at 7:30 p.m. in the Chico Municipal Center, Council Chamber, 421 Main Street.

1.1. Flag Salute

1.2. Invocation — Reverend Dr. Tom Shifflet, First Christian Church

Special Presentation by Mayor Kirk honoring Lance Corporals Daniel Sagastume and Matt Barbera, United States Marines for their participation in Operation Iraqi Freedom.

1.3. Roll Call — Present: Bertagna, Gruendl, Jarvis, Herbert, Nguyen-Tan, Wahl, Kirk

Present: Bertagna, Gruendl, Jarvis, Herbert, Nguyen-Tan, Wahl, Kirk

Absent: None

1.4. Closed Session Announcement — Mayor Kirk announced that the Council authorized the City Attorney to file an appeal of the Meghdadi vs. the City of Chico decision.

2. CONSENT AGENDA — A motion was made by Vice Mayor Jarvis and seconded by Councilmember Nguyen-Tan to approve the following Consent Agenda:

2.1. APPROVAL OF AMENDMENT TO ADMINISTRATIVE PROCEDURE AND POLICY NO. 11-50 REGARDING THE INTEREST RATE FOR COMMERCIAL FACADE IMPROVEMENT LOANS

By memorandum dated 08/11/03, the Economic Development/Housing Specialist forwarded a report on the Economic Development Committee recommendation to modify the interest rate on Commercial Facade Improvement loans to 0.5 percent together with a copy of Administrative Procedure and Policy No. 11-50 which highlights the proposed revisions. The Economic Development Committee recommended approval of the amendment to Administrative Procedure and Policy No. 11-50.

The motion to approve the Consent Agenda, as read, carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk

NOES: None

3. NOTICED PUBLIC HEARINGS — None

4. REGULAR AGENDA

4.1. ITEMS REMOVED FROM THE CONSENT AGENDA — None

4.2. CONSIDERATION OF REPORT AND RECOMMENDATIONS FROM THE FINANCE COMMITTEE ON ITS MEETING HELD ON JULY 23, 2003

By memorandum dated 7/24/03, the Finance Committee provided a report on its meeting held on 7/23/03. Committee members present were Councilmembers Gruendl and Wahl. The matters considered by the Committee are listed below:

COMMITTEE MATTERS REQUIRING CITY COUNCIL/REDEVELOPMENT AGENCY ACTION AT THIS MEETING:

A. Request from Housing Authority of the County of Butte (HACB) for an Advance of Loan Funds from the Chico Redevelopment Agency for Architectural Services for the 1200 Park Avenue Senior Housing Project. The Committee recommended (2-0-1, Nguyen-Tan absent) approval of the request for $375,000 for architectural services subject to the funds being
disbursed in response to work completed by the architect, and that the drawings become the property of the Agency in the event that HACB is unable to complete the project within the time-frames of the loan agreement with the Agency.

A motion was made by Vice Mayor Jarvis and seconded by Councilmember Bertagna to approve RDA Minute Order No. 05-03:

**RDA MINUTE ORDER NO. 05-03 — AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE AN AMENDMENT TO THE LOAN AGREEMENT BETWEEN THE AGENCY AND 1200 PARK AVENUE LIMITED PARTNERSHIP FOR THE DEVELOPMENT OF THE 1200 PARK AVENUE SENIOR HOUSING PROJECT**

The motion carried by the following vote:

**AYES:** Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk  
**NOES:** None

**COMMITTEE MATTERS REQUIRING NO CITY COUNCIL/REDEVELOPMENT AGENCY ACTION AT THIS MEETING:**

**B. Mortgage Subsidy Program (MSP) - Application Request to Waive Sale Price Limit.** The Committee approved (2-0-1, Nguyen-Tan absent) the applicant’s request to waive the MSP sale price limit of $200,000, allowing a sale price of $235,000.

**C. Acquisition of 8 Acres of the Pleasant Valley Assembly of God Church Site on Humboldt Road.** The Committee requested that this item be forwarded to the full City Council following appraisal of the property without a recommendation. The City Manager has been informed that Pleasant Valley Assembly of God has accepted an offer from another party to purchase the property, therefore no further action will be taken on this item.

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A motion was made by Councilmember Herbert and seconded by Vice Mayor Jarvis to accept the report and recommendations from the Finance Committee from its meeting held on July 23, 2003.

The motion carried by the following vote:

**AYES:** Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk  
**NOES:** None

4.3. **RECOMMENDATION OF THE OLD MUNICIPAL BUILDING COMMITTEE ON PROPOSALS FOR LEASING THE OLD MUNICIPAL BUILDING**

By memorandum dated 8/8/03, the Community Development Director transmitted the recommendation of the Old Municipal Building Committee that the proposal by the Chico Art Center to lease the Old Municipal Building at 441 Main Street be accepted by the City. The Community Development Director recommended that the proposals be forwarded to the Finance Committee for further review prior to consideration by the City Council. Councilmember Wahl disqualified himself from the discussion and subsequent action. Addressing Council on this item were Ken Fleming, Bill McCoy, Mary Andrews, Gregg Payne, Andy Holcombe, and Greg Tropea.

Councilmember Herbert expressed concern over the Committee’s recommendation citing that the amount being offered to pay for the monthly lease was well under market rates. He felt that it was imperative, prior to making a decision on who would occupy the building, to get an appraisal, which would take in consideration the lack of parking, etc. Staff indicated that an appraisal would run approximately $5,000 to $10,000.
A motion was made by Councilmember Bertagna and seconded by Councilmember Gruendl to send the recommendation to the Internal Affairs Committee for review, directed staff to work with both applicants to develop a budget that uses the same format, and to provide information to the Committee on what criteria was used when rating the two requests.

The motion carried by the following vote:

**AYES:** Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Kirk  
**NOES:** None  
**ABSENT:** None  
**DISQUAL:** Wahl

4. **ITEMS ADDED AFTER POSTING OF THE AGENDA** — None

5. **ADJOURNMENT**

Adjourned to a City Council meeting.
ADJOURNED REGULAR CHICO CITY COUNCIL MEETING — August 19, 2003
Minutes

1. CALL TO ORDER — Mayor Kirk called the Adjourned Regular Chico City Council Meeting to order in
the Chico Municipal Center, Council Chamber, 421 Main Street.

1.1. Roll Call — Present: Bertagna, Gruendl, Jarvis, Herbert, Nguyen-Tan, Wahl, Kirk
Absent: None

2. CONSENT AGENDA — Item 2.1. was removed from the Consent Agenda and heard under Item 4.1.
A motion was made by Vice Mayor Jarvis and seconded by Councilmember Bertagna to approve the
remaining Consent Agenda:

2.1. ORDINANCE NO. 2271 — AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO
AMENDING SECTION 15.36.050, ENTITLED “SEWER SERVICE RATES,” OF THE CHICO MUNICIPAL
CODE — This item was removed from the Consent Agenda at the request of Councilmember Herbert and
heard under Item 4.1.

2.2. RESOLUTION NO. 17 03-04 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO
ADDING SECTION 2R.04.450, ENTITLED, “CITY MANAGER AUTHORIZED TO EXECUTE
AGREEMENTS TO OBTAIN GRANTS OF TEMPORARY CONSTRUCTION EASEMENTS,” TO THE
CHICO MUNICIPAL CODE

In connection with various capital projects, it may be necessary for the City to acquire temporary
construction easements to enter onto private properties in order to conform private improvements, such
as driveways, to newly constructed public improvements. By memorandum dated 7/29/03, Management
Analyst Herman submitted a resolution that would add Section 2R.04.450 to the Chico Municipal Code
to authorize the City Manager to execute agreements to obtain grants of temporary construction
easements which have an appraised value of up to $5,000. The City Manager recommended approval
of the resolution.

2.3. RESOLUTION NO. 18 03-04 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO
REPEALING SECTION 2R.04.190 OF THE CHICO MUNICIPAL CODE AND ADOPTING A NEW
SECTION 2R.04.190, ENTITLED “CITY MANAGER AUTHORIZED TO EXECUTE AND FILE
APPLICATIONS, ASSURANCES AND AGREEMENTS WITH THE FEDERAL TRANSIT
ADMINISTRATION, AN OPERATING ADMINISTRATION OF THE U. S. DEPARTMENT OF
TRANSPORTATION FOR FEDERAL TRANSPORTATION ASSISTANCE AUTHORIZED BY 49 U.S.C.
CHAPTER 53, TITLE 23, UNITED STATES CODE, AND OTHER FEDERAL STATUTES
ADMINISTERED BY THE FEDERAL TRANSIT ADMINISTRATION”

The City of Chico is eligible to receive Federal financial assistance for transit and transportation projects
from the Federal Transit Administration (FTA). Each year, as authorized by Chico Municipal Code (CMC)
Section 2R.04.190, the City Manager files an application with the FTA for operating and capital financial
assistance for the Chico Area Transit System. FTA recently notified staff that this CMC section does
not include the most recent provisions required by the FTA. By memorandum dated 7/30/03,
Management Analyst Herman submitted a resolution that repeals the existing Section 2R.04.190 of the
CMC and adopts a new Section 2R.04.190 to include these updated FTA requirements. The City
Manager recommended adoption of the resolution.

2.4. RESOLUTION NO. 19 03-04 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO
SUPPORTING THE CONCEPT AND EFFORTS OF THE CALIFORNIA HIGHWAY PATROL NEEDED
TO CONDUCT A DRIVING UNDER THE INFLUENCE (DUI) TRAFFIC SAFETY PROJECT

By memorandum dated 8/11/03, the Chief of Police advised that the California Highway Patrol (CHP), as
a condition of its Office of Traffic Safety (OTS) grant for the “Removing Impaired Drivers Project,” is
authorized to reimburse the City $2,500 for Chico Police Department services in connection with a joint
DUI checkpoint scheduled for Labor Day. The City has budgeted funds through its OTS grant to cover
the remaining costs. Although the City Manager is authorized to accept this reimbursement under
Budget Policy D.9., the resolution, which supports the efforts of law enforcement to deter driving under
the influence and authorizes execution of related agreements for the reimbursement, is required by CHP
as a condition of its grant. The Chief of Police recommended adoption of the resolution.

2.5. RESOLUTION NO. 20 03-04 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO INITIATING PROCEEDINGS TO ANNEX PROPERTY NOW LOCATED IN THE UNINCORPORATED TERRITORY OF THE COUNTY OF BUTTE TO THE INCORPORATED TERRITORY OF THE CITY OF CHICO - BURNAP AVENUE ANNEXATION DISTRICT NO. 5

By memorandum 7/29/03, the Assistant Community Development Director forwarded a report on initiation of the annexation of a 2.95 acre parcel. The parcel at 2960 Burnap Avenue currently contains a single family residence, and multiple family residential development is proposed. The property is designated and zoned for medium density residential use. In accordance with adopted LAFCo policy, the City must adopt a resolution to initiate the annexation of property to the City. The Assistant Community Development Director recommended adoption of the resolution.

2.6. RESOLUTION NO. 21 03-04 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO AUTHORIZING THE SUBMITTAL OF A BUTTE REGIONAL ELECTRONIC HAZARDOUS WASTE GRANT PROGRAM APPLICATION

By memorandum dated 7/28/03, Management Analyst Herman submitted a resolution authorizing the County of Butte to submit a regional Local Government Household Hazardous Waste Grant application to the California Integrated Waste Management Board (CIWMB) on behalf of the cities of Chico, Gridley, Biggs, and the Town of Paradise for the establishment of an expanded hazardous electronic waste (e-waste) recycling program. As a regional grant applicant, the County is eligible to receive up to $300,000 and is requesting $298,000 in its application to establish an e-waste reclamation facility at the Neal Road Landfill, and smaller e-waste satellite collection facilities throughout Butte County. The CIWMB requires each jurisdiction within the Butte County to adopt a resolution authorizing the County to apply for the grant on its behalf and to act as the lead agency for the implementation of the grant if awarded. The City Manager recommended adoption of the resolution.

2.7. MINUTE ORDER NO. 41-03 — AUTHORIZATION FOR THE CITY MANAGER TO EXECUTE A SPOILS AGREEMENT (CITY OF CHICO/RECLAMATION BOARD OF THE STATE OF CALIFORNIA)

This minute order authorizes the City Manager to execute an agreement with the Reclamation Board of the State of California to allow an estimated 10,000 yards of sediment or "spoils" to be deposited adjacent to a levee in the south clear zone of the Chico Municipal Airport. In August or September 2003, the Reclamation Board of the State of California plans to remove sediment from Sycamore Creek in the south clear zone. The removal of the sediment, which has built up over a number of years, will allow for a more efficient creek flow. Staff has determined that there is value to storing this additional fill material for future projects such as the Cohasset Road widening or a runway extension. The Airport Manager recommended approval of this minute order.

2.8. MINUTE ORDER NO. 42-03 — AUTHORIZATION FOR CITY MANAGER TO EXECUTE AGREEMENTS AND RELATED DOCUMENTS IN CONNECTION WITH THE ACQUISITION OF PROPERTY RIGHTS FOR THE WEST 8TH AVENUE IMPROVEMENT PROJECT (AP NO. 003-572-028) -BETTIS

This minute order authorizes the City Manager to execute agreements and other documents to acquire property rights needed for the joint City/County of Butte project to improve West 8th Avenue from the property owner of 1740 Citrus Avenue for $8,300 according to the terms set out in the minute order. The Assistant City Manager recommended approval of the minute order.

2.9. APPROVAL OF SUPPLEMENTAL APPROPRIATION NO. 03-04 03 IN THE AMOUNT OF $71,400 TO FUND THE CITY’S ANNUAL COMPUTER REPLACEMENT

The City Manager’s recommendation for funding the Annual Computer Replacement minor capital project was inadvertently omitted from the 2003-04 Proposed Budget and, therefore, not included in the Final Budget adopted by the City Council on July 1, 2003. This Supplemental Appropriation would allocate $71,400 from the Equipment Replacement Fund (932) to replace computers scheduled for replacement in 2003-04.
The City Council was provided with a copy of the Equipment Replacement Fund (932) Fund Summary which reflects the estimated 06/30/04 fund balance. Pursuant to the authority granted by Annual Budget Policy No. C.2., this request was submitted directly to the City Council without prior consideration by the Finance Committee. The Information Systems Director recommended approval of this supplemental appropriation.

2.10.  

APPROVAL OF CITY COUNCIL MINUTES FOR ITS MEETINGS HELD ON 1/28/03, 5/20/03, 6/3/03, 6/17/03, 7/1/03, 7/14/03, 7/15/03, and 8/5/03

The City Council was provided with minutes from its meetings held on 1/28/03, 5/20/03, 6/3/03, 6/17/03, 7/1/03, 7/14/03, 7/15/03, and 8/5/03, as amended.

The motion to approve the Consent Agenda, as read, with Item 2.1. being removed and heard under Item 4.1., carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Kirk
NOES: None
ABSENT: None
DISQUAL: Wahl, on Item 2.8.

3.  

NOTICED PUBLIC HEARINGS

3.1. 

APPEAL OF THE PLANNING COMMISSION’S DECISION TO APPROVE VESTING TENTATIVE SUBDIVISION MAP S 02-04 AND PLANNED DEVELOPMENT PERMIT PDP 02-03 AUTHORIZING THE DIVISION OF A 5.37 ACRE SITE INTO FOUR RESIDENTIAL LOTS AT THE WEST END OF SHALLOW SPRINGS TERRACE IN THE CANYON OAKS DEVELOPMENT (LVV ENTERPRISES)

By memorandum dated 08/05/03, Senior Planner Patrick Murphy reported that at the Planning Commission meeting of July 17, 2003, the Commission voted (3 in favor, 1 in opposition, 3 absent) to adopt a mitigated negative declaration and approve a vesting tentative parcel map and planned development permit authorizing the subdivision of 5.37 acres into four residential lots. Two separate appeals have been filed on the Planning Commission’s decision. APPEAL #1: Jim and Erica Higgins, the neighbors directly across from Lot 3 of the subdivision, filed an appeal citing that future development of Lot 3 will adversely impact their viewshed and that the proposed development is incompatible with the surrounding neighborhood. APPEAL #2: LVV Enterprises, the applicant, originally filed an appeal protesting the 20-foot maximum building height imposed on Lot 3. The Council was advised that Appeal #2 was withdrawn via a faxed letter from Jim Stevens received 8/19/03.

The Mayor opened the hearing to the public regarding the Higgins’ appeal. Addressing the Council on this item were Harvey Hiler, Erica Higgins, Jim Higgins, and Michael Galli all speaking in favor of the appeal. Speaking against the appeal was Jim Stevens. The hearing was closed.

A motion was made by Councilmember Herbert and seconded by Councilmember Bertagna to (1) uphold the neighbor’s appeal; (2) adopt the mitigated negative declaration and mitigation monitoring program; (3) approve Vesting Tentative Subdivision Map S 02-04 and Planned Development Permit PDP 02-03 for the creation of Lots 1, 2 and 4, with the distribution of the acreage of Lot 3 being determined by applicant and staff and included within the permanent open space easement; and (4) schedule the adoption of a resolution for the map approval on the consent calendar of a future Council meeting agenda.

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Nguyen-Tan, Wahl, Kirk
NOES: Jarvis

The Council recessed for a ten minute break at 8:30 p.m.
3.2. INITIAL HEARING ON FORMATION OF MAINTENANCE DISTRICT NO. 535 (CALIFORNIA PARK – DEAD HORSE SLOUGH)

By memorandum dated 7/31/03, the Director of Public Works forwarded the Engineer’s Report for Maintenance District No. 535 (California Park / Dead Horse Slough), generally located in the California Park area between SHR 32 and Idyllwild Circle. The purpose of forming the proposed Maintenance District is to levy annual assessments against the parcels within the district to fund the operation and maintenance of the drainage channel known as Dead Horse Slough, which is of special benefit to the surrounding subdivisions. The Engineer’s Report describes the boundaries of the proposed district, the public improvements to be funded, how the amount of the annual assessment was calculated and how it was apportioned among the parcels. Proposition 218 requires a vote of the property owners to establish the assessment. Ballots, copies of the Engineer’s Report, and a notice of the two hearings were previously mailed to all affected property owners.

The purpose of this initial hearing was for the Council to receive and consider the Engineer’s Report as well as all comments on the report or any other matter relevant to the establishment of the proposed district. At the conclusion of the hearing the Council may either approve the Engineer’s Report as presented, modify the report and approve it as modified, or abandon proceedings on the proposed district. The Mayor opened the hearing to the public. Speaking against the formation of this maintenance district were Richard Arnsdorf, Linda Lee Ranger, B.T. Chapman, and Pam Giuliano. The Mayor closed the hearing.

A motion was made by Vice Mayor Jarvis and seconded by Councilmember Herbert that 1) initial clean up should occur; and 2) staff was directed to move ahead with the formation of a maintenance district for the developers for any unit that hasn’t sold; and 3) start the formation of a maintenance district for the remaining residents which they would be able to vote on.

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Wahl
NOES: Nguyen-Tan, Kirk

3.3. HEARING ON TEXT AMENDMENTS TO TITLE 19 LAND USE AND DEVELOPMENT REGULATIONS TO PERMIT BANKS AND FINANCIAL SERVICES IN THE OR OFFICE RESIDENTIAL ZONING DISTRICT AND MAKING CERTAIN CLERICAL CORRECTIONS - Final Reading and Adoption

By memorandum dated 8/7/03, Associate Planner Bob Summerville reported that the City Council introduced an ordinance to allow Banks and Financial Services in the OR Office Residential zoning district at the August 5, 2003 Council meeting. The Planning Commission, at the meeting of 7/3/03, voted 5 in favor, 1 absent, 1 abstention to recommend approval of the text amendments to Title 19 Land Use and Development Regulations to allow banks and financial services 2,500 square feet or less, automated teller machines (ATMs) and walk-up service windows using a public sidewalk as permitted uses in the OR Office Residential zoning district. The proposed amendments have been determined to be exempt from the California Environmental Quality Act (CEQA), pursuant to CEQA Guidelines Section 15061 (a)(3) General Rule Exemption. The Planning Director recommended that the City Council Mayor Kirk opened the hearing to the public. No one spoke and the hearing was closed.

A motion was made by Vice Mayor Jarvis and seconded by Councilmember Bertagna to find that the amendments are exempt from environmental review and adopt the ordinance by the final reading of the title only.

ORDINANCE NO. 2272 — AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO AMENDING TITLE 19 OF THE CHICO MUNICIPAL CODE TO PERMIT BANKS AND FINANCIAL SERVICES IN THE OR, OFFICE RESIDENTIAL ZONING DISTRICT AND MAKING CERTAIN CLERICAL CORRECTIONS – Final Reading and Adoption

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk
NOES: None
4. **REGULAR AGENDA**

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

2.1. **ORDINANCE NO. 2271 — AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO AMENDING SECTION 15.36.050, ENTITLED “SEWER SERVICE RATES,” OF THE CHICO MUNICIPAL CODE — Final Reading and Adoption**

After hearing public comment at its meeting held 08/05/03, the City Council approved introduction of this ordinance to increase the monthly sewer service rates and to establish a rate for breweries. The Council also approved Budget Modification No. 03-04 02 which amended the Annual Budget Policy to establish a maximum unrestricted sewer fund cash balance reserve for use in determining annual consumer price index. In addition to the ordinance, the Council was provided with a copy of the staff report dated 07/18/03 and a copy of the approved Budget Modification.

Councilmember Herbert asked for this item to be removed from the Consent Agenda in order to ask additional questions regarding the flume liability calculation. The City Manager indicated that the liability stems from the fact that since the dry cleaners used the sewer to dispose of chemicals that the City is considered responsible. He further indicated that the proposed sewer rate would be reduced by approximately 60 cents should the Council not wish to cover the potential liability. Councilmember Wahl expressed concern over the need to now raise the sewer fees when it seems that fees are consistently being raised across the board along with the recent water rate increase. He suggested that the Department of Public Works review the fee and determine what other things could be cut in lieu of the rate increase.

A motion was made by Councilmember Herbert and seconded by Councilmember Wahl to not approve the increase but send the discussion back to the Department of Public Works for further analysis.

The motion failed by the following vote:

**AYES:** Bertagna, Herbert, Wahl  
**NOES:** Gruendl, Jarvis, Nguyen-Tan, Kirk

A motion was made by Vice Mayor Jarvis and seconded by Councilmember Nguyen-Tan to adopt:

**ORDINANCE NO. 2271 — AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO AMENDING SECTION 15.36.050, ENTITLED “SEWER SERVICE RATES,” OF THE CHICO MUNICIPAL CODE — Final Reading and Adoption**

The motion carried by the following vote:

**AYES:** Gruendl, Jarvis, Nguyen-Tan, Kirk  
**NOES:** Bertagna, Herbert, Wahl

4.2. **CONSIDERATION OF MICHAEL PIERCE’S REQUEST FOR THE CITY OF CHICO TO SUPPORT A RESOLUTION OF UNITY AND MUTUAL SUPPORT REGARDING OROVILLE PROJECT 2100 TO BE SENT TO THE DEPARTMENT OF WATER RESOURCES**

At its meeting of 8/5/03, the City Council agreed to consider a request from Michael Pierce, dated 7/16/03, regarding a resolution for the Mayor’s signature which would be a declaration of support of fellow stakeholders in demanding an equitable, fair and enduring settlement with the Department of Water Resources regarding Oroville Project 2100. The Butte County Board of Supervisors approved signing the document on 7/8/03. The Council was provided with a copy of an article from the 8/8/03 edition of the Chico Enterprise Record, regarding the City of Oroville’s decision not to support the signing of the resolution.

A motion was made by Councilmember Wahl and seconded by Councilmember Herbert to table this item to a future Council meeting due to the fact that Michael Pierce was not in attendance and concurred that future requests from citizens which did not pertain directly to the City of Chico, would need to be in...
writing and would provide reasons why it should be considered, under the Council’s policy on non-City issues. It was noted that the Mayor could sign the document, without representing formal approval of the Council.

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk
NOES: None

The Council recessed for a five minute break at 9:27 p.m.

4.4. FUTURE MEETINGS

Council was requested to schedule future workshops or hearings on the draft housing element. The City Council concurred that staff should schedule the matter as part of a regular meeting.

4.5. ITEMS ADDED AFTER POSTING OF THE AGENDA

A motion was made by Councilmember Bertagna and seconded by Councilmember Wahl to agendize the following matter that arose after the posting of the agenda.

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl
NOES: Kirk

CONSIDERATION TO FLY THE UNITED STATES FLAG DURING THE MONTH OF SEPTEMBER 2003

The City Manager was requesting direction on whether the City Council wanted the United States flags to fly during the month of September in remembrance of 9/11/01. Based upon last year’s direction, the flags were flown during the month of September 2002 and Council requested a discussion on when to fly the flags in September 2003. Ed Reagan addressed the Council on this item.

A motion was made by Councilmember Nguyen-Tan and seconded by Vice Mayor Jarvis to fly the Flags from Thursday, September 11th through Monday, September 15th, allowing for additional days that might be needed in order to get the flags set up and then taken down.

Councilmember Wahl asked for a friendly amendment that would allow the flags to be flown all month. The amendment was not accepted.

AYES: Bertagna, Gruendl, Jarvis, Nguyen-Tan, Kirk
NOES: Herbert, Wahl

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.

6.1. Letter dated 7/31/03, from DNA, Artistic Director of the Right Now Foundation, requesting a re-allocation of the 2003-04 arts funding from lighting for the Senator Theatre to costs of the Music Revolution concerts in the park. Based on the Council’s policy not to consider out-of-cycle requests, staff did not recommend this request.

A motion was made by Vice Mayor Jarvis and seconded by Councilmember Gruendl that the item be
agendized for consideration by the Council. That motion failed by the following vote:

AYES: Gruendl, Jarvis, Kirk
NOES: Bertagna, Nguyen-Tan, Herbert
ABSENT: None
DISQUAL: Wahl

A motion was made by Councilmember Nguyen-Tan and seconded by Mayor Kirk that the request be referred to the Arts Commission for a more detailed review and recommendation.

The motion carried by the following vote:

AYES: Gruendl, Jarvis, Herbert, Nguyen-Tan, Kirk
NOES: Bertagna, Wahl
ABSENT: None


7. ADJOURNMENT

Adjourned at 10:35 p.m. to August 26, 2003, at 6:30 p.m., for an Adjourned Regular City Council meeting regarding the Humboldt Road Burn Dump, in the Council Chamber.

Date Approved: September 2, 2003

_______________________________
Deborah R. Presson, City Clerk
1. CALL TO ORDER — The Mayor called the adjourned regular meeting of the Chico City Council to order at 6:30 p.m. in the Council Chamber of the Chico Municipal Center, 421 Main Street.

1.1. Flag Salute

1.2. Roll Call – Present: Gruendl, Herbert, Nguyen-Tan, Wahl, Kirk
Absent: Bertagna, Jarvis

The City Council honored Lance Corporal Andrew Starkey, United States Marine Corps, for his participation in Operation Iraqi Freedom.

Councilmember Bertagna arrived at 6:50 p.m.

2. REGULAR AGENDA

2.1. CONSIDERATION OF THE HUMBOLDT ROAD BURN DUMP

The purpose of tonight’s meeting was to: (1) provide additional information to Council as requested at its 7/14/03 meeting; (2) hear presentations by California Regional Water Quality Control Board’s Chief Staff Counsel and the head toxicologist for Department of Toxics Substances Control; and (3) to hear public comments on the proposed remediation of the Humboldt Road Burn Dump. At the conclusion of this meeting, the City Council provided direction regarding the Humboldt Road Burn Dump clean-up.

The City Council was provided with a memorandum dated 8/14/03 from the Director of Public Works, responding to requests and questions formulated by the City Council at its 7/14/03 meeting.

City Manager Lando summarized the remediation process up to this point and indicated that the City’s goals are to comply with the state order, and if possible, to achieve a community consensus. He stated that there would be no final decision made this evening.

Frances McChesney, California Regional Water Quality Control Board’s (RWQCB) Chief Staff Counsel, described the authority of the cleanup and abatement order and site designation process. In response to questions from Councilmembers, Ms. McChesney stated that the RWQCB has no involvement in the cost share of remediation, and that the least expensive remedy would be acceptable as long as it meets state requirements.

Steve Dizio, head toxicologist for Department of Toxics Substances Control, explained that his department provided support to the RWQCB by evaluating the technical merits of the proposal and determining human and ecological risk factors.

The City Council recessed for a 7 minute break at 7:31 p.m.

Susan Minasian, Chairperson of the former Humboldt Road Burn Dump Community Committee, spoke in support of the Majority Report; Valerie Schmidt, former Committee member, supported implementing a solution which was safe and economical; and Rene Vercruyssen, also a former Committee member, spoke in support of consolidation and capping as proposed in Alternative 3.

The Mayor opened the meeting to the public at 7:55 pm. Members of the public addressing the Council included Dave Donnan, Tim Donohue, Barbara Morris, Linda Forner, Sutherland Simpson, Cathrine Hamburg, Leslie Schibsted, Marilyn Ditinson, Marc Siegall, Kevin Quinn, Lisa Churchill, Walter Ballin, and Phillip Smith.
Public comment continued. Speakers included Barbara Vlamis, Marvin Gold, Bob Benoit, Jim Fletcher, Kristyna Demaree, Joakim Roussell, Greg Steel, and Ty Benoit. The Mayor closed the public hearing at 8:59 p.m.

Jim Wagoner and Bob McLaughlin, representing Butte County Air Quality Management District, discussed the monitoring of air quality and said that during the cleanup there would be a permanent manager on site during all working hours. They stated that there are no good methods for gathering real time lead data. In response to Councilmember Bertagna as to whether there are similarities between the Husa Ranch project and the cleanup of the burn dump, Jim Wagoner answered that there are very few similarities, notably that detailed mitigations for compliance would be put into effect at the dump site.

Mayor Kirk requested a map of the 1000 year flood plain.

In response to Councilmember Nguyen-Tan, Phil Woodward, RWQCB, explained that the majority report is unacceptable to the state because it offers no final, definitive, permanent, cleanup solution. He explained that the standard question to be answered is whether waste is entering the waters of the state, and if so, there must be a permanent solution with a commitment. If lead is found in streams, it must be cleaned up under a controlled method. He stated that the phasing in approach set forth in the Majority Report is not acceptable.

Councilmember Nguyen-Tan suggested the City conduct the cleanup in steps. As soon as step one is completed, it would be evaluated. If the outcome were acceptable, proceed to step two, evaluate, and so on.

Phil Woodward supported this idea, adding that if the data on site reaches dangerous levels, the project would be shut down. Councilmember Gruendl suggested finding the common ground between Alternative 3 and community acceptance. Phil Woodward agreed that community acceptance is the modifying factor, adding that the state is not married to Alternative 3.

Councilmember Nguyen-Tan suggested that City staff meet with regulatory staff and the community to try and reach an agreement as to what will be incorporated in step one and what measures will be applied.

Jody Sparks, Toxics Assessment Group, said that it is not unusual for this type of step approach to be used, and suggested doing research in some of the areas where it has been implemented. Councilmember Gruendl suggested that the Chico Unified School District, Little Chico Creek Elementary and Hank Marsh Junior High School Parent-Teacher Organizations be asked whether they had taken a position on the remediation. He also requested that staff prepare a memorandum regarding land use issues related to the HRBD in time for the 9/2/03 meeting.

The Council agreed to schedule a date for further discussion of this item at its 9/2/03 meeting under the Future Meetings section of the agenda.

2.2. **ITEMS ADDED AFTER POSTING OF THE AGENDA** – No items.

3. **BUSINESS FROM THE FLOOR** – No items.

4. **ADJOURNMENT**

Adjourned at 10:10 p.m. to September 2, 2003, at 6:30 p.m., in Conference Room 2 for a closed session, followed by a regular meeting in the Council Chamber at 7:30 p.m.

Date Approved: November 4, 2003

Deborah R. Presson, City Clerk
REGULAR CHICO REDEVELOPMENT AGENCY MEETING — September 2, 2003
Minutes

1. CALL TO ORDER – Mayor Kirk called the Regular Chico Redevelopment Agency Meeting to order at 7:30 p.m. in the Chico Municipal Center, Council Chamber, 421 Main Street.

1.1. Flag Salute

1.2. Invocation — Lucy Sperlin, Board Chair, Unitarian Fellowship of Chico.

1.3. Roll Call — Present: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk
   Absent: None

Presentation by Mayor Kirk honoring Specialist Enlisted 4 James A. Lindke, United States Marine Army

1.4. Proclamations — 9/11/01 - A Day to Remember - received by Sergeant Mike Maloney, Chico Police
   Fetal Alcohol Spectrum Disorder (FASD) Awareness Day

1.5. Closed Session Announcement — None

2. CONSENT AGENDA

2.1. RESOLUTION NO. 09-03 — A RESOLUTION OF THE CHICO REDEVELOPMENT AGENCY AUTHORIZING THE SUBMITTAL OF AN APPLICATION TO THE CALIFORNIA STATE DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT FOR FUNDING UNDER THE CALHOME PROGRAM AND AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE ALL REQUIRED DOCUMENTS NECESSARY TO PARTICIPATE IN THE CALHOME PROGRAM

The CalHome Program application requests $500,000 for additional Mortgage Subsidy Program Loans, specifically for lower income households. At its 8/27/03 meeting, the Finance Committee recommended adoption of the resolution and submission of the application.

The motion to approve the Consent Agenda was made by Vice Mayor Jarvis and seconded by Councilmember Wahl.

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk
NOES: None
ABSENT: None
DISQUAL: None

3. NOTICED PUBLIC HEARINGS

3.1. A. HEARING ON GENERAL PLAN AMENDMENT/REZONE 01-02 (CITY OF CHICO) AFFECTING 10.2 ACRES LOCATED SOUTHWEST OF THE INTERSECTION OF HUMBOLDT ROAD AND NOTRE DAME BOULEVARD, ASSESSOR’S PARCEL NOS. 002-180-091 & 093

By memorandum dated 8/15/03, Senior Planner Claudia Sigona reported that at the Planning Commission meeting of 9/06/01, the Commission voted 7-0 to recommend approval of a proposal to amend the General Plan land use designation for a 5.5-acre parcel located at the southwest corner of Humboldt Road and Notre Dame Boulevard (El Monte Avenue) from High Density Residential to Parks and concurrently rezone the site from R4 High Density Residential to OS2 Secondary Open Space; and amend the General Plan land use designation for a 4.7-acre parcel located on the west...
side of Notre Dame Boulevard, across from Hank Marsh Junior High, from Parks to High Density Residential and concurrently rezone the site from OS2 Secondary Open Space to R4 High Density Residential. A mitigated negative declaration of environmental impact is proposed for this project pursuant to the California Environmental Quality Act (CEQA). The rezone ordinance received introductory reading at the City Council meeting of 08/05/03.

Mayor Kirk opened the hearing to the public at 7:51 p.m. No one spoke and the hearing was closed at 7:52 p.m. A motion was made by Vice Mayor Jarvis and seconded by Councilmember Gruendl to: 1) adopt the proposed mitigated negative declaration; 2) adopt the resolution approving the amendment to the City of Chico General Plan Land Use Diagram; and 3) adopt the rezone ordinance approving General Plan Amendment/Rezone 01-02 (City of Chico) by the final reading of the title only.

RESOLUTION NO. 2203-04 OF THE CITY COUNCIL OF THE CITY OF CHICO AMENDING THE GENERAL PLAN DESIGNATION FOR 10.2 ACRES LOCATED SOUTHWEST OF THE INTERSECTION OF HUMBOLDT ROAD AND EL MONTE AVENUE/NOTRE DAME BOULEVARD, ASSESSOR’S PARCEL NOS. 002-180-091 AND 093 - GENERAL PLAN AMENDMENT/REZONE 01-02 (CITY OF CHICO)

ORDINANCE NO. 2273 OF THE CITY COUNCIL OF THE CITY OF CHICO REZONING 10.2 ACRES LOCATED SOUTHWEST OF THE INTERSECTION OF HUMBOLDT ROAD AND EL MONTE AVENUE/NOTRE DAME BOULEVARD, ASSESSOR’S PARCEL NOS. 002-180-091 AND 093 - GENERAL PLAN AMENDMENT/REZONE 01-02 (CITY OF CHICO)

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk
NOES: None
ABSENT: None
DISQUAL: None

B. SELECTION OF HOUSING PROPOSAL FOR AGENCY-OWNED SITE LOCATED ON SOUTH SIDE OF NOTRE DAME EXTENSION ADJACENT TO LITTLE CHICO CREEK

At its meeting of 6/19/03 the Finance Committee reviewed three proposals for a rental housing project on the subject site. Proposals were submitted by Affordable Housing Development Corporation (AHDC), OSM Investments, and Community Housing Improvement Program (CHIP). After its review, the Committee recommended (2-1, Wahl voting against) the proposal from CHIP, subject to confirmation that its financing plan is feasible. By memorandum dated 8/1/03, the Housing Officer transmitted the staff report previously provided to the Finance Committee, minutes from the Committee’s meeting of 6/19/03, and a letter from CHIP’s tax attorney advising that CHIP’s financing plan is feasible. The proposal from AHDC was eliminated by the Finance Committee, and in response to the confirmation of the feasibility of CHIP’s financing, OSM Investments withdrew its proposal.

Mayor Kirk opened the hearing to the public at 7:56 p.m.

Dave Ferrier, Executive Director of CHIP, told the Agency that the primary goal of CHIP’s proposal was to target the very lowest income residents of Chico. He agreed to work with his architect, Dave Schleiger, to make design changes as suggested by the Agency.

Mayor Kirk closed the hearing to the public at 8:04 p.m.

A motion of intent to approve the housing proposal submitted by the Chico Housing Improvement Program (CHIP) was made by Councilmember Herbert and seconded by Vice Mayor Jarvis. The Agency requested that CHIP make creative design improvements before the proposal goes forward to the Architectural Review Board and that the revised elevations be placed on a future consent agenda with a confirming resolution and supplemental appropriation.

The motion of intent carried by the following vote:
AYES: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk
NOES: None
ABSENT: None
DISQUAL: None

4. **REGULAR AGENDA** — No items

4.1. **ITEMS REMOVED FROM THE CONSENT AGENDA** — No items

5. **ITEMS ADDED AFTER POSTING OF THE AGENDA** — No items

6. **ADJOURNMENT**

   Adjourn to a City Council meeting.
REGULAR CHICO CITY COUNCIL MEETING — September 2, 2003
Minutes

1. CALL TO ORDER

1.1. Roll Call — Present: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk
                 Absent: None

2. CONSENT AGENDA — Item 2.2. was removed from the Consent Agenda and heard under Item 4.1. at
                        the request of Councilmember Gruendl. A motion was made by Vice Mayor Jarvis and seconded by
                        Councilmember Wahl to approve the remaining Consent Agenda:

2.1. MINUTE ORDER NO. 43-03 — AUTHORIZATION FOR CITY MANAGER TO ENTER INTO AN
                                 AGREEMENT WITH RITCHIE HOMES, OWNER AND DEVELOPER, TO REIMBURSE THE
                                 DEVELOPER FOR CONSTRUCTION OF A SANITARY SEWER TRUNKLINE IN EATON ROAD AND
                                 PENZANCE AVENUE

Ritchie Homes, the owner and developer of Willoughby Glen Subdivision Phase 1, has constructed a
sanitary sewer trunkline in conjunction with development of the subdivision. This sewer trunkline has the
capacity to serve other properties and the owner has requested a reimbursement agreement. This Minute
Order authorizes the City Manager to enter into the reimbursement agreement. The Assistant Director
of Public Works recommended adoption of the minute order.

A motion to adopt the minute order was made by Councilmember Herbert and seconded by
Councilmember Bertagna.

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk
NOES: None
ABSENT: None
DISQUAL: None

2.2. MINUTE ORDER NO. 44-03 — AUTHORIZATION FOR THE AIRPORT MANAGER TO EXECUTE AN
                                 AGREEMENT FOR THE LEASE OF REAL PROPERTY AT CHICO MUNICIPAL AIRPORT PIPER
                                 AVENUE HANGAR FACILITY (CITY OF CHICO/AERO UNION CORPORATION) — This item was
                                 removed from the consent agenda and heard under Item 4.1.

2.3. APPOINTMENT OF VICE MAYOR JARVIS AS THE CITY’S REPRESENTATIVE TO THE BUTTE
                                 COUNTY AIR QUALITY MANAGEMENT DISTRICT — Posted Addendum

With the change in the composition of the Butte County Air Quality Management District from two
representatives appointed by the City Selection Committee to one from each city, it was necessary for
the City Council to formally confirm the City’s representative. Vice Mayor Jarvis has been filling this role
at the City Council’s request. Staff requested that the City Council formally confirm her appointment.

A motion was made by Councilmember Herbert and seconded by Councilmember Bertagna to confirm
this appointment.

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk
NOES: None

3. NOTICED PUBLIC HEARINGS — No items.

4. REGULAR AGENDA
4.1. ITEMS REMOVED FROM THE CONSENT AGENDA

2.2. MINUTE ORDER NO 44-03 — AUTHORIZATION FOR THE AIRPORT MANAGER TO EXECUTE AN AGREEMENT FOR THE LEASE OF REAL PROPERTY AT CHICO MUNICIPAL AIRPORT PIPER AVENUE HANGAR FACILITY (CITY OF CHICO/AERO UNION CORPORATION)

At its meeting of 8/26/03, the Airport Commission approved a minute order recommending the City Council authorize the Airport Manager to execute an agreement with Aero Union Corporation to lease approximately 0.80 acres upon construction of a 35,000 square foot hangar at the Chico Municipal Airport along the flightline just south of Piper Avenue. Aero Union will use the leased property solely for the purpose of operating a business engaged in aircraft maintenance, repairs, overhaul, and modification. This minute order authorizes the Airport Manager to enter into an agreement on behalf of the City. The Airport Manager recommended adoption of the minute order.

This item was removed from the consent agenda and heard under Item 4.1. Councilmember Gruendl asked for clarification on the five year adjustment to the CPI and the precise definitions of the job creation requirements and penalties in the lease agreement.

A motion was made by Councilmember Gruendl and seconded by Vice Mayor Jarvis to adopt the minute order.

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk
NOES: None
ABSENT: None
DISQUAL: None

4.2. CONSIDERATION OF REPORT AND RECOMMENDATIONS FROM THE INTERNAL AFFAIRS COMMITTEE ON ITS MEETING HELD ON AUGUST 12, 2003

By memorandum dated 8/20/03, the Internal Affairs Committee provided a report on its meeting held on 8/12/03. Committee members present were Councilmembers Bertagna, Jarvis, and Herbert, Chair. The following items were discussed but action by the Council was not required.

A. Police Department - Methods for Prioritizing Traffic Enforcement in Various Neighborhoods. The Committee accepted the report and recommended (3-0) to forward the information to the City Council. Councilmember Wahl requested that the public be given access to the details of this report via news release or through posting to the City’s website.

B. Consideration of a Request from Supervisor Mary Anne Houx to Prohibit Parking Along East Lassen Avenue Under the State Highway Route 99 Overpass. The Committee denied (3-0) the request to prohibit parking along East Lassen Avenue under the State Highway Route 99 overpass since there have been no neighborhood complaints and lane width and sight distance meet City standards.

C. Adoption of Traffic Resolution Amendment (TRA) No. 766 Which Will Authorize the Removal of Parking Along Humboldt Road Adjacent to Hank Marsh Junior High School to Allow for Transit Operations at a Newly Installed Bus Stop and Formally Designate a No Parking Bus Zone at that Location. The Committee adopted (3-0) Traffic Resolution Amendment (TRA) No. 766 which authorized the removal of parking along Humboldt Road adjacent to Hank Marsh Junior High School to allow for transit operations at a newly installed bus stop and formally designated a No Parking Bus Zone at that location.

D. Request for Sewer Service to Unincorporated Property - 1249 West Lindo Avenue (Karasinski). The Committee requested staff to schedule neighborhood meetings, to work with LAFCo to determine if annexation is possible, and report back to the Committee at its meeting of 9/9/03.

E. Consideration of Ordinance Amending Title 14 of the Chico Municipal Code Regarding the Regulation of Parades, Public Assemblies and Athletic Events. The Committee requested the City Attorney’s Office to review the list of concerns provided by Bob Ray and to report back to
F. **Discussion Regarding Regulations Related to Public Nudity, Especially in City Parks.** The Committee requested the City Attorney’s Office to prepare a draft ordinance that addresses the issue of public nudity and to report back to the Committee at its meeting of 9/9/03. A correction was made to this request, changing “draft ordinance” to “memorandum.”

G. **Consideration of Troy Tohid’s Request to Review Regulations Pertaining to Tobacco Smoking Establishments.** Mr. Tohid was not present for this item and the item was not discussed. Vice Mayor Jarvis referred this item back to Internal Affairs for its meeting of 9/9/03.

A motion was made by Vice Mayor Jarvis and seconded by Councilmember Nguyen-Tan to accept the report of the Internal Affairs Committee.

The motion carried by the following vote:

**AYES:** Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk  
**NOES:** None  
**ABSENT:** None  
**DISQUAL:** None

### 4.3. **DESIGNATION OF CITY COUNCIL VOTING DELEGATE AND ALTERNATE TO REPRESENT THE CITY AT THE LEAGUE OF CALIFORNIA CITIES ANNUAL CONFERENCE SEPTEMBER 10, 2003**

By letter dated 6/20/03, the President of the League of California Cities requested the City Council to designate a voting representative and an alternate who will be registered at the Conference and present at the annual business meeting on Wednesday, September 10, 2003 at 10:00 a.m. The League Annual Conference will be held 9/7/03 through 9/10/03 in Sacramento.

Vice Mayor Jarvis nominated Councilmember Nguyen-Tan as the City’s voting representative and City Manager Lando as the alternate.

The nomination carried by the following vote:

**AYES:** Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk  
**NOES:** None

### 4.4. **FUTURE MEETINGS**

A. The City Council scheduled a closed session for 12/12/03 to interview candidates for the position of City Manager.

B. The City Council scheduled consideration of the Humboldt Road Burn Dump for its meeting of 9/16/03 and scheduled 9/23/03 at 6:30 p.m. as an alternate date if more time is needed.

C. The Finance Committee scheduled a meeting for 10/22/03, from 2:30 - 4:30 p.m., to discuss possible changes to the Community Organization Funding process prior to next year’s cycle. Vice Mayor Jarvis will serve as the alternate for Councilmember Gruendl, who is disqualified.

### 4.5. **ITEMS ADDED AFTER POSTING OF THE AGENDA — Posted Addendum**

2.3. **APPOINTMENT OF VICE MAYOR JARVIS AS THE CITY’S REPRESENTATIVE TO THE BUTTE COUNTY AIR QUALITY MANAGEMENT DISTRICT —** This item was heard under the consent agenda, Item 2.3.

5. **BUSINESS FROM THE FLOOR**

Michael Courter addressed the Council regarding the plight of Dr. Charles Lee, who is currently imprisoned in China for practicing Falun Dafa. Mr. Courter asked Council to consider signing a national rescue drive petition requesting Dr. Lee’s release.
6. REPORTS AND COMMUNICATIONS

The following reports and communication items were provided for the Council’s information.

6.1. Letter dated 8/7/03 from Mark and Candy Priano requesting City Council support for Kristie’s Bill, Senate Bill 982, and requesting the City Council to review the pursuit policy of the Chico Police Department. The Mayor recommended that this request be referred to the Internal Affairs Committee.

6.2. Memorandum dated 8/12/03, from the Assistant City Manager providing a report on contracts that have been awarded for the purchase of materials, supplies, and/or services required by the City, within the appropriations approved therefor in the current Annual Budget.

6.3. Letter dated 12/12/03 from the Butte County Board of Supervisors requesting a joint meeting with the County’s Solid Waste Committee and the City’s Solid Waste Committee to discuss several ongoing solid waste issues and programs of mutual interest. Staff recommended that this item be referred to the Solid Waste Committee.

A motion was made by Vice Mayor Jarvis and seconded by Councilmember Nguyen-Tan to refer Item 6.1. to the Internal Affairs Committee, and Item 6.3. to the Solid Waste Committee.

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk

NOES: None

7. ADJOURNMENT

The meeting adjourned at 8:42 p.m. to September 16, 2003, at 7:00 p.m., in Conference Room No. 2 if a closed session is scheduled, to be followed by an adjourned regular meeting in the Council Chamber at 7:30 p.m.

Date Approved: October 21, 2003

Deborah R. Presson, City Clerk
1. **CALL TO ORDER** — Mayor Kirk called the Adjourned Chico Redevelopment Agency Meeting to order at 7:30 p.m. in the Chico Municipal Center, Council Chamber, 421 Main Street.

1.1. Flag Salute

1.2. Invocation — Reverend Boardman C. Reed, St. Augustine of Canterbury Anglican Church

1.3. Roll Call — Present: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk

Absent: None

1.4. Closed Session Announcement — None

1.5. Proclamation — Proclaiming September 17-23, 2003, as Constitution Week was accepted by Carla Kettell and Dana Brumley; Proclaiming September 19, 2003, as “Safety Education Day”, was accepted by Janet Walther and Alan Stephenson

2. **CONSENT AGENDA** — A motion was made by Vice Mayor Jarvis and seconded by Councilmember Bertagna to approve the Consent Agenda as read.

2.1. **RDA MINUTE ORDER NO. 06-03** — AUTHORIZATION FOR THE EXECUTIVE DIRECTOR TO EXECUTE A SUBORDINATION AGREEMENT BETWEEN THE CHICO REDEVELOPMENT AGENCY AND CHICO COMMONS LIMITED PARTNERSHIP TO FACILITATE REFINANCING OF THE CHICO COMMONS APARTMENTS AT 2071 AMANDA WAY

By memorandum dated 8/26/03, the Housing Officer transmitted a letter from Gary Sannar, Executive Director of the Housing Authority of the County of Butte, requesting the Agency execute a subordination agreement to facilitate the refinancing of the first deed of trust on the Chico Commons Apartments. The Executive Director recommended approval of the minute order.

3. **NOTICED PUBLIC HEARINGS** — No items.

4. **REGULAR AGENDA**

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

The Redevelopment Agency acted in its capacity as the City Council for consideration of Items 4.2.A. and 4.2.B.

4.2. **CONSIDERATION OF REPORT AND RECOMMENDATIONS FROM THE FINANCE COMMITTEE ON ITS MEETING HELD ON AUGUST 27, 2003**

By memorandum dated 8/29/03, the Finance Committee provided a report on its meeting held on 8/27/03. Committee members present were Councilmembers Gruendl, Wahl, and Nguyen-Tan, Chair. The matters considered by the Committee are listed below.

**COMMITTEE MATTERS REQUIRING REDEVELOPMENT AGENCY/CITY COUNCIL ACTION AT THIS MEETING:**

A. **Approval of Request from Thomas R. Russo to Amend the Expiration Date of the Sewer Main Reimbursement Agreement for 1015 Meier Drive.** The Committee recommended (3-0) approval of the request to extend the reimbursement agreement for 1015 Meier Drive from 15 to 30 years, and also recommended that other Sanitary Sewer Main Reimbursement Agreements be extended up to a maximum of 30 years if requested.
A motion was made by Councilmember Bertagna and seconded by Vice Mayor Jarvis to approve the request.

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk
NOES: None
ABSENT: None

B. Approval of Supplemental Appropriation/Budget Modification No. 03-04 04 to Provide Funding for the Upper Park Gun Range Cleanup and Parking Lot Construction (19001).

The Committee recommended (3-0) approval of the supplemental appropriation which would allocate $630,639 from the Transportation Equity Act for the 21st Century Fund (311) and the budget modification which would authorize the rebudget and transfer of $896,747 from the CMA Groundwater Remediation (Liberator Street) project (45052) to the Upper Park Gun Range Cleanup project (19001) within the Liberator Street Remediation Fund (312) as set forth in the memorandum dated 7/25/03 from the Urban Forester. The Council was provided with copies of the fund summaries for the TEA-21 Fund (311) and the Liberator Street Remediation Fund (312) which reflect the estimated 06/30/04 fund balances. The Park Director recommended approval of the supplemental appropriation/budget modification.

A motion was made by Vice Mayor Jarvis and seconded by Councilmember Wahl to approve the following supplemental appropriation:

SUPPLEMENTAL APPROPRIATION NO. 03-04 04 ALLOCATING FUNDS FOR THE UPPER PARK GUN RANGE CLEANUP PROJECT (19001)

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk
NOES: None
ABSENT: None

C. Allocation of Chico Redevelopment Agency Low and Moderate Income Housing Funds (LMIHF) for Housing Rehabilitation Loans.

The Committee recommended (3-0) approval of a change in the purpose of housing rehabilitation activities funded with Chico Merged Redevelopment Project Area Low and Moderate Income Housing Funds in 2002-03, and approval of a supplemental appropriation in the amount of $100,000 to provide funding for housing rehabilitation loans within the Chico Urban Area. The Agency was provided with a copy of the Greater Chico Urban Area Redevelopment Project Area Low and Moderate Income Housing Fund (369) Fund Summary which reflects the estimated 06/30/04 fund balance.

A motion was made by Vice Mayor Jarvis and seconded by Councilmember Bertagna to approve the following supplemental appropriation:

SUPPLEMENTAL APPROPRIATION NO. RDA 03-04 02 ALLOCATING FUNDS FOR HOUSING REHABILITATION LOANS WITHIN THE CHICO URBAN AREA

The motion to approve the supplemental appropriation carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk
NOES: None
ABSENT: None

COMMITTEE MATTERS REQUIRING NO REDEVELOPMENT AGENCY/CITY COUNCIL ACTION AT THIS MEETING:

D. Application to CalHome Program for Additional Mortgage Subsidy Program (MSP) Funds.

This item was considered by the Redevelopment Agency at its meeting of 9/2/03.

5. ITEMS ADDED AFTER POSTING OF THE AGENDA

6. ADJOURNMENT — Adjourned to a City Council meeting.
CALL TO ORDER — Mayor Kirk called the Adjourned Regular Chico City Council Meeting to order at 7:30 p.m. in the Chico Municipal Center, Council Chamber, 421 Main Street

1.1. Roll Call — Present: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk
    Absent: None

CONSENT AGENDA — A motion was made by Councilmember Bertagna and seconded by Vice Mayor Jarvis to approve the Consent Agenda as read.

2.1. MINUTE ORDER NO. 45-03 – AUTHORIZATION FOR THE AIRPORT MANAGER TO EXECUTE LEASE OF PROPERTY AT THE CHICO MUNICIPAL AIRPORT WITH GRANT OF LANDING PRIVILEGES, AIRCRAFT HANGAR AREA - CUSTOM HANGAR AREA (CITY OF CHICO/AIR CARRIAGE, A LIMITED LIABILITY CORPORATION)

At its meeting of 7/29/03, the Airport Commission approved Airport Commission Minute Order No. 3-03 recommending the City Council authorize the Airport Manager to execute a lease agreement with Air Carriage, a Limited Liability Corporation. Henry Roberson, a member of Air Carriage, LLC, has expressed a desire to lease hangar space No. E-1 within the custom hangar area for the purpose of storage of Mr. Roberson's aircraft and/or to sublet to other persons desiring to store their aircraft at the Chico Municipal Airport. The term of this lease shall be for a period of 20 years. Because the lease term exceeds 15 years, City Council approval was required. The Airport Manager recommended approval of the minute order.

2.2. MINUTE ORDER NO. 46-03 – AUTHORIZATION FOR CITY MANAGER TO EXECUTE AGREEMENTS AND RELATED DOCUMENTS IN CONNECTION WITH THE ACQUISITION OF A STORM DRAINAGE EASEMENT NEEDED FOR CITRUS VEÑINO STORM DRAINAGE PROJECT - PORTIONS OF ASSESSOR'S PARCEL NOS. 043-040-014 AND 043-630-067 (UNION PACIFIC RAILROAD COMPANY)

This minute order authorized the City Manager to execute agreements and other documents to acquire property rights needed for the Citrus Veño storm drainage project from Union Pacific Railroad Company for $45,700 and according to the terms set out in the minute order. The Assistant City Manager recommended approval of the minute order.

2.3. MINUTE ORDER NO. 47-03 – AUTHORIZATION FOR CITY MANAGER TO EXECUTE AN AGREEMENT WITH BUTTE COUNTY FOR SUPPLEMENTAL FUNDING FOR ADDITIONAL HOURS OF OPERATION AT CHICO BRANCH OF BUTTE COUNTY LIBRARY (FY 03-04)

This minute order authorized an agreement with Butte County by which the City provides supplemental funding to increase the hours of operation at the Chico branch of the Butte County Library from 35 hours per week to 60 hours per week. The execution of the agreement, with a term commencing 10/1/03 and ending 9/30/04, is contingent on confirmation that Butte County has adopted a budget which continues the base level of service for the Chico branch of the library. The Assistant City Manager recommended approval of the minute order.

2.4. APPROVAL OF CITY COUNCIL MINUTES FOR ITS MEETING HELD 8/19/03

The City Council was provided with minutes from its meeting held 8/19/03.

The motion to approve the Consent Agenda as read carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk
NOES: None
ABSENT: None
NOTICED PUBLIC HEARINGS

3.1. HEARING ON APPEAL BY AGASY, INC. (SYMMES) OF CERTAIN CONDITIONS IMPOSED BY THE PLANNING COMMISSION IN APPROVING MARIPOSA VISTA UNIT 2 VESTING TENTATIVE SUBDIVISION MAP (S 02-17) AUTHORIZING THE DIVISION OF 32.65 ACRES INTO 218 RESIDENTIAL LOTS LOCATED BETWEEN MARIPOSA AND CEANOTHUS AVENUES

By memorandum dated 08/24/03, Senior Planner Claudia Sigona reported that at the Planning Commission meeting of 8/7/03, the Commission voted (4 in favor, 1 in opposition, 1 absent, and 1 disqualified) to adopt a mitigated negative declaration and approve a vesting tentative subdivision map authorizing the subdivision of 32.65 acres into 218 residential lots. This approval included allowance of duplex units on 10 corner lots for an overall density of 6.92 units per acre. Conditions of approval imposed by the Planning Commission included requirements that lots abutting alleys be rear-loaded (have their vehicular access restricted to the rear), that abutter’s rights be granted to the City for the street frontages, and that vertical curbing be provided along the street frontages adjacent to these lots. The applicant, Agasy Inc., subsequently filed an appeal requesting that the City Council remove these conditions, and allow a minor modification for an alternate City standard alley section. After the appeal was filed, staff and the appellant reached consensus on an option that will require rear-loaded alley access in one part of the subdivision, with street access and/or owner choice in other portions.

The property is located generally between Mariposa and Ceanothus Avenues, and is identified as Assessor’s Parcel Nos. 048-061-002, 003, 004, 021, 043, and 052, is designated Low Density Residential on the City of Chico General Plan Diagram, and is located in an R1 Low Density Residential zoning district.

Planning staff recommended that Council adopt the below resolution adopting the mitigated negative declaration and approving the subdivision in modified form (identified as Option 1 in the Planning Division staff report), subject to the findings and conditions contained therein. This action would partially grant the appeal, as proposed by staff and the appellant, requiring rear-loaded alley access in one part of the subdivision, with street access and/or owner choice allowed in other areas.

Mayor Kirk opened the public hearing at 7:57 p.m.

Appellant Tony Symmes commented that working cooperatively with City staff had resulted in a consensus, but added that most home buyers have shown a preference for front placement of garages. He confirmed that Option 1 is an acceptable modification.

Karen Laslo commented that she likes the look of the homes with garages in the rear.

The mayor closed the public hearing at 8:01 p.m.

A motion was made by Vice Mayor Jarvis and seconded by Councilmember Herbert to adopt the following resolution:

RESOLUTION NO. 23 03-04 OF THE CITY COUNCIL OF THE CITY OF CHICO CONDITIONALLY APPROVING THE MARIPOSA VISTA SUBDIVISION, UNIT 2 VESTING TENTATIVE MAP S-02-17 (AGASY, INC.)

The motion to adopt the Resolution No. 23 03-04 carried by the following vote:

AYES:   Gruendl, Herbert, Jarvis, Nguyen-Tan, Kirk
NOES:   None
ABSENT: None
DISQUAL: Bertagna, Wahl
3.2. HEARING ON CITIZENS OPTION FOR PUBLIC SAFETY (COPS) PROGRAM FUNDING FOR 2003-04

By memorandum dated 8/27/03, the Chief of Police reported that the State of California has appropriated funds for the Citizens Option for Public Safety (COPS) program. The COPS program provides funding for local law enforcement and public safety purposes to be distributed to counties throughout the State based on population. The State Legislature approved continued funding for this program for the 2003-04 fiscal year, and tonight’s hearing is required by State law prior to receiving COPS funds. Funds to cover the cost for two police officer positions, and a reallocation of funds to the Automated Booking System (24201), were included in the 2003-04 Final Budget, subject to tonight’s public hearing.

The Mayor opened the public hearing at 8:04 p.m. No one spoke and the hearing was closed.

A motion was made by Councilmember Herbert and seconded by Vice Mayor Jarvis to approve the proposed use for the COPS funding and to confirm the funding request as budgeted.

The motion carried by the following vote:

AYES: Gruendl, Herbert, Jarvis, Nguyen-Tan, Kirk
NOES: None
ABSENT: Bertagna, Wahl
DISQUAL: None

4. REGULAR AGENDA

4.1. ITEMS REMOVED FROM THE CONSENT AGENDA

4.2. INITIAL CONSIDERATION OF AN APPEAL OF THE PLANNING COMMISSION’S ACTION TO DENY PLANNED DEVELOPMENT PERMIT 02-07 (RHL DESIGN/SAFeway) TO ALLOW THE CONSTRUCTION AND OPERATION OF A 24-HOUR GAS STATION WITH SIX PUMPS WITHIN THE EAST AVENUE MARKETPLACE SHOPPING CENTER, LOCATED AT THE NORTHEAST CORNER OF EAST AND MARIPOSA AVENUES, IDENTIFIED AS ASSESSOR’S PARCEL NO. 048-061-049

By memorandum dated 9/2/03, Senior Planner Claudia Sigona reported that at its 8/21/03 meeting, the Planning Commission voted 6-1 (6 in favor, 1 against) to deny a planned development permit to allow the construction and operation of a 24-hour gas station, including six pumps and a 604 square foot cashier’s kiosk, to be located at the northeast corner of East and Mariposa Avenues, within the East Avenue Marketplace (Safeway) Shopping Center. A timely appeal was subsequently filed by the applicant, requesting that the Planning Commission’s action be overturned and that the application be approved. The subject site is designated Community Commercial on the City of Chico General Plan Diagram and is within a CN-PD Neighborhood Commercial zoning district with a -PD Planned Development overlay. A conditional zoning agreement also applies to the site. The City Council had the option of taking no action, thereby upholding the Planning Commission’s decision, or scheduling the appeal for a public hearing at a subsequent date. The Planning Director recommended that the City Council not hear the appeal, thereby upholding the Planning Commission’s denial of Planned Development Permit 02-07 (RHL Design/Safeway).

City Manager Lando reminded the Council and the audience that Council would be considering whether or not to hear the appeal, not the merits of the appeal. Senior Planner Sigona reported that there were no procedural errors found, and that the appeal was based on General Plan inconsistencies.

Vice Mayor Jarvis requested that the City of Chico appeal application be revised to require a statement of factual or procedural errors, or a reason to justify hearing the appeal if initial consideration is required.

Speaking in favor of hearing the appeal were Mike DiGeronimo, legal counsel for Safeway; Ron Volle,
Those speaking in opposition to hearing the appeal were Chico residents Karen Laslo and Steve Vanella.

A motion was made by Councilmember Herbert and seconded by Vice Mayor Jarvis to hear the appeal.

The motion to hear the appeal carried by the following vote:

AYES: Gruendl, Herbert, Jarvis, Nguyen-Tan, Kirk
NOES: Bertagna
ABSENT: None
DISQUAL: Wahl

4.3. INITIAL CONSIDERATION OF AN APPEAL OF CITY STAFF BY FLORAL AND EAST AVENUE INVESTMENT GROUP, LLC REGARDING REIMBURSEMENTS FOR ADDITIONAL AND OVER-SIZED IMPROVEMENTS CONSTRUCTED ON EAST AND FLORAL AVENUES

By letter dated 8/1/03, the Assistant Director of Public Works summarized the City’s determination of reimbursable expenditures for the Floral Gardens Square project. Dan Hays, Managing Member of Floral and East Avenue Investment Group, LLC, appealed this determination to City Council. The City Council had the option to take no action and uphold the decision, thereby denying the appeal, or by a vote of at least four Council members, call up the record of proceedings and set the matter for a public hearing. Staff recommended that the appeal not be heard.

Because the Director of Public Works recommended paying the appellant in one lump sum, the City Manager recommended that consideration of the appeal be continued. An authorizing minute order will be placed on the 10/7/03 Consent Agenda. If the minute order is approved, the appeal will be moot and no further Council action will be required.

Council recessed for a 13 minute break at 8:30 p.m.

4.4. CONSIDERATION OF THE HUMBOLDT ROAD BURN DUMP

At the conclusion of public comments regarding the Humboldt Road Burn Dump (HRBD) remediation at the 8/26/03 Council meeting, the City Council requested staff to: (1) prepare a step-by-step remediation proposal; (2) prepare a memorandum regarding land use issues related to the HRBD; (3) write letters to the Chico Unified School District (CUSD), Hank Marsh Junior High School Parent-Teacher Organization (PTO) and Little Chico Creek Elementary School PTO asking whether they had taken a position on the remediation; and (4) obtain information regarding the 1000 year flood plain referenced by staff of the Regional Water Quality Control Board.

The Council was provided with: (1) a memorandum dated 9/7/03 from the City Manager setting forth the proposed step-by-step remediation plan; (2) a memorandum dated 9/8/03 from the City Manager regarding land use for the HRBD; (3) copies of letters from the Mayor dated 9/3/03 to CUSD, Hank Marsh Junior High School and Little Chico Creek Elementary School. Staff was prepared to provide information regarding the 1000 year flood plain at tonight's meeting.

The City Council had the option of providing direction regarding the step-by-step remediation, with the preferred alternative to be addressed in the EIR and other documents related to the remediation.

A motion was made by Councilmember Wahl to approve a conceptual, two-part plan that would incorporate some of both of the ideas for cleanup. He proposed that the cleanup begin in Area 6 and include Area 4, if the Johnson family agrees, then move on to the Dead Horse slough. Consolidation and capping would be done under the power lines that run through Areas 6 and 4. He stated that if dust becomes a problem, the cleanup would have to stop. This proposal would be contingent upon an appropriate cost sharing mechanism between all land owners and occupiers of certain portions of the
dump. A June start date should be feasible if the City and consultant work together. Results of this first step would be evaluated upon completion. The second step would consist of consolidating and capping the remainder of the property under the provisions of Alternative 3.

Councilmember Bertagna seconded the motion and proposed a friendly amendment to establish the key components to the cleanup as monitoring, mitigation, and evaluation. He added that a public hearing should be held upon completion of each step in the process. Councilmember Wahl accepted the friendly amendment.

The motion failed by the following vote:

**AYES:** Bertagna, Herbert, Wahl  
**NOES:** Gruendl, Jarvis, Nguyen-Tan, Kirk  
**DISQUAL:** None

A motion was made by Vice Mayor Jarvis and seconded by Mayor Kirk to accept the Majority Report in concept with a phased-in approach that would start with the cleanup of Dead Horse slough, and to begin immediate rezoning of some of the property to non-irrigant open space.

Councilmember Bertagna pointed out that the Majority Report is not acceptable to the Regional Water Quality Control Board. Vice Mayor Jarvis said that she would like to see City staff and Andy Kopania, the City’s consultant, work toward making this report acceptable since it is clear that it is the desire of the majority of the community to move forward with a version of this approach. Councilmember Wahl made a friendly amendment to designate his proposal as a back-up if the Majority Report could not be made acceptable to the Water Board, but the amendment was not accepted by Vice Mayor Jarvis.

The motion failed by the following vote:

**AYES:** Gruendl, Jarvis, Kirk  
**NOES:** Bertagna, Herbert, Nguyen-Tan, Wahl  
**DISQUAL:** None

A motion was made by Councilmember Nguyen-Tan and seconded by Councilmember Herbert to have the Majority Report and the phased step approach of consolidating and capping analyzed in the EIR process to keep both approaches feasible. The motion died when Councilmember Herbert withdrew his second.

The Mayor invited public comment. Speaking on this item were Kevin Quinn, Lisa Churchill, Julie Nasr, Bruce Smith, Barbara Vlamis, Emily Alma, John Roussell, Rene Vercruyssen, Phillip Smith, Peg Howard, Catherine Hamburg, Quentin Colgan, Walter Ballin, Nora Todenhagen, Alan Gair, Gary Salberg, and Jim Morgan. The Mayor closed the public comment period.

In response to Mayor Kirk, Andy Kopania, the City’s consultant, said that it might be possible to adjust the Majority Report, through compromise and the hybridization of its components, to make it defensible to the state. He will need to meet with the committee to provide a physical outline of the flood plain; to get feedback and direction on whether the waste from the slough will be moved to a consolidation cell or a hazardous waste site; and to discuss the liability and cost issues of both methods.

A motion was made by Councilmember Nguyen-Tan and seconded by Councilmember Herbert to request City staff and the consultant to review the Majority Report and the phased cap and consolidate approach to ensure that both approaches will include adequate details necessary to proceed with the EIR; to consider at the Council meeting of 10/21/03, whether to include both approaches in the EIR study; and to agendize consideration of land use issues and rezoning at a subsequent City Council meeting. A friendly amendment was made by Vice Mayor Jarvis to have the City Attorney review the two approaches to make sure that they are legally defensible.

The motion carried by the following vote:
The Council scheduled a closed session for 10/7/03 beginning at 6:30 p.m. to discuss liability, risk assessment, and cost sharing issues related to the Humboldt Road Burn Dump.

Council recessed for an 11 minute break at 10:24 p.m.

4.5. CONSIDERATION OF CONFLICT OF INTEREST/CAMPAIGN FINANCE REFORM AS PROPOSED BY COUNCILMEMBER NGUYEN-TAN

At the 8/5/03 City Council meeting, the City Council agreed to discuss conflict of interest and campaign finance reform. By letter dated 8/25/03, Councilmember Nguyen-Tan submitted a draft ballot measure and provided additional information.

A motion of intent was made by Councilmember Bertagna and seconded by Councilmember Wahl to direct the City Attorney to draft an ordinance limiting contribution amounts in the yearly cycle to $500. Councilmember Bertagna said he felt this would eliminate the need for the proposed ballot measure.

Addressing Council on this item were Kelly Meagher, Quentin Colgan, Emily Alma, and Karen Laslo.

The motion of intent carried by the following vote:

AYES: Bertagna, Herbert, Nguyen-Tan, Wahl, Kirk
NOES: Gruendl, Jarvis
ABSENT: None

A motion was made by Vice Mayor Jarvis and seconded by Councilmember Gruendl to place this proposal on the November 2004 ballot with a lower contribution limit of $250.

Councilmember Nguyen-Tan stated that he proposed the $250 limit because it is the amount which now applies to Commissioners. The Mayor commented that $250 seems too low and would result in more Political Action Committees (PACs) and fewer direct campaign contributions.

The motion failed by the following vote:

AYES: Gruendl, Jarvis, Nguyen-Tan
NOES: Bertagna, Herbert, Wahl, Kirk
ABSENT: None

A motion was made by Vice Mayor Jarvis to place the proposal of Councilmember Nguyen-Tan on the November 2004 ballot. The motion died for lack of a second.

The Mayor requested information on the cost of placing this initiative on the November 2004 ballot.

A motion was made by Councilmember Nguyen-Tan and seconded by Vice Mayor Jarvis to continue discussion of the proposed ballot measure as it relates to conflict of interest to the meeting of 10/7/03.

The motion carried by the following vote:

AYES: Gruendl, Jarvis, Nguyen-Tan, Kirk
NOES: Bertagna, Herbert, Wahl
ABSENT: None
4.6. CONSIDERATION OF REQUEST FROM MAYOR KIRK TO REVIEW AND DISCUSS THE DECISION OF THE BIDWELL PARK AND PLAYGROUND COMMISSION'S DECISION TO CHANGE THE WORDING OF THE SIGN ON THE BRIDGE AT ONE MILE RECREATION AREA

By letter dated 9/4/03, Mayor Kirk requested that the City Council review and discuss the decision made by the Bidwell Park and Playground Commission (6-1) at its meeting of 8/25/03 to change the sign on the bridge at the One Mile Recreation Area from “Please Walk Your Bike” to “Narrow Bridge - Use Caution.”

A motion was made by Councilmember Bertagna and seconded by Councilmember Herbert to refer this item to the Internal Affairs Committee.

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Wahl, Kirk
NOES: Nguyen-Tan
ABSENT: None
DISQUAL: None

4.7. ITEMS ADDED AFTER POSTING OF THE AGENDA – No items.

5. BUSINESS FROM THE FLOOR – No items.

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 the Council agreed to include them on a subsequent posted agenda.

A motion was made by Vice Mayor Jarvis and seconded by Councilmember Herbert to refer Items 6.1. and 6.2. to the Internal Affairs Committee and to refer Item 6.3. to the Solid Waste Committee.

6.1. Letter dated 8/6/03 from Robert J. Feeney of The Engineering Group, requesting sewer service for Jim Dias for his property located at 690 West 11th Avenue. This request was referred to the Internal Affairs Committee.

6.2. Letter dated 8/22/03 from Laurie Combs requesting revisions to the municipal code requirement regarding setbacks for alley parking. Staff recommended that this request be referred to the Internal Affairs Committee.

6.3. Letter dated 8/26/03 from Joe Matz, Vice President of Norcal Waste Systems of Butte County, Inc., requesting a rate increase for residential customers. At its meeting of 7/16/02, the City Council directed that the issue of deregulation of solid waste collection be considered by the Finance Committee at such time as any future request for a rate increase was received. Since the membership of the Finance Committee is currently the same as the membership of the Solid Waste Committee, staff recommended that this request be referred to the Solid Waste Committee for consideration along with a discussion of deregulation.

6.4. Letter dated 8/29/03 from Joan Maxwell requesting changes to the traffic signal at Forest Avenue and Highway 32. By letter dated 9/5/03 the City Manager advised that the requested modifications are currently under construction.

6.5. Letter received 9/2/03 from Louis VeDova requesting that the City Council reconsider its decision of 8/19/03 regarding the appeal pertaining to Shallow Springs Terrace, Lot 49.

6.6. Memorandum dated 9/2/03 from the Finance Director reporting that the list of claims paid during the months of July 2003 and August 2003 has been produced and is available for review in the offices of the Finance Director, the City Clerk and the City Council.
The motion to refer Items 6.1., 6.2., and 6.3. to Committee carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk
NOES: None
ABSENT: None

7. **ADJOURNMENT**

Adjourned at 11:25 p.m. to October 7, 2003, at 6:30 p.m., for a closed session followed by a regular City Council meeting in the Council Chamber at 7:30 p.m.

Date Approved: October 21, 2003

__________________________________
Deborah R. Presson, City Clerk
1. **CALL TO ORDER**

2. **CLOSED SESSION**

   2.1. **CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:** The City Attorney reviewed the following: *Meghdadi v. Chico City Council*, Butte County Superior Court Case 127773. (Gov. Code Sec. 54956.9(a).)

   2.2. **CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:** Regional Water Quality Control Board Cleanup and Abatement Order No. R5-2003-0707, Humboldt Road Burn Dump.

3. **ADJOURNMENT**

   Adjourn to a Redevelopment Agency meeting in the Council Chamber.
REGULAR CHICO REDEVELOPMENT AGENCY MEETING — October 7, 2003
Minutes

1. **CALL TO ORDER** — Mayor Kirk called the Regular Chico Redevelopment Agency Meeting to order at 7:34 p.m. in the Council Chamber of the Chico Municipal Center, 421 Main Street.

1.1. Flag Salute

1.2. Invocation – Deacon Richard Price, Pleasant Valley Baptist Church

1.3. Roll Call – Present: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk
Absent: None

1.4. Closed Session Announcement – No announcement.

1.5. Proclamations – Proclaiming October, 2003, as Domestic Violence Awareness Month, accepted by Shauna Martin; Proclaiming October as National Arts and Humanities Month, accepted by Juri Britts

2. **CONSENT AGENDA** – No items.

3. **NOTICED PUBLIC HEARINGS** – No items.

4. **REGULAR AGENDA**

4.1. **FUTURE MEETINGS**

The Redevelopment Agency was requested to schedule a meeting to discuss the “Downtown Chico Parking Management and Implementation Study,” prepared by Omni Means Consultants.

A motion was made by Vice Mayor Jarvis and seconded by Councilmember Herbert to schedule the discussion for the 11/18/03 City Council work session.

The motion carried by the following vote:

**AYES:** Bertagna, Gruendl, Herbert, Nguyen-Tan, Jarvis, Wahl, Kirk
**NOES:** None

5. **ITEMS ADDED AFTER POSTING OF THE AGENDA** – No items.

6. **ADJOURNMENT**

Adjourn to a City Council meeting.
REGULAR CHICO CITY COUNCIL MEETING — October 7, 2003
Minutes

1. CALL TO ORDER – Mayor Kirk called the Regular Chico City Council Meeting to order at 7:34 p.m. in the Council Chamber of the Chico Municipal Center, 421 Main Street.

1.1. Roll Call – Present: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk
Absents: None

2. CONSENT AGENDA – A motion was made by Vice Mayor Jarvis and seconded by Councilmember Nguyen-Tan to approve the Consent Agenda as read.


By memorandum dated 9/22/03, the Personnel Director recommended approval of a resolution approving a replacement Memorandum of Understanding (MOU) between the City and the International Association of Firefighters which represents 63 non-management fire safety employees in the Fire Department. Costs for the MOU were budgeted in the 2003-04 Annual Budget. The City Manager and Personnel Director recommended adoption of the resolution.

2.2. RESOLUTION NO. 25 03-04 OF THE CITY COUNCIL OF THE CITY OF CHICO AMENDING RESOLUTION NO. 114 00-01 TO ADD THE POSITIONS OF SENIOR CONSTRUCTION INSPECTOR AND PROPERTY SECTION MANAGER TO THE MANAGEMENT TEAM AND SET THE SALARY RATES FOR THOSE POSITIONS (AMENDMENT NO. 6 - 2001 MANAGEMENT EMPLOYEES PAY AND BENEFITS RESOLUTION)

By memorandum dated 9/19/03, the Personnel Director reported that it was necessary to amend the Management Team Pay and Benefits Resolution to add the new job titles of Senior Construction Inspector and Property Section Manager to the City’s Management Team and set salary rates for those job titles. Costs for the positions have been included in the 2003-04 Annual Budget. The Personnel Director recommended approval of the resolution.


By memorandum dated 9/24/03, the Personnel Director reported that it was necessary to amend the Memorandum of Understanding between the City and Service Employees International Union - Clerical, Technical and Professional Unit (SEIU-CTP) to add the new job title of Geographic Information Systems Analyst to the job titles represented by SEIU-CTP, and to set the pay rate for the job title. Costs for the position have been included in the 2003-04 Annual Budget. The Personnel Director recommended approval of the resolution.

2.4. RESOLUTION NO. 27 03-04 OF THE CITY COUNCIL OF THE CITY OF CHICO ADOPTING A MITIGATED NEGATIVE DECLARATION AND APPROVING VESTING TENTATIVE SUBDIVISION MAP S 02-04 AND PLANNED DEVELOPMENT PERMIT PDP 02-03 OFF SHALLOW SPRINGS TERRACE (LVV ENTERPRISES) – This item was pulled from the Consent Agenda at the request of Jim Stevens of NorthStar Engineering, and heard under Item 4.1.

2.5. RESOLUTION NO. 28 03-04 OF THE CITY COUNCIL OF THE CITY OF CHICO SUPPORTING A
STATEWIDE BALLOT INITIATIVE TO REQUIRE VOTER APPROVAL BEFORE STATE GOVERNMENT MAY TAKE LOCAL TAX FUNDS

Since the early 1990's the State has taken over $10 million of local revenue from the City of Chico and the Chico Redevelopment Agency to fund State operations and programs. This loss of revenue has significantly impacted the City Council’s ability to fund critical local services. On 9/10/03, the General Assembly of the League of California Cities voted to sponsor an initiative for the November 2004 ballot to allow voters to decide whether the State legislature may appropriate local tax funds for State operations. The Assistant City Manager recommended that the City Council adopt the resolution proposed by the League indicating the City’s support for the initiative.

2.6. MINUTE ORDER NO. 48-03 – AUTHORIZATION FOR CITY MANAGER TO EXECUTE A STREET FACILITY REIMBURSEMENT AGREEMENT WITH FLORAL AND EAST AVENUE INVESTMENT GROUP LLC FOR REIMBURSEMENT OF OVERSIZED IMPROVEMENTS WITH REIMBURSEMENT TO BE MADE IN ONE LUMP-SUM PAYMENT

At its meeting held 9/16/03, Council confirmed by motion that the City Manager is authorized to execute a Street Facility Reimbursement Agreement with Floral and East Avenue Investment Group, LLC, for reimbursement of eligible expenses in connection with the construction of oversized street facility improvements, and that the reimbursement could be made in a one lump-sum payment in the amount of $183,296. Because the term of repayment is different from standard reimbursement agreements, Council approval is required. This minute order authorizes the City Manager to enter into the agreement. The Director of Public Works recommended approval of the minute order.

2.7. APPROVAL OF BUDGET POLICY TO AUTHORIZE EXPENDITURE OF FUNDS TO RECOGNIZE CITY VOLUNTEERS

By memorandum dated 09/29/03, the Assistant City Manager forwarded a budget policy which authorizes the City Manager to expend funds, in an amount not to exceed $10,000, for dinners or other appropriate activities to recognize the services of City volunteers. The City Manager recommended approval of the budget policy. An administrative Budget Modification will be processed by staff confirming Council action.

2.8. APPROVAL OF BUDGET POLICY TO ESTABLISH A PROGRAM TO PROVIDE A REWARD FOR INFORMATION LEADING TO THE ARREST AND CONVICTION OF ANY PERSON RESPONSIBLE FOR ASSAULTING A CITY EMPLOYEE OR FOR CAUSING SIGNIFICANT DAMAGE TO CITY PROPERTY OR FACILITIES

By memorandum dated 09/29/03, the Assistant City Manager recommended approval of a budget policy which establishes a program to provide a reward for information leading to the arrest and conviction of any person responsible for assaulting a City employee or for causing significant damage to City property or facilities. Rewards authorized by the policy will not exceed $10,000 without prior approval of the City Council. The City Manager recommended approval of the budget policy. An administrative Budget Modification will be processed by staff confirming Council action. At the request of Councilmember Bertagna, Chief of Police Hagerty provided a brief summary of the reward program.

2.9. APPROVAL OF ARTS COMMISSION RECOMMENDATION TO DENY THE REQUEST OF THE RIGHT NOW FOUNDATION FOR CHANGE IN THE USE OF CITY TRANSIENT OCCUPANCY TAX (TOT) REVENUE - FY 03-04

At its 8/19/03 meeting, the City Council referred the 7/31/03 request from the Right Now Foundation for a revised use of its $2,000 FY 03-04 arts funding allocation to the Arts Commission. DNA, Director of the Right Now Foundation, had requested that the organization be allowed to use its TOT allocation for expenses of the Music Revolution concert series; the Council had approved the funding for purchase of lights for the Senator Theatre, contingent on demonstration of the organization’s ownership of the theater. By memorandum dated 9/22/03, the Arts Project Coordinator reported that at its 9/10/03 meeting, the Arts Commission recommended denial of the request of the Right Now Foundation for a change in the use of the TOT allocation. The Arts Commission recommended denial of the request.
2.10. CONCEPTUAL APPROVAL OF PROCEEDING WITH CONSOLIDATION OF THE COUNTYWIDE TRANSIT SYSTEMS

By memorandum dated 9/22/03, Management Analyst Herman transmitted a recommendation from the Transit Consolidation Committee that the City Council approve proceeding with the consolidation of the public transit systems within Butte County.

2.11. PUBLIC MEETING ON 2003 LOT CLEANING/WEED ABATEMENT ASSESSMENTS

This item was not moved to the Regular Agenda for discussion because no property owners had questions or comments regarding the lot cleaning/weed abatement assessments. By memorandum dated 9/17/03, Projects Manager Wood reported that the lot cleaning/weed abatement program is conducted each year under the provisions of the California Government Code. Pursuant to those provisions, the City is required to hold a public meeting (10/7/03) and public hearing (10/21/03) before approving the placement of the assessments (the costs incurred by the City for performing the lot cleaning plus administrative costs) on the property tax roll. Affected property owners were provided with written notice of the public meeting and public hearing, and a list of those property owners whose lot cleaning/weed abatement bills remain unpaid as of 9/17/03 was attached to the Projects Manager’s memorandum. The Projects Manager recommended that the City Council (1) hear any protests or comments from the public; (2) make any changes or corrections it deems appropriate in the assessments or costs based on any protests or comments it hears; or (3) direct the Projects Manager to attempt to resolve the protest with the property owner and provide a recommended solution at the 10/21/03 Public Hearing.

3. NOTICED PUBLIC HEARINGS

3.1. HEARING ON FORMATION OF CITY OF CHICO MAINTENANCE ASSESSMENT DISTRICT NO. 535 (CALIFORNIA PARK - DEAD HORSE SLOUGH)

At its meeting held 08/19/03, the City Council authorized the clean up of Dead Horse Slough from Sierra Sunrise Terrace to Yosemite Drive, and directed staff to proceed with the formation of a maintenance district for two undeveloped parcels on the east side of Yosemite Drive and the Yosemite Place Subdivision (currently under development) located on the south side of the slough. The maintenance district will fund a portion of the cost to provide ongoing maintenance of Dead Horse Slough. In addition, the City Council directed staff to initiate the formation of a second maintenance district by vote of the property owners within the Shastan @ Idyllwild Subdivision located on the north side of the slough to fund the remaining cost to provide ongoing maintenance of the slough once the initial cleanup of the slough is completed. In order to proceed with formation of the first maintenance district for Yosemite Place Subdivision and the two vacant properties on the east side of Yosemite Drive, the property owners submitted a petition requesting formation of the maintenance district pursuant to Chapter 3.81 of the Chico Municipal Code. The petition included a waiver of the notice for the protest hearing and authorized the City Clerk to file the petition as the petitioners ballot in favor of the district. By memorandum dated 09/23/03, the Director of Public Works reported that this resolution orders the formation of Chico Maintenance Assessment District No. 535. The Director of Public Works recommended adoption of the resolution.

The Mayor opened the public hearing, no one spoke, and the hearing was closed.

A motion was made by Councilmember Herbert and seconded by Councilmember Bertagna to adopt:

RESOLUTION NO. 29 03-04 OF THE CITY COUNCIL OF THE CITY OF CHICO ORDERING FORMATION OF A MAINTENANCE ASSESSMENT DISTRICT PURSUANT TO THE MAINTENANCE DISTRICT ORDINANCE OF 1997 - CITY OF CHICO MAINTENANCE DISTRICT NO. 535 (CALIFORNIA PARK - DEAD HORSE SLOUGH)

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk
HEARING ON FORMATION OF CITY OF CHICO MAINTENANCE ASSESSMENT DISTRICT NO. 536 (ORCHARD COMMONS SUBDIVISION)

By memorandum dated 8/29/03, the Director of Public Works reported that this resolution orders the formation of Chico Maintenance Assessment District No. 536. As a condition of approval of a subdivision map for this development, generally located on the north side of West Sacramento Avenue between Gateway Lane and Victorian Park Drive, the developers, M. Donn Marshall and Pat Conroy, consented to the formation of this district for the operation, maintenance, and future replacement of the landscaping and irrigation of the storm drainage detention facility and the storm water interceptor. This maintenance assessment district provides that the City perform (or contract for) the operation and maintenance services which will be paid by property owners within this district. Future annual assessments will be paid at the time other property taxes are collected. The Director of Public Works recommended adoption of the resolution.

The Mayor opened the public hearing, no one spoke, and the hearing was closed.

A motion was made by Councilmember Herbert and seconded by Vice Mayor Jarvis to adopt:

RESOLUTION NO. 30 03-04 OF THE CITY COUNCIL OF THE CITY OF CHICO ORDERING FORMATION OF A MAINTENANCE DISTRICT PURSUANT TO THE MAINTENANCE ASSESSMENT DISTRICT ORDINANCE OF 1997 (MAINTENANCE ASSESSMENT DISTRICT NO. 536 — ORCHARD COMMONS SUBDIVISION)

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk
NOES: None

HEARING ON FORMATION OF MAINTENANCE DISTRICT NO. 538 (HIDDEN OAKS SUBDIVISION)

By memorandum dated 9/10/03, the Director of Public Works reported that this resolution orders the formation of Chico Maintenance Assessment District No. 538. As a condition of approval of a subdivision map for this development, generally located at 1665 East 8th Street, the developer, Dennis Deromedi, consented to the formation of this district for the annual maintenance and future replacement of the landscaping and irrigation of the surface storm drainage detention facility located within the subdivision. This maintenance assessment district provides that the City perform (or contract for) the operation and maintenance services which will be paid by property owners within this district. Future annual assessments will be paid at the time other property taxes are collected. The Director of Public Works recommended adoption of the resolution.

The Mayor opened the public hearing, no one spoke, and the hearing was closed.

A motion was made by Councilmember Herbert and seconded by Vice Mayor Jarvis to adopt:

RESOLUTION NO. 31 03-04 OF THE CITY COUNCIL OF THE CITY OF CHICO ORDERING FORMATION OF A MAINTENANCE DISTRICT PURSUANT TO THE MAINTENANCE ASSESSMENT DISTRICT ORDINANCE OF 1997 (MAINTENANCE ASSESSMENT DISTRICT NO. 538 — HIDDEN OAKS SUBDIVISION)

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk
NOES: None
4. **REGULAR AGENDA**

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

2.4. **RESOLUTION NO. 27 03-04 OF THE CITY COUNCIL OF THE CITY OF CHICO ADOPTING A MITIGATED NEGATIVE DECLARATION AND APPROVING VESTING TENTATIVE SUBDIVISION MAP S 02-04 AND PLANNED DEVELOPMENT PERMIT PDP 02-03 OFF SHALLOW SPRINGS TERRACE (LVV ENTERPRISES)** – This item was pulled from the Consent Agenda at the request of Jim Stevens of NorthStar Engineering.

By memorandum dated 09/17/03, Senior Planner Patrick Murphy reported that at its meeting of 8/19/03, the City Council approved a motion of intent to (1) uphold the appeal from Jim and Erica Higgins; (2) adopt the mitigated negative declaration and mitigation monitoring program; and (3) approve Vesting Tentative Subdivision Map S 02-04 and Planned Development Permit PDP 02-03 eliminating Lot 3. Council’s action provided for the creation of Lots 1, 2 and 4, with the acreage of Lot 3 being included within the permanent open space easement and added to either Lot 2 or the property owner’s adjacent parcel to the east. The Planning Director recommended that the Council adopt the Resolution that (1) adopts a mitigated negative declaration and mitigation monitoring program for the project; and (2) approves the LVV Enterprises vesting tentative subdivision map and planned development permit, as conditioned.

This item was pulled from the Consent Agenda by Jim Stevens of NorthStar Engineering. Mr. Stevens requested, on behalf of LVV Enterprises, that Council consider re-opening the appeal for discussion at a future date.

A motion was made by Councilmember Herbert and seconded by Councilmember Bertagna to adopt Resolution No. 27 03-04, and to uphold the City Council’s final decision of 8/19/03, denying another hearing.

The motion carried by the following vote:

**AYES:** Bertagna, Herbert, Nguyen-Tan, Wahl, Kirk

**NOES:** Gruendl, Jarvis

4.2. **CONSIDERATION OF ORDINANCE REDUCING CAMPAIGN CONTRIBUTION LIMIT FROM $1,000 TO $500**

As requested by City Council at its meeting of 9/16/03, the City Attorney, by memorandum dated 10/17/03 submitted an ordinance to amend sections 1.30.030 and 1.30.070 of the Chico Municipal Code reducing the campaign contribution limit from $1,000 to $500 during the four years before a municipal election.

**ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO AMENDING THE CHICO MUNICIPAL CODE TO REDUCE THE LIMIT ON CAMPAIGN CONTRIBUTIONS TO A COUNCIL CANDIDATE FROM ONE THOUSAND DOLLARS TO FIVE HUNDRED DOLLARS DURING THE FOUR YEARS BEFORE A MUNICIPAL ELECTION** - Introductory Reading

Councilmember Gruendl indicated that he thought this contribution limit was a good idea, but would vote in opposition because he believes it is only a single piece of a much bigger issue. He commented that without other finance reform limitations in place, such as limitations on the ability for an individual to self-finance his or her campaign, this ordinance will make it even more difficult for those candidates who are unable to self-finance.

A motion was made by Councilmember Herbert and seconded by Councilmember Bertagna to introduce the ordinance as revised to reflect that contributions received prior to 10/7/03 will be exempt so that the limits adopted by the ordinance will apply to the November 2004 election.

The motion carried by the following vote:

**AYES:** Bertagna, Herbert, Nguyen-Tan, Wahl, Kirk

**NOES:** Gruendl, Jarvis
At its 9/16/03 meeting the City Council considered campaign finance reform, voting to reduce campaign contribution limits from $1,000 to $500 during the four years before a municipal election. The Council also voted to continue discussion of contribution limits as they relate to conflict of interest. By letter dated 9/18/03, Councilmember Nguyen-Tan submitted an amended proposal that would require verbal disclosure of the nature of contributions of $250 or more. By memorandum dated 9/30/03, the Clerk’s Office provided information regarding the estimated cost of a 2004 ballot initiative.

Councilmember Nguyen-Tan summarized his proposal which would require a City Councilmember to verbally disclose, prior to a hearing or a vote, whether he or she had received a contribution of $250 or more, from any parties involved with the item.

Councilmember Herbert was concerned that a Councilmember may inadvertently neglect to disclose information because of a possible silent partner or limited partnership that was not made clear at the time of the contribution.

Councilmember Nguyen-Tan commented that the State Government Code covers these types of scenarios extensively, and the State code would be used as a reference for any new proposal City Council considers.

Councilmember Gruendl suggested that the matter be referred to the Council Procedures Committee.

The Mayor invited public comment. Mario Sagastume and Kelly Meagher spoke in support of the proposal.

Vice Mayor Jarvis requested that Council agendize a discussion of limiting the amount of money a candidate can spend on a campaign, suggesting a limit of $20,000.

Councilmember Wahl suggested that campaign disclosure forms be posted for public viewing in the foyer of the Council Chamber building, and Councilmember Gruendl suggested that the campaign disclosure forms also be posted on the City’s website.

Vice Mayor Jarvis commented that the purpose of disclosure is to determine whether the person addressing the Council has a direct financial interest in the matter being discussed. She noted that if this disclosure were to pertain to all contributors, regardless of direct financial interest, it would apply to lobbyists as well, and that Government Codes related to lobbyists should also be referenced. She indicated that there are Council procedures already in place which deal with quasi-judicial and ex parte matters, but they are not practiced regularly.

A motion was made by Councilmember Nguyen-Tan and seconded by Councilmember Gruendl to refer this item to the Council Procedures Committee and to direct the City Attorney to work with the Committee to develop a draft proposal which mirrors the State Government Code disclosure requirements for Planning Commissioners. The Committee and City Attorney would present the draft proposal to the full Council. The Committee may also review the State Code pertaining to lobbyists of elected officials, and discuss campaign contributions, quasi-judicial matters, and disclosure of ex parte communications.

The motion carried by the following vote:

**AYES:** Gruendl, Jarvis, Nguyen-Tan, Kirk
**NOES:** Bertagna, Herbert, Wahl
COMMITTEE ON ITS MEETING HELD ON SEPTEMBER 9, 2003

By memorandum dated 9/22/03, the Internal Affairs Committee provided a report on its meeting held on 9/9/03. Committee members present were Councilmembers Bertagna, Jarvis, and Herbert, Chair.

COMMITTEE MATTERS REQUIRING CITY COUNCIL ACTION AT THIS MEETING:

A. **Consideration of Ordinance Amending Title 14 of the Chico Municipal Code Regarding the Regulation of Parades, Public Assemblies and Athletic Events.** After considering the concerns previously raised regarding the ordinance, the Committee recommended (3-0) approval of a revised ordinance as set forth in the memorandum from the Assistant City Attorney dated 8/27/03. If the Council concurs with the Committee’s recommendation, the revised ordinance will be scheduled for introductory reading at a future City Council meeting.

A motion was made by Vice Mayor Jarvis and seconded by Councilmember Herbert to approve the Internal Affairs recommendation that a revised ordinance be prepared for introductory reading at the 10/21/03 City Council meeting.

The motion carried by the following vote:

**AYES:** Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk

**NOES:** None

B. **Discussion Regarding Regulations Related to Public Nudity, Especially in City Parks.** The Committee recommended (2-1, Jarvis voting against), that the City Council direct the City Attorney to draft an ordinance prohibiting public nudity within the Chico city limits.

Mario Sagastume, Steven Hatfield, Donald Stanton, Greg Tropea, Daniel Moore, Summer Moore, and Suzanne Papini spoke against the ordinance.

A motion was made by Councilmember Herbert and seconded by Councilmember Bertagna to direct the City Attorney to draft an ordinance prohibiting public nudity within the Chico city limits.

The motion failed by the following vote:

**AYES:** Bertagna, Herbert, Wahl

**NOES:** Gruendl, Jarvis, Nguyen-Tan, Kirk

C. **Consideration of Troy Tohid’s Request to Review Regulations Pertaining to Tobacco Smoking Establishments.** The Committee denied (3-0) Mr. Tohid’s request for an exemption to Chico Municipal Code No. 8.28.060.

The Council concurred with the Committee’s recommendation.

COMMITTEE MATTERS REQUIRING NO CITY COUNCIL ACTION AT THIS MEETING:

D. **Request by Mark and Candy Priano to Make a Presentation Related to Kristie’s Bill - Senate Bill 982.** The Committee report provided to Council with this agenda erroneously reflected that the Committee had recommended (3-0) no change to the pursuit policy. Chair Herbert requested that the Internal Affairs report be corrected to reflect that there was no vote or Committee recommendation forwarded with this item, and that it be moved to the “No Council Action Required” section of the report. The correction will be noted on the Committee’s report. The report stated that the City has contracted with a consultant to review all police policies and will consider all recommended policy chances after reviewing the consultant’s report.

E. **Approval of a Recommendation from the Parking Place Commission to Remove a Bicycle Rack at 331 West Fifth Street and Convert the Space to a “No Parking”
Designation. The Committee adopted (3-0) Traffic Regulation Amendment (TRA) No. 767 which will convert an on-street bicycle parking zone at 331 West Fifth Street to a "No Parking" designation.

4.5. FUTURE MEETINGS

The City Council scheduled a closed session at 6:30 p.m. on 11/4/03 to determine the list of candidates to interview for the position of City Manager.

4.6. ITEMS ADDED AFTER POSTING OF THE AGENDA – No items.

5. BUSINESS FROM THE FLOOR – No items.

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.

6.1. Memorandum dated 9/24/03 from City Manager Lando confirming that as of 10/7/03 Assistant City Manager Dunlap will be acting in the capacity of City Manager for an indefinite period of time.

6.2. Letter dated 9/9/03 from John C. Schaller, legal representative for Dr. J. Phillip Smith and Dr. Anne Dawson Smith, regarding failure to abandon all property easement rights to Husa Lane as required in the conditions for approval of the Husa Ranch subdivision. By letter dated 9/29/03, the Director of Public Works responded to Mr. Schaller.

6.3. Memorandum dated 9/12/03 from the Assistant City Manager providing a report on contracts that have been awarded for the purchase of materials, supplies, and/or services required by the City, within the appropriations approved therefor in the current Annual Budget.

7. ADJOURNMENT

Adjourned at 9:38 p.m. to October 21, 2003, at 7:00 p.m., in Conference Room No. 2 for a closed session is scheduled, followed by an adjourned regular meeting in the Council Chamber at 7:30 p.m.

Date Approved: November 4, 2003

Deborah R. Presson, City Clerk
1. **CALL TO ORDER** – Mayor Kirk called the October 21, 2003 Adjourned Regular Chico City Council Meeting held on October 21, 2003 in the Chico Municipal Center, Conference Room #2, 421 Main Street to order at 7:00 p.m.

   1.1. Roll Call — Present: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk
       Absent: None

2. **CLOSED SESSION**

   2.1. **CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:** The City Attorney provided Council with an update on the Regional Water Quality Control Board Cleanup and Abatement Order No. R5-2003-0707, Humboldt Road Burn Dump.

3. **ADJOURNMENT**

   Adjourned at 7:35 p.m. to a Redevelopment Agency meeting in the Council Chamber.
ADJOURNED REGULAR CHICO REDEVELOPMENT AGENCY MEETING — October 21, 2003
Minutes

1. CALL TO ORDER — Mayor Kirk called the October 21, 2003 Adjourned Regular Chico Redevelopment Agency Meeting to order at 7:35 p.m. in the Chico Municipal Center, Council Chamber, 421 Main Street.

1.1. Flag Salute

1.2. Invocation — Pastor David Leeper Moss, Chico Trinity United Methodist Church

1.3. Roll Call — Present: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk
   Absent: None

1.4. Closed Session Announcement — None

1.5. Proclamation — Proclaiming October 25, 2003, as “Make a Difference Day.”
   Acknowledgment — Ukrainian educators who were in attendance at this meeting.

2. CONSENT AGENDA — No items.

3. NOTICED PUBLIC HEARINGS — No items.

4. REGULAR AGENDA

4.1. ITEMS REMOVED FROM THE CONSENT AGENDA

THE AGENCY ACTED IN ITS CAPACITY AS BOTH THE CHICO REDEVELOPMENT AGENCY AND THE CHICO CITY COUNCIL FOR CONSIDERATION OF ITEM 4.2.

4.2. CONSIDERATION OF ALTERNATIVES FOR REMEDIATION OF THE HUMBOLDT ROAD BURN DUMP

At its meeting of 9/16/03, the City Council considered various alternatives for the remediation of the Humboldt Road Burn Dump (HRBD). At the conclusion of public comment, the Council directed staff and the City’s consultant to review both the Majority Report and a phased consolidate and cap approach to ensure that there is adequate information to proceed with a remedial action plan and environmental review on either or both approaches. The Council indicated that tonight’s consideration would be limited to Council discussion to determine which cleanup plan or plans should be selected for analysis. The Council may also wish to direct staff regarding land use assumptions to be used in the analysis. The City Manager has recommended that single-family residential uses be prohibited on the remediated areas.

By memorandum dated 10/15/03, the Director of Public Works transmitted a report from Dr. Andrew Kopania, EMKO Environmental, which provided requested information for tonight’s meeting. In addition, the following information previously provided to Council was also included in the agenda packet: (1) memorandum dated 9/7/03 from the City Manager regarding a conceptual step-by-step cleanup approach; (2) memorandum dated 9/8/03 from the City Manager regarding land use issues; (3) memorandum dated 10/6/03 from the Director of Public Works summarizing the 9/26/03 meeting with former committee members and consultants; and (4) memorandum from the Director of Public Works to former HRBD committee members regarding the 100-year flood plain and FEMA maps. Staff recommended that the City Council determine which alternative or alternatives should be considered and direct staff to begin preparation of the Remedial Action Plan (RAP) and Environmental Impact Report to address the preferred alternative(s). Addressing Council questions were James Pedri and Susan Minasian.
A motion was made by Councilmember Nguyen-Tan and seconded by Vice Mayor Jarvis to direct staff to prepare a Remedial Action Plan incorporating the major elements of the modified majority report to submit to state agencies. A friendly amendment requested by Councilmember Wahl was not accepted. The major elements would include:

1. Removal and containment of waste from Dead Horse Slough attempting to maintain existing topography within a 100 year flood plain.

2. Construction of runoff erosion control and leachate collection system.

3. Construction of some type of bank stabilization plan for the slough.

4. Implement an operating and maintenance program.

The motion carried by the following roll-call vote:

AYES: Gruendl, Jarvis, Nguyen-Tan, Kirk
NOES: Herbert, Bertagna, Wahl

The Council recessed for a break at 9:08 p.m. and reconvened at 9:15 p.m.

5. **ITEMS ADDED AFTER POSTING OF THE AGENDA** — None

6. **ADJOURNMENT**

Adjourned at 9:08 p.m. to a City Council meeting.
1. CALL TO ORDER — Mayor Kirk called the Adjourned Regular Chico City Council meeting to order in the Chico Municipal Center, Council Chamber, 421 Main Street, at 7:35 p.m.

1.1. Roll Call — Present: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk Absent: None

2. CONSENT AGENDA — Items 2.1. and 2.8. were removed from the Consent Agenda and heard under Item 4.1. A motion was made by Councilmember Bertagna and seconded by Vice Mayor Jarvis to approve the remaining Consent Agenda items:

2.1. ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO REZONING 1.15 ACRES LOCATED ON THE EAST SIDE OF FOREST AVENUE, APPROXIMATELY 300 FEET NORTH OF PARKWAY VILLAGE DRIVE, ASSESSOR’S PARCEL NO. 002-370-071, FROM OC OFFICE COMMERCIAL TO CC COMMUNITY COMMERCIAL - GENERAL PLAN AMENDMENT/REZONE 01-04 (PIRET) - Introductory Reading — This item was removed from the Consent Agenda and heard under Item 4.1.

2.2. ORDINANCE NO. 2274 — AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO AMENDING THE CHICO MUNICIPAL CODE TO REDUCE THE LIMIT ON CAMPAIGN CONTRIBUTIONS TO A COUNCIL CANDIDATE FROM ONE THOUSAND DOLLARS TO FIVE HUNDRED DOLLARS DURING THE FOUR YEARS BEFORE A MUNICIPAL ELECTION - Final Reading and Adoption

At its meeting of 10/7/03, the City Council approved the introductory reading of this ordinance after amending the effective date in Section 3 of the ordinance. By memorandum dated 10/8/03, the City Attorney submitted the amended ordinance which will reduce the campaign contribution limit from $1,000 to $500 during the four years before a municipal election, except contributions received prior to 10/7/03. Councilmember Gruendl and Vice Mayor Jarvis voted against this item.

2.3. ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO AMENDING TITLE 14 OF THE CHICO MUNICIPAL CODE ENTITLED “STREETS AND SIDEWALKS” REGARDING THE REGULATION OF PARADES, PUBLIC ASSEMBLIES AND ATHLETIC EVENTS ON PUBLIC STREETS - Introductory Reading

At its meeting held 10/7/03, the City Council accepted the Internal Affairs Committee recommendation that a revised ordinance be prepared for introductory reading at tonight’s meeting. By memorandum dated 10/8/03, Assistant City Attorney Barker transmitted an ordinance amending the procedures for granting permits for parades, public assemblies and athletic events, which involve the closure of a public street. The City Attorney recommended introduction of the ordinance by reading of the title only.

2.4. RESOLUTION NO. 32 03-04 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO REQUESTING AN EMPLOYMENT EXTENSION FOR RAYMOND PITT PURSUANT TO GOVERNMENT CODE SECTION 21221(h)

By memorandum dated 10/06/03, the Personnel Director reported that employees who have retired under the Public Employees Retirement System (PERS) may be employed by the City on a temporary basis for no more than 960 hours per calendar year unless PERS allows a one-time extension for that individual employee. This resolution would authorize the Personnel Director to request PERS to extend the hourly exempt employment of an hourly Construction Inspector who was hired to assist with the large number of inspections required for the 2003 construction season. There is no cost to the City for the extension. The Director of Public Works and Personnel Director recommend adoption of the resolution.
2.5. RESOLUTION NO. 33 03-04 — A RESOLUTION OF THE COUNCIL OF THE CITY OF CHICO CONSENTING TO THE INCLUSION OF A PART OF THE CITY OF CHICO IN BUTTE COUNTY SERVICE AREA NUMBER 23 (PLEASANT VALLEY STORM DRAINAGE) - PASEO HACIENDAS SUBDIVISION

By memorandum dated 9/22/03, the Assistant Community Development Director reported that City approval of the Paseo Haciendas Subdivision requires the annexation of this property to County Service Area No. 23 (Pleasant Valley Storm Drainage) for the maintenance of storm drainage facilities. The 29 lot subdivision is located southwest of the intersection of Ceanothus Avenue and East Avenue. Prior to annexation of properties within the City limits to a County Service Area, the City Council must consent to such annexation. The Assistant Community Development Director recommended City Council adoption of the resolution.

2.6. MINUTE ORDER NO. 49-03 — AUTHORIZATION FOR THE CITY MANAGER TO EXECUTE AN AGREEMENT WITH THE COUNTY OF BUTTE TO EXCHANGE CREDITS FOR BIOSOLIDS DISPOSAL COSTS AND SUPERNATANT LIQUID DISPOSAL FEES

On an annual basis, Butte County disposes of the supernatant (clear surface liquid) from its Neal Road Landfill septic disposal ponds at the Water Pollution Control Plant (WPCP). The supernatant is tested, measured, and disposed in such a way that it does not adversely impact the WPCP operations. In exchange for this service, the City receives a waiver of the per ton disposal fee at the Neal Road Landfill for the first 2,000 tons of biosolids from the WPCP (which is the approximate annual production at the plant) and a discounted rate for any tonnage above 2,000 tons. This minute order authorizes the City Manager to execute an agreement with the County of Butte for the continued exchange of disposal of biosolids and supernatant in tonnage and volumes of equivalent value each fiscal year. The Director of Public Works recommended approval of the minute order.

2.7. MINUTE ORDER NO. 50-03 — AUTHORIZATION FOR THE CITY MANAGER TO EXECUTE AMENDMENT TO AGREEMENT BETWEEN THE COUNTY OF BUTTE AND THE CITY OF CHICO FOR THE EXTENSION OF SEWER SERVICES AND INSTALLATION OF CERTAIN PUBLIC IMPROVEMENTS IN THE CHICO URBAN AREA

At its 12/05/00 meeting, the City Council approved execution of an agreement with the County of Butte which addressed issues relating to the Nitrate Compliance Plan, annexation, cooperative road improvement projects, funding and other items relevant to sewer connection for properties in the Chico Urban Area affected by the Regional Water Quality Control Board’s prohibition order. By letter dated 1/13/03, Butte County Chief Administrative Officer Paul McIntosh advised that the County has contracted with Caltrans for a signalization project at SHR 99 and Estates Drive, and that the Board of Supervisors had requested addition of the signalization project to the list of cooperative road improvement projects covered by the agreement. The proposed addition is a project listed in the City’s Nexus Study and the City Manager has determined that the project is appropriate for inclusion on the list. The minute order authorizes amendment of the agreement to add the SHR 99 and Estates Drive signalization project and would also allow the City Manager to execute future amendments adding projects if it is determined that a project is appropriate for inclusion as a cooperative road improvement project under the terms of the agreement. The Assistant City Manager recommended approval of the minute order.

2.8. MINUTE ORDER — AUTHORIZATION FOR THE AIRPORT MANAGER TO EXECUTE ASSIGNMENT, ASSUMPTION AND CONSENT TO ASSIGNMENT LEASE OF REAL PROPERTY CHICO MUNICIPAL AIRPORT (CITY OF CHICO/DOUGLAS J. AND DEBORAH M. GUILION AND DAVID O. JEFFRIES) (CITY OF CHICO/DOUGLAS J. AND DEBORAH M. GUILION AND DAVID O. JEFFRIES LESSEE AND ASSIGNEE/DOUGLAS J. GUILION, DEBORAH M. GUILION AND KATHRYN EGAN, ASSIGNEE) —

This item was removed from the Consent Agenda and heard under Item 4.1.

2.9. APPROVAL OF CITY COUNCIL MINUTES FOR ITS MEETINGS HELD ON 9/2/03 AND 9/16/03

The City Council was provided with minutes from its meetings held on 9/2/03 and 9/16/03.
The motion to approve the Consent Agenda, with Items 2.1. and 2.8. removed and heard under Item 4.1., carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk
NOES: Gruendl, Jarvis - on item 2.2 only

3. NOTICED PUBLIC HEARINGS

3.1. HEARING ON FORMATION OF CITY OF CHICO MAINTENANCE ASSESSMENT DISTRICT NO. 96 (PASEO HACIENDAS SUBDIVISION)

By memorandum dated 9/30/03, the Director of Public Works reported that this resolution will order the formation of Chico Maintenance Assessment District No. 96. As a condition of approval of a subdivision map for this development, located at 2369 Ceanothus Avenue, the developers, Curtis and Diane Hays, have consented to the formation of this district for the operation, maintenance, and future replacement of the seepage trenches within the subdivision. This maintenance assessment district will provide that the City perform (or contract for) the operation and maintenance services which will be paid by property owners within this district. Future annual assessments will be paid at the time other property taxes are collected. The Director of Public Works recommended adoption of the resolution. Mayor Kirk opened the hearing to the public. No one spoke and the hearing was closed.

A motion was made by Councilmember Bertagna and seconded by Councilmember Herbert to adopt the following resolution:

RESOLUTION NO. 34 03-04 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO ORDERING FORMATION OF A MAINTENANCE DISTRICT PURSUANT TO THE MAINTENANCE ASSESSMENT DISTRICT ORDINANCE OF 1997 (MAINTENANCE ASSESSMENT DISTRICT NO. 96 — PASEO HACIENDAS SUBDIVISION)

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk
NOES: None

3.2. HEARING ON PLACING ASSESSMENTS ON THE TAX ROLL TO RECOVER CITY COSTS ASSOCIATED WITH THE 2003 LOT CLEANING/WEED ABATEMENT PROGRAM

By memorandum dated 10/8/03, Projects Manager Wood reported that the lot cleaning/weed abatement program is conducted each year under the provisions of the California Government Code. Pursuant to those provisions, the City is required to hold a public hearing before approving the placement of the assessments (the costs incurred by the City for performing the lot cleaning plus administrative costs) on the tax roll. Affected property owners were provided with written notice of the public hearing, and a list of those property owners whose lot cleaning/weed abatement bills remain unpaid as of 10/8/03 is attached to the Project Manager’s memorandum. Mayor Kirk opened the hearing to the public. No one spoke and the hearing was closed.

A motion was made by Vice Mayor Jarvis and seconded by Councilmember Herbert to approve the costs for various parcels as recommended in the staff memorandum and approve the placement of the assessments on the tax roll.

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk
NOES: None
### 3.3. HEARING ON INITIATION OF ISLAND ANNEXATION FOR BOUCHER STREET ANNEXATION DISTRICT NO. 5

By memorandum dated 9/12/03, the Assistant Community Development Director forwarded a report on initiation of the annexation of six parcels which comprise the entirety of three adjacent “islands” of unincorporated territory, with a total area of .981 acres, located along Boucher Street between East 15th Street and East 16th Street. Butte County LAFCo staff directed the City to initiate annexation of the entire “islands” as required by LAFCo policy. The area is developed with residential uses, consistent with R-1 Low Density residential zoning. Property owners are identified in the staff report.

State law provides that a resolution initiating proceedings for the annexation of an “island” of unincorporated territory can be adopted only after a public hearing on the proposal, providing an opportunity for those residing and/or owning property within the area to comment on the proposal. Notice of the hearing was provided by publication and direct mailing to those parties requesting such notice. The Assistant Community Development Director recommended adoption of the resolution. Mayor Kirk opened the hearing to the public. No one spoke and the hearing was closed.

A motion was made by Councilmember Herbert and seconded by Councilmember Bertagna to adopt the resolution:

**RESOLUTION NO. 35 03-04 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO INITIATING PROCEEDINGS TO ANNEX PROPERTY NOW LOCATED IN THE UNINCORPORATED TERRITORY OF THE COUNTY OF BUTTE TO THE INCORPORATED TERRITORY OF THE CITY OF CHICO - BOUCHER STREET ANNEXATION DISTRICT NO. 5.**

The motion carried by the following vote:

**AYES:** Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk

**NOES:** None

### 3.4. HEARING ON AN APPEAL OF THE PLANNING COMMISSION’S ACTION TO DENY PLANNED DEVELOPMENT PERMIT 02-07 (RHL DESIGN/SAFEWAY) TO ALLOW THE CONSTRUCTION AND OPERATION OF A 24-HOUR GAS STATION WITH SIX PUMPS WITHIN THE EAST AVENUE MARKETPLACE SHOPPING CENTER, LOCATED AT THE NORTHEAST CORNER OF EAST AND MARIPOSA AVENUES, IDENTIFIED AS ASSESSOR’S PARCEL NO. 048-061-049

By memorandum dated 10/02/03, Senior Planner Claudia Sigona reported that at its 08/21/03 meeting, the Planning Commission voted 6-1 (6 in favor, 1 against) to deny a planned development permit to allow the construction and operation of a 24-hour gas station, including six pumps and a small cashier's kiosk, to be located at the northeast corner of East and Mariposa Avenues, within the East Avenue Marketplace (Safeway) Shopping Center. A timely appeal was subsequently filed by the applicant, RHL Design Group, requesting that the City Council approve the application. The subject site is designated Community Commercial on the City of Chico General Plan Diagram and is within a CN-PD Neighborhood Commercial Planned Development overlay zoning district. Mayor Kirk opened the hearing to the public. Councilmember Wahl disqualified himself from the discussion and subsequent vote. Addressing the Council on this issue were Don Kidd, Michael DiGeronimo, Ron Voile, Jeff Wheeler, Mike Wilson, Monica Johnson, Carla Vanella, Stan Alala, Steve Vanella, and Cy Weagle.

A motion was made by Councilmember Herbert and seconded by Councilmember Nguyen-Tan to adopt a motion of intent to approve the project. The Council directed staff to prepare a resolution of approval citing the appropriate findings, to be considered on a future consent agenda. Staff was also directed to include conditions that would limit delivery times during peak school traffic hours including before 8:30
11:00 a.m. to 1:00 p.m., and afternoon hours. Staff was also to include other conditions consistent with the 76 Gas Station. Staff was also directed to verify traffic counts, ingress and egress reports, and safety related to the interior and exterior turning radii.

The motion carried by the following vote:

AYES: Herbert, Jarvis, Nguyen-Tan, Kirk
NOES: Bertagna, Gruendl
DISQUAL: Wahl

3.5. HEARING ON GENERAL PLAN AMENDMENT TO AMEND THE GENERAL PLAN HOUSING ELEMENT REPEALING THE EXISTING HOUSING ELEMENT AND ADOPTING A NEW HOUSING ELEMENT — This item was tabled to the 11/18/03 meeting.

3.6. PUBLIC HEARING ON THE PROPOSED AMENDMENT OF PARK FACILITY FEES — This item was tabled to the 12/2/03 meeting.

4. REGULAR AGENDA

4.1. ITEMS REMOVED FROM THE CONSENT AGENDA

2.1. ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO REZONING 1.15 ACRES LOCATED ON THE EAST SIDE OF FOREST AVENUE, APPROXIMATELY 300 FEET NORTH OF PARKWAY VILLAGE DRIVE, ASSESSOR’S PARCEL NO. 002-370-071, FROM OC OFFICE COMMERCIAL TO CC COMMUNITY COMMERCIAL - GENERAL PLAN AMENDMENT/REZONE 01-04 (PIRET) - Introductory Reading

By memorandum dated 09/25/03, Senior Planner Claudia Sigona reported that at the Planning Commission meeting of 12/06/01, the Commission voted 7-0 on a motion of intent to recommend denial of a General Plan Amendment/Rezone 01-04. A resolution recommending denial was unanimously approved on the consent agenda at the Commission’s meeting on 12/20/01. The application consists of a proposal to amend the General Plan land use designation for a 1.15-acre parcel located on the east side of Forest Avenue, approximately 300 feet north of Parkway Village drive, from Office to Community Commercial and concurrently rezone the site from OC Office Commercial to CC Community Commercial. The subject site is identified as Assessor’s Parcel No. 002-370-071. After the Commission’s recommendation, the applicant elected to suspend processing of the application in order to respond to some of the concerns expressed by the Commission (namely that the rezone was speculative in nature). The applicant has now developed a plan for use of the property, and would like to proceed with Council review of the application. Planning staff recommended approval of the application, noting that the property will function as an extension of the existing Pheasant Run Shopping Center adjacent to the north (also zoned CC).

A motion was made by Vice Mayor Jarvis and seconded by Councilmember Bertagna to 1) introduce the rezone ordinance by the reading of the title only; and 2) schedule a public hearing at the 11/4/03 City Council meeting for adoption of the mitigated negative declaration, consideration of a resolution approving the General Plan Amendment, and adoption of the rezone ordinance.

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk
NOES: None

2.8. MINUTE ORDER — AUTHORIZATION FOR THE AIRPORT MANAGER TO EXECUTE ASSIGNMENT, ASSUMPTION AND CONSENT TO ASSIGNMENT LEASE OF REAL PROPERTY CHICO MUNICIPAL AIRPORT (CITY OF CHICO/DOUGLAS J. AND DEBORAH M. GUILLO AND DAVID O. JEFFRIES) (CITY OF CHICO/DOUGLAS J. AND DEBORAH M. GUILLO AND DAVID O. JEFFRIES LESSEE AND ASSIGNOR/DOUGLAS J. GUILLO, DEBORAH M. GUILLO AND KATHRYN EGAN, ASSIGNEE)

At its meeting of 9/30/03, the Airport Commission approved a minute order recommending the City Council authorize the Airport Manager to execute an assignment for lease of real property at the Chico
Municipal Airport. The property located at 109 Convair Avenue is leased to Douglas J. Guillon, Deborah M. Guillon and David O. Jeffries, and is currently subleased to Redding Aero Enterprises, Inc., dba Chico Aviation, the airport’s fixed base operator. Douglas J. Guillon, Deborah M. Guillon and David O. Jeffries desire to enter into an assignment of the lease to remove David O. Jeffries from the lease and add Kathryn Egan. Because the lease term is for ten years with a possible extension of an additional 25 years, City Council approval is required. All other terms and conditions of the lease will remain in effect. The Airport Manager recommended approval of this minute order.

This item was tabled to a future meeting and Council instructed the Airport Manager to prepare a staff report which provides more background, including amount of lease payments. Councilmember Gruendl specifically requested information about what will happen to the building when the lease expires.

4.2. CONSIDERATION OF RECOMMENDATION OF THE AREA OF CONCERN COMMITTEE TO ADOPT A MINUTE ORDER AUTHORIZING THE CITY MANAGER TO ENTER INTO A MEMORANDUM OF AGREEMENT BETWEEN THE CITY OF CHICO AND THE COUNTY OF BUTTE REGARDING COOPERATIVE PLANNING IN THE CHICO AREA OF CONCERN

By memorandum dated 10/15/03, the Community Development Director transmitted the Area of Concern Committee recommendation of approval of the Memorandum of Agreement and the accompanying minute order which authorizes the City Manager to execute a Memorandum of Agreement between the City of Chico and the County of Butte regarding cooperative planning within the Chico Area of Concern.

A motion was made by Vice Mayor Jarvis and seconded by Councilmember Wahl to approve the following minute order:

MINUTE ORDER NO. 51-03 — AUTHORIZATION OF THE CITY COUNCIL OF THE CITY OF CHICO AUTHORIZING THE CITY MANAGER TO ENTER INTO A MEMORANDUM OF AGREEMENT BETWEEN THE CITY OF CHICO AND THE COUNTY OF BUTTE REGARDING COOPERATIVE PLANNING IN THE CHICO AREA OF CONCERN

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk
NOES: None

4.3. INITIAL CONSIDERATION OF AN APPEAL OF THE PLANNING COMMISSION’S DENIAL OF USE PERMIT 03-43 (ABOUZEID/CHICO VOLKSWAGEN) TO MODIFY A PREVIOUSLY APPROVED USE PERMIT (UP 02-36) BY ALLOWING THE DEMOLITION OF AN EXISTING COMMERCIAL BUILDING AT 920 MAIN STREET TO INCREASE THE AREA FOR THE OUTSIDE DISPLAY OF CARS AT AN AUTOMOBILE SALES AND SERVICE BUSINESS (CHICO VOLKSWAGEN)

By memorandum dated 10/10/03, Associate Planner Bob Summerville reported that at its 10/2/03 meeting, the Planning Commission denied a use permit (4 in favor, 3 in opposition) to modify a previously approved use permit to allow the demolition of an existing commercial building at 920 Main Street for use as additional area for the outside display of cars at an automobile sales and service business (Chico Volkswagen). The request includes related architectural and site design changes. A timely appeal of the Planning Commission’s denial was filed by the applicant, Mark Abouzeid. The subject site is designated Downtown on the City of Chico General Plan Diagram and located in a C-1-L Restricted Commercial-Landmark overlay zoning district. A small portion of the site along Little Chico Creek is designated Creekside Greenway on the City of Chico General Plan Diagram and is located within the OS-1 Primary Open Space zoning district.

A motion was made by Vice Mayor Jarvis and seconded by Councilmember Herbert to call up the record of proceedings and set the matter for a public hearing at the 12/02/03 meeting.

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk
4.4. ITEMS ADDED AFTER POSTING OF THE AGENDA

4.5 CONSIDERATION OF REQUEST FROM COUNCILMEMBER BERTAGNA TO RESCHEDULE THE 11/18/03 CITY COUNCIL WORK SESSION

Due to a family commitment, Councilmember Bertagna requested that the City Council consider rescheduling its 11/18/03 work session to either 11/19/03 or 11/25/03. The Council directed staff to schedule a regular adjourned night meeting on 11/18/03 and the regular all-day work session on 12/2/03, beginning at 8:00 a.m.

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 except where items were referred to committee.

6.1. Memorandum dated 9/29/03 from the Finance Director reporting that the list of claims paid during the month of September 2003 has been produced and is available for review in the offices of the Finance Director, the City Clerk and the City Council.

6.2. Memorandum dated 10/6/03 from Risk Manager reporting on claims denied during the quarter ending 9/30/03.

6.3. Letter dated 10/6/03 from Rick Tofanelli of Nantucket Home Furnishings requesting the establishment of a permit process to allow business owners to place decorative planters on downtown sidewalks. Staff recommended that this request be referred to the Internal Affairs Committee.

6.4. Letter dated 9/23/03 from Professors Rick Ruddell, Matthew Thomas, and Lori Way of CSUC, stating the Halloween survey completed in 2002 will be replicated in 2003. The College of Behavioral and Social Sciences at CSU, Chico has agreed to fund the costs of administering the survey and Professors Ruddell, Thomas, and Way are requesting funding in the amount of $3,000 to interpret and analyze the data for their assessment of this on-going community problem. This item was referred to the Finance Committee for review.

7. ADJOURNMENT

Adjourned at 11:41 p.m. to November 4, 2003, at 6:30 p.m., in Conference Room No. 2 for a closed session, followed by a regular meeting in the Council Chamber at 7:30 p.m.

Date Approved: January 27, 2004

Deborah R. Presson, City Clerk
1. **CALL TO ORDER** — Vice Mayor Jarvis called the November 4, 2003 - Regular Chico City Council meeting to order at 6:37 p.m. in the Chico Municipal Center, Conference Room #2, 421 Main Street.

2. **CLOSED SESSION**

2.1. **REVIEW OF LIST OF CANDIDATES FOR PUBLIC EMPLOYEE APPOINTMENT - CITY MANAGER POSITION**

The Council considered the list of candidates provided by Bob Murray and Associates for the position of City Manager and provided direction to both staff and the consultant. (Gov. Code Section 54957(b).)

3. **ADJOURNMENT**

Adjourned at 7:32 p.m. to a Redevelopment Agency meeting in the Council Chamber.
1. CALL TO ORDER — Vice Mayor Jarvis called the November 4, 2003 - Regular Chico Redevelopment Agency Meeting to order at 7:37 p.m. in the Chico Municipal Center, Council Chamber, 421 Main Street.

1.1. Flag Salute

1.2. Invocation – A moment of silence was observed.

1.3. Roll Call — Present: Bertagna, Gruendl, Herbert, Nguyen-Tan, Wahl, Jarvis
   Absent: Kirk

1.4. Closed Session Announcement — None

1.5. Presentation regarding “What is Citizenship?” by Mrs. Margie Rucker’s fifth grade students from Little Chico Creek Elementary School.

2. CONSENT AGENDA

2.1. APPROVAL OF REVISIONS TO ADMINISTRATIVE PROCEDURE AND POLICY NO. 10-22 REGARDING CITY’S ECONOMIC DEVELOPMENT POLICY — A motion was made by Councilmember Nguyen-Tan and seconded by Councilmember Bertagna to approve the Consent Agenda.

   By memorandum dated 10/27/03, the Economic Development/Housing Specialist forwarded the Economic Development Committee’s recommendation to incorporate a new mission statement, investment policies and evaluation criteria into Administrative Procedure and Policy No.10-22 (Statement of the Economic Development Policy of the City of Chico). The Economic Development Committee recommended (3-0) approval of the revisions to Administrative Procedure and Policy No. 10-22.

   The motion to approve the Consent Agenda, as read, carried by the following vote:

   AYES: Bertagna, Gruendl, Herbert, Nguyen-Tan, Wahl, Jarvis
   NOES: None
   ABSENT: Kirk
   DISQUAL: None

3. NOTICED PUBLIC HEARINGS — None

4. REGULAR AGENDA — None

4.1. ITEMS REMOVED FROM THE CONSENT AGENDA — None

5. ITEMS ADDED AFTER POSTING OF THE AGENDA — None

6. ADJOURNMENT
   Adjourned to a City Council meeting.
REGULAR CHICO CITY COUNCIL MEETING — November 4, 2003

Minutes

1. CALL TO ORDER — Vice Mayor Jarvis called the November 4, 2003 - Regular Chico City Council Meeting to order in the Chico Municipal Center, Council Chamber, 421 Main Street.

1.1. Roll Call — Present: Bertagna, Gruendl, Herbert, Nguyen-Tan, Wahl, Jarvis
                Absent: Kirk

2. CONSENT AGENDA — Item 2.3 was removed from the Consent Agenda at the request of Councilmember Wahl and heard under Item 4.1. A motion was made by Councilmember Nguyen-Tan and seconded by Councilmember Herbert to approve the remaining Consent Agenda items, as read:

2.1. ORDINANCE NO. 2274 — AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO AMENDING TITLE 14 OF THE CHICO MUNICIPAL CODE, ENTITLED "STREETS AND SIDEWALKS," REGARDING THE REGULATION OF PARADES, PUBLIC ASSEMBLIES AND ATHLETIC EVENTS ON PUBLIC STREETS — Final Reading and Adoption

Based on the City Council’s acceptance of the Internal Affairs Committee recommendation at its meeting of 10/7/03, this ordinance was introduced at the 10/21/03 City Council meeting.


By memorandum dated 10/16/03, the Personnel Director recommended adoption of a resolution approving Amendment No. 1 to the Memorandum of Understanding between the City and Chico Police Officers’ Association Non-Sworn Unit. The amendment adds a new Alternative Assignment pay of 10% for the Property Section Community Services Officer, which was recommended by the Chief of Police. Any additional cost for the new Alternative Assignment would be covered by the existing Police Department operating budget. The Personnel Director recommended adoption of the resolution.

2.3. RESOLUTION NO. 37 03-04 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO AUTHORIZING AN APPLICATION AND AGREEMENT BETWEEN THE CITY AND THE PUBLIC EMPLOYEES RETIREMENT SYSTEM TO EXTEND MEDICARE TAX COVERAGE TO PERMANENT MISCELLANEOUS EMPLOYEES WHO ELECTED SUCH COVERAGE IN A DIVISION ELECTION — this item was removed from the Consent Agenda and heard under Item 4.1.

2.4. GENERAL PLAN AMENDMENT/REZONE 01-04 FOR 1.15 ACRES ON FOREST AVENUE, APPROXIMATELY 300 FEET NORTH OF PARKWAY VILLAGE DRIVE, IDENTIFIED AS ASSESSOR’S PARCEL NO. 002-370-071 (PIRET)

Senior Planner Claudia Sigona reported that this application consists of a proposal to amend the General Plan land use designation for a 1.15-acre parcel located on the east side of Forest Avenue, approximately 300 feet north of Parkway Village drive, from Office to Community Commercial and concurrently rezone the site from OC Office Commercial to CC Community Commercial. The subject site is identified as Assessor’s Parcel No. 002-370-071. At the meeting of 10/21/03, the City Council introduced the rezone ordinance for the subject property and scheduled a public hearing for 11/4/03. The applicant subsequently requested that the public hearing be re-scheduled as he was unavailable for both the November meeting dates. Based on that request, Planning staff did not proceed with the public notice for the project. Due to the all-day work session scheduled for 12/2/03, the next available date for public hearings is 12/16/03, which is agreeable to the applicant. The Planning Director recommended that the public hearing for this item be re-scheduled to 12/16/03.
2.5. APPOINTMENT OF DR. ALBERT BECK AS THE CITY OF CHICO REPRESENTATIVE ON THE BUTTE COUNTY MOSQUITO AND VECTOR CONTROL DISTRICT

By letter dated 10/10/03, the Manager of the Butte County Mosquito and Vector Control District indicated that Dr. Albert Beck’s term on the District expires at the end of this year, and that Dr. Beck has signified his willingness to serve another term if reappointed. The Assistant City Manager recommended that Dr. Albert Beck be reappointed to serve a four year term on the Butte County Mosquito and Vector Control District, commencing 01/06/04.

2.6. APPROVAL OF RECOMMENDATIONS REGARDING RESSION OF COMMUNITY ORGANIZATION FUNDING

By memorandum dated 10/28/03, the Assistant City Manager provided recommendations on rescission of allocations of City funding for non-profit organizations which have not yet submitted all documents required by the City to release the funds. The Assistant City Manager recommended approval of the recommendations as set forth in the memorandum. Councilmember Gruendl disqualified himself on this item.

2.7. APPROVAL OF CITY COUNCIL MINUTES FOR ITS MEETINGS HELD ON 8/26/03 AND 10/7/03

The Council is being provided with minutes from its meetings held on 8/26/03 and 10/7/03.

The motion to approve the Consent Agenda, with Item 2.3., removed and heard under Item 4.1., carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Nguyen-Tan, Wahl, Jarvis
NOES: None
ABSENT: Kirk
DISQUAL: Gruendl, on item 2.6. only.

3. NOTICED PUBLIC HEARINGS

3.1. HEARING ON FORMATION OF MAINTENANCE DISTRICT NO. 537 (HERLAX PLACE SUBDIVISION)

By memorandum dated 10/6/03, the Director of Public Works reported that this resolution orders the formation of Chico Maintenance Assessment District No. 537. As a condition of approval of a subdivision map for this development, generally located between West 11th and West 12th Avenues, the developer, Tony Symmes, has consented to the formation of this district for the maintenance and future replacement of the storm water interceptor within the subdivision. This maintenance assessment district provides that the City perform (or contract for) the operation and maintenance services which will be paid by property owners within this district. Future annual assessments will be paid at the time other property taxes are collected. The Director of Public Works recommended adoption of the resolution. Vice Mayor Jarvis opened the hearing to the public. No one spoke and the hearing was closed.

A motion was made by Councilmember Herbert and seconded by Councilmember Nguyen-Tan to adopt:

RESOLUTION NO. 38 03-04 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO ORDERING FORMATION OF A MAINTENANCE DISTRICT PURSUANT TO THE MAINTENANCE ASSESSMENT DISTRICT ORDINANCE OF 1997 (MAINTENANCE ASSESSMENT DISTRICT NO. 537 — HERLAX PLACE SUBDIVISION)

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Nguyen-Tan, Wahl, Jarvis
3.2. **HEARING ON FORMATION OF MAINTENANCE DISTRICT NO. 534 (MARIGOLD GARDENS SUBDIVISION)**

By memorandum dated 10/20/03, the Director of Public Works reported that this resolution orders the formation of Chico Maintenance Assessment District No. 534. As a condition of securing approval of a final subdivision map for the above subdivision, the property owner, Stan Merritt, was required to provide a means for funding the annual costs of operating and maintaining certain public improvements which are of special benefit to the development. In this case, the improvements consist of the future replacement and annual costs for the landscaping and irrigation of one-half the median within Marigold Avenue, the maintenance of a storm water interceptor, which will gather and treat the storm water runoff from the subdivision and provide water quality mitigation, and a 1.17 percent portion of the landscaping and irrigation costs for maintaining Hancock Park. Marigold Garden's 1.17 percent portion of the costs to maintain Hancock Park, which was a condition of development, is proportionately shared with existing CMD 500 and is based on the total area of both subdivisions. Mr. Merritt had submitted a petition requesting formation of a maintenance assessment district pursuant to Chapter 3.81 of the Chico Municipal Code. This maintenance assessment district will provide that the City perform (or contract for) the operation and maintenance services which will be paid by property owners within this district. Future annual assessments will be paid at the time other property taxes are collected. The Director of Public Works recommended adoption of the resolution. Vice Mayor Jarvis opened the hearing to the public. No one spoke and the hearing was closed.

A motion was made by Councilmember Herbert and seconded by Councilmember Wahl to adopt:


The motion carried by the following vote:

**AYES:** Bertagna, Gruendl, Herbert, Nguyen-Tan, Wahl, Jarvis

**NOES:** None

**ABSENT:** Kirk

**DISQUAL:** None

4. **REGULAR AGENDA**

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

2.3. **RESOLUTION NO. 37 03-04 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO AUTHORIZING AN APPLICATION AND AGREEMENT BETWEEN THE CITY AND THE PUBLIC EMPLOYEES RETIREMENT SYSTEM TO EXTEND MEDICARE TAX COVERAGE TO PERMANENT MISCELLANEOUS EMPLOYEES WHO ELECTED SUCH COVERAGE IN A DIVISION ELECTION**

— this item was removed from the Consent Agenda

By memorandum dated 10/16/03, the Personnel Director recommended adoption of a resolution which authorizes the Assistant City Manager to submit an application and enter into an agreement with the Public Employees Retirement System (PERS) for the purpose of allowing those miscellaneous (non-public safety) employees hired prior to April 1, 1986 who have chosen to do so, to be covered by the Medicare Tax. PERS requires the language and format of this resolution. The Personnel Director recommended adoption of the resolution.

A motion was made by Councilmember Herbert and seconded by Councilmember Wahl to adopt Resolution No. 37 03-04.
The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Nguyen-Tan, Wahl, Jarvis
NOES: None
ABSENT: Kirk
DISQUAL: None

4.2. CONSIDERATION OF AN ORDINANCE AMENDING THE CITY OF CHICO MUNICIPAL CODE REGARDING THE ISSUANCE OF SOLID WASTE COLLECTOR PERMITS AND FEES FOR SUCH PERMITS

By memorandum dated 10/16/03, Management Analyst Herman forwarded an ordinance to amend Chapters 3.32 and 5.16 of the Chico Municipal Code (CMC) as follows:

A. **Annual Solid Waste Collector Permit Fee.** At the 9/17/02 Solid Waste Committee meeting, the solid waste collectors voiced their concerns regarding the difficulty they have in determining the amount of business license fees to be paid to the City using the current tiered fee calculation established in the CMC. This business license fee formula applies various percentages of gross receipts for the different sized trash container categories. The Committee directed staff to meet with the collectors to establish a solid waste collector permit fee that would be based on a flat percentage of the collector’s total annual gross receipts and report back to the Committee. Therefore, at its 8/27/03 meeting, the Committee recommended amending the CMC to allow the solid waste collectors to pay an annual permit fee based on two percent of each company’s annual gross receipts.

A motion was made by Councilmember Wahl and seconded by Councilmember Bertagna to accept the Committee recommendation.

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Nguyen-Tan, Wahl, Jarvis
NOES: None
ABSENT: Kirk
DISQUAL: None

B. **Restricted Solid Waste Collector Permit.** At its 9/17/02 meeting, the City Council directed the City Attorney to prepare an amendment to the Chico Municipal Code (CMC) that would provide for the issuance of “restricted” solid waste collector permits to allow County permitted solid waste collectors to retain customers whose properties are later annexed into the City of Chico. The Council further directed that this CMC revision be presented to the Solid Waste Committee for review and the Committee approved these amendments at its 10/15/03 meeting.

A motion was made by Councilmember Wahl and seconded by Councilmember Bertagna to approve the following ordinance, by reading of title only:


The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Nguyen-Tan, Wahl, Jarvis
NOES: None
ABSENT: Kirk
DISQUAL: None

4.3. CONSIDERATION OF REPORT AND RECOMMENDATIONS FROM THE INTERNAL AFFAIRS COMMITTEE ON ITS MEETING HELD ON OCTOBER 14, 2003
By memorandum dated 10/27/03, the Internal Affairs Committee provided a report on its meeting held on 10/14/03. Committee members present were Councilmembers Bertagna, Gruendl (alternate for Vice Mayor Jarvis), and Herbert, Chair.

COMMITTEE MATTERS REQUIRING CITY COUNCIL ACTION AT THIS MEETING:

A. Approval of Traffic Regulation Amendment (TRA) No. 769 Which Will Prohibit Right Turns on a Red Light from Bruce Road onto Picholine Way. The Committee did not approve (2-1, Gruendl voting in favor), Traffic Regulation Amendment (TRA) No. 769 which would prohibit right turns on a red light from Bruce Road onto Picholine Way.

A motion was made by Councilmember Wahl and seconded by Councilmember Bertagna to send this item back for further review by the Committee and to discuss possible alternatives such as removal of part of the signage blocking the view or possible bulbing of the intersection to widen the radius.

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Nguyen-Tan, Wahl, Jarvis
NOES: None
ABSENT: Kirk
DISQUAL: None

B. Consideration of Request from Mayor Kirk to Review and Discuss the Decision of the Bidwell Park and Playground Commission’s Decision to Change the Wording of the Sign on the Bridge at One Mile Recreation Area. The Committee recommended (3-0) to uphold the decision made by the Bidwell Park and Playground Commission. The sign on the bridge at One Mile Recreation Area currently reads: “Narrow Bridge - Use Caution.” Addressing Council on this item were Michael Candela, Bill Ward, Lynne Calloway and Pete Milbury. The Council directed that the video tape provided by Bill Ward be made part of the record.

A motion was made by Councilmember Wahl and seconded by Councilmember Bertagna to approve a change to the wording on the sign to “Please walk your bike when people on bridge.” In addition, staff was directed to provide to the Council the following items:

1. Clarify the requirements for a Class 1 bicycle path; the staff report had two different interpretations regarding whether riders are required to dismount on the bridge.
2. Provide an explanation of the prior exemption that allowed the City to designate the bridge as Class 1 when it did not meet the Class 1 requirements.
3. Explain the steps that would need to be taken to de-class the Class 1 rating on the bridge.
4. The Park Director should describe the longer range project which would include other alternatives, indicate whether it is included in the Bike Plan, and advise possible funding sources.
5. Vice Mayor Jarvis requested a definition of loitering; and asked if CMC Section 12R.20.080 could be amended so loitering on bridges in Bidwell Park is not prohibited.

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Nguyen-Tan, Wahl, Jarvis
NOES: None
ABSENT: Kirk
DISQUAL: None

C. Request from Councilmember Bertagna for Discussion Regarding Alternatives for Police Response to Uncontrolled Events. The Committee recommended (3-0) that the Police Department conduct further research on alternative responses to uncontrolled events and meet with the University
and the South Campus Neighborhood Association before the next Committee discussion of the issue.

A motion was made by Councilmember Bertagna and seconded by Councilmember Herbert to direct the Internal Affairs Committee to discuss alternatives for Police response to uncontrolled events.

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Nguyen-Tan, Wahl, Jarvis
NOES: None
ABSENT: Kirk
DISQUAL: None

D. **Approval of the Engineer’s Traffic and Engineering Survey Which Establishes a Speed Limit of 35 mph on California Park Drive.** The Committee recommended (3-0) approval of a resolution adopting Traffic Regulation Amendment (TRA) No. 771 which will increase the speed limit on California Park Drive from 25 mph to 35 mph.

A motion was made by Councilmember Herbert and seconded by Councilmember Bertagna to keep the current speed limit at 25 mph.

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Nguyen-Tan, Wahl, Jarvis
NOES: None
ABSENT: Kirk
DISQUAL: None

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

E. **Approval of Traffic Regulation Amendment (TRA) No. 768 Which Designates Class 2 Bike Lanes Along West East Avenue from the Esplanade to the Westerly City Limit.** The Committee approved (3-0) Traffic Regulation Amendment (TRA) No. 768 which designates Class 2 bike lanes along West East Avenue from the Esplanade to the westerly city limit.

A motion was made by Councilmember Bertagna and seconded by Councilmember Herbert to accept the 10/14/03 Internal Affairs report.

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Nguyen-Tan, Wahl, Jarvis
NOES: None
ABSENT: Kirk
DISQUAL: None

**ITEMS ADDED AFTER POSTING OF THE AGENDA**

**4.5. FUTURE MEETINGS**

The City Council agreed to schedule a closed session at 6:30 p.m. on Tuesday, 11/18/03, for conference with legal counsel related to the Humboldt Road Burn Dump.

**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 except where an item was referred to Committee.
6.1. Memorandum dated 10/10/03, from the Assistant City Manager providing a report on contracts that have been awarded for the purchase of materials, supplies, and/or services required by the City, within the appropriations approved therefor in the current Annual Budget.

6.2. E-mail dated 10/22/03, from Marina Runnells and Tina Balasek, owners of As You Wish, requesting amendment of Section 14.60.030 of Chapter 2.8 of the Chico Municipal Code to allow vending or peddling of roses within the Chico city limits. This item was referred to the Internal Affairs Committee.

6.3. By memorandum dated 10/28/03, the Assistant City Manager provided business plans submitted by the Chico Air Museum and the Chico Toy Museum. Submission of these business plans was required by the Council in allocating community organization seed funding for Fiscal Year 2003-04.

7. **ADJOURNMENT**

Adjourned at 9:04 p.m. to Tuesday, November 18, 2003, at 6:30 p.m. in Conference Room No. 1 for closed session, followed by an adjourned regular meeting in the Council Chamber at 7:30 p.m.

Date Approved: January 27, 2004

Deborah R. Presson, City Clerk
1. **CALL TO ORDER** — Mayor Kirk called the November 18, 2003 Adjourned Regular Chico City Council Meeting to order in the Chico Municipal Center, Conference Room #2, 421 Main Street at 6:30 p.m.

1.1. Roll Call — Present: Bertagna, Gruendl, Jarvis, Herbert, Nguyen-Tan, Wahl, Kirk
    Absent: None

2. **CLOSED SESSION**

2.1. **CONFERENCE WITH LEGAL COUNSEL — EXISTING LITIGATION:** Regional Water Quality Control Board Cleanup and Abatement Order No. R5-2003-0707, Humboldt Road Burn Dump.

3. **ADJOURNMENT**

    Adjourned at 7:35 p.m. to a Redevelopment Agency meeting in the Council Chamber.
1. **CALL TO ORDER** — Mayor Kirk called the November 18, 2003 Adjourned Regular Chico Redevelopment Agency Meeting to order at 7:37 p.m. in the Chico Municipal Center, Council Chamber, 421 Main Street.

1.1. Flag Salute

1.2. Invocation — Pastor Bruce Murray, First Assembly of God Church

1.3. Roll Call — Present: Bertagna, Gruendl, Jarvis, Herbert, Nguyen-Tan, Wahl, Kirk
    Absent: None

1.4. Closed Session Announcement — None

2. **CONSENT AGENDA** — None

3. **NOTICED PUBLIC HEARINGS** — None

4. **REGULAR AGENDA**

4.1. **ITEMS REMOVED FROM THE CONSENT AGENDA** — None

4.2. **UPDATE ON PROJECT TO FISCALLY MERGE THE CHICO MERGED AND GREATER CHICO REDEVELOPMENT PROJECT AREAS**

   By memorandum dated 11/10/03, the Budget Officer forwarded the Time Schedule and Procedural Guide for the proposed Redevelopment Plan Amendments to fiscally merge the Chico Merged and Greater Chico Redevelopment Projects. The first official action to be taken will be approval by the City Council of the Agency's Preliminary Report to the City Council which is scheduled for 01/06/04. Staff provided a brief status report on the project at this meeting.

4.3. **FUTURE MEETINGS** — None

5. **ITEMS ADDED AFTER POSTING OF THE AGENDA** — None

6. **ADJOURNMENT**

   Adjourned at 7:47 p.m. to a City Council meeting.
CALL TO ORDER — Mayor Kirk called the November 18, 2003 Adjourned Regular Chico City Council Meeting to order at 7:47 p.m. in the Chico Municipal Center, Council Chamber, 421 Main Street.

1.1. Roll Call — Present: Bertagna, Gruendl, Jarvis, Herbert, Nguyen-Tan, Wahl, Kirk
    Absent: None

Mayor Kirk moved Item 4.3. listed on the Posted Addendum to be heard at this time.

4.3. CONSIDERATION OF COUNCILMEMBER WAHL’S REQUEST TO AGENDIZE THE DISCUSSION OF THE HUMBOLDT ROAD BURN DUMP

By letter dated 11/14/03, Councilmember Wahl requested the City Council to consider taking action on the Humboldt Road Burn Dump at this meeting. Pursuant to City Council Rules of Procedure, Council may, by majority vote, hear this item at this meeting or schedule it to be heard at a future meeting.

A motion was made by Councilmember Herbert and seconded by Councilmember Bertagna to hear this item at this meeting.

The motion failed by the following vote:

AYES: Bertagna, Herbert, Wahl
NOES: Gruendl, Jarvis, Nguyen-Tan, Kirk
ABSENT: None
DISQUAL: None

This item will be scheduled for discussion at the City Council meeting scheduled for 12/2/03.

CONSENT AGENDA — A motion was made by Vice Mayor Jarvis and seconded by Councilmember Bertagna to approve the following Consent Agenda items:

2.1. ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO REZONING PROPERTY AT 1629 MANZANITA AVENUE (ASSESSOR’S PARCEL NUMBERS 048-203-067 AND 048-203-078) AND 1705 MANZANITA AVENUE (ASSESSOR’S PARCEL NUMBERS 048-203-051 AND 048-203-062), FROM R1 LOW DENSITY RESIDENTIAL AND R2 MEDIUM DENSITY RESIDENTIAL TO CN NEIGHBORHOOD COMMERCIAL AND PQ PUBLIC/QUASI PUBLIC FACILITIES (GENERAL PLAN AMENDMENT/REZONE 03-06 CITY OF CHICO) - Introductory Reading

By memorandum dated 10/28/03, Associate Planner Palmeri reported that at its meeting of 05/06/03, the City Council directed staff to initiate action to designate and rezone the Racquet Club and Elks Lodge to reflect the current uses of the properties. At the Planning Commission meeting of 10/16/03, the Commission voted unanimously to recommend approval of a request to amend the General Plan land use designation for 18.41 acres from Medium Density Residential and Low Density Residential to Community Commercial and Public Facilities and Services, and a rezone from R2 Medium Density Residential and R1 Low Density Residential to CN (Neighborhood Commercial) and PQ (Public/Quasi Public Facilities). A negative declaration is proposed for this project pursuant to the California Environmental Quality Act (CEQA). The Planning Commission and Planning Director recommended that the City Council: 1) introduce the rezone ordinance by reading of the title only; and 2) schedule the public hearing at the 12/16/03 City Council meeting for adoption of the negative declaration, a resolution approving the General Plan Amendment, and the rezone ordinance.
2.2. ORDINANCE NO. 2276 — AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO AMENDING CHAPTER 3.32 ENTITLED, “BUSINESS LICENSE LAW” AND CHAPTER 5.16 ENTITLED, “SOLID WASTE COLLECTORS,” OF THE CHICO MUNICIPAL CODE REGARDING THE ISSUANCE OF SOLID WASTE COLLECTOR PERMITS AND FEES FOR SUCH PERMITS - Final Reading and Adoption

At its 11/04/03 meeting, the City Council approved the Solid Waste Committee’s recommendations to amend the Chico Municipal Code to provide for an annual solid waste collector permit fee based on two percent of the collector’s annual gross receipts, and to provide for the issuance of a “restricted” solid waste collector permit to allow county-permitted waste collectors to retain customers who are later annexed into the City of Chico. The ordinance amends Chapters 3.32 and 5.16 of the Code to establish these provisions. The Assistant City Manager recommended adoption of the ordinance.

2.3. RESOLUTION NO. 40 03-04 — A RESOLUTION OF INTENTION OF THE CITY COUNCIL OF THE CITY OF CHICO TO ABANDON AND VACATE PUBLIC UTILITY EASEMENT PURSUANT TO THE PUBLIC STREETS, HIGHWAYS, AND SERVICE EASEMENTS VACATION LAW (POSADA WAY-ASSESSOR’S PARCEL NOS. 007-310-008, 009, 010, and 011)

By memorandum dated 10/22/03, the Director of Public Works reported that the property owner, Robert D. Pemble, had requested the abandonment of the three-foot-wide public utility easement which runs along lots 8, 9, 10 and 11 on Posada Way in order to allow for the development of the property. The Director of Public Works recommended adoption of the resolution which schedules a public hearing for 12/16/03.

2.4. RESOLUTION NO. 41 03-04 — A RESOLUTION OF INTENTION OF THE CITY COUNCIL OF THE CITY OF CHICO TO ABANDON AND VACATE A PUBLIC STORM DRAIN AND ACCESS EASEMENT PURSUANT TO THE PUBLIC STREETS, HIGHWAYS, AND SERVICE EASEMENTS VACATION LAW (LOT 17 - CHANNEL PARK SUBDIVISION)

By memorandum dated 10/31/03, the Director of Public Works reported that a public storm drain and access easement located at the northwest corner of Baroni and Remington Drives was created through the Channel Park Subdivision map. It subsequently was determined that the easement was not required because the subdivision drained to the City’s Fair Street Detention Pond. However, the abandonment of the easement was overlooked. In order to clear the title to Lot No. 17, it is necessary to abandon the public storm drain and access easement. The Director of Public Works recommended adoption of the resolution which will schedule a public hearing for 12/16/03.

2.5. MINUTE ORDER NO. 52-03 — AUTHORIZATION FOR THE AIRPORT MANAGER TO EXECUTE ASSIGNMENT, ASSUMPTION AND CONSENT TO ASSIGNMENT LEASE OF REAL PROPERTY CHICO MUNICIPAL AIRPORT (CITY OF CHICO/DOUGLAS J. AND DEBORAH M. GUILLON AND DAVID O. JEFFRIES) (CITY OF CHICO/DOUGLAS J. AND DEBORAH M. GUILLON AND DAVID O. JEFFRIES LESSEE AND ASSIGNOR/DOUGLAS J. GUILLON, DEBORAH M. GUILLON AND KATHRYN EGAN, ASSIGNEE)

At its meeting of 10/21/03, the City Council asked that the Airport Manager provide a staff report with further information regarding the background of the lease, lease payments, and the status of the building at the termination of the lease agreement. By memorandum dated 11/3/03, the Airport Manager provided a report with the additional background information requested by Council. At the request of Lessees, this assignment would allow David O. Jeffries to be removed from the lease and Kathryn Egan to be added. The Airport Manager recommended approval of this minute order.

2.6. MINUTE ORDER NO. 53-03 — AUTHORIZATION FOR THE CITY MANAGER TO EXECUTE A MEMORANDUM OF UNDERSTANDING FOR A REGIONAL LAW ENFORCEMENT COMMUNICATIONS AND INFORMATION SHARING SYSTEM

This minute order authorized the City Manager to execute a Memorandum of Understanding (MOU) with the Counties of Butte, Colusa, Glenn, Sutter, Tehama, and Yuba; the Cities of Colusa, Corning, Gridley, Marysville, Orland, Oroville, Red Bluff, Williams, and Yuba City; the Town of Paradise; and California
State University, Chico, for a regional law enforcement communications and information sharing initiative.

The non-binding MOU authorized Matson and Isom Technology Consulting to explore the possibility of obtaining special Homeland Security grant funds for a regional law enforcement communication and information sharing system. The Chief of Police and Information Systems Director recommended approval of this minute order.

2.7. APPROVAL OF VEHICLE FOR HIRE OWNER’S PERMIT - YELLOW CAB

By memorandum dated 11/7/03, the Risk Manager recommended that the City Council approve the issuance of a Vehicle for Hire Owner’s Permit for Yellow Cab to Ed Ort and Ron Shalita, finding that the public convenience and necessity warrant the issuance of such a permit, subject to the applicant meeting all Chico Municipal Code requirements relating to Vehicle for Hire permits. An Owner’s Permit was previously issued for Yellow Cab to the Bouttote brothers, but they are now completing the sale of their interest to the applicants. Since the Chico Municipal Code regulations relating to Vehicles for Hire do not contain a provision for transfer of Permits, new owners must submit a new application for City Council consideration. Staff recommended approval of the Vehicle for Hire Owner’s Permit.

The motion to approve the Consent Agenda, as read, carried by the following vote:

AYES: Bertagna, Gruendl, Jarvis, Herbert, Nguyen-Tan, Wahl, Kirk
NOES: None
ABSENT: None
DISQUAL: None

3. NOTICED PUBLIC HEARINGS

3.1. HEARING OF AN APPEAL OF THE PLANNING COMMISSION’S DENIAL OF USE PERMIT 03-43 (ABOUZEID/CHICO VOLKSWAGEN) TO MODIFY A PREVIOUSLY APPROVED USE PERMIT (UP 02-36) BY ALLOWING THE DEMOLITION OF AN EXISTING COMMERCIAL BUILDING AT 920 MAIN STREET TO INCREASE THE AREA FOR THE OUTSIDE DISPLAY OF CARS AT AN AUTOMOBILE SALES AND SERVICE BUSINESS (CHICO VOLKSWAGEN)

By memorandum dated 11/05/03, the Planning Director and Associate Planner Bob Summerville reported that at its 10/21/03 meeting, the City Council elected to call up the record and hear the appeal of the Planning Commission’s denial of a use permit (4 in favor, 3 in opposition) to modify a previously approved use permit to allow the demolition of an existing commercial building at 920 Main Street for use as additional area for the outside display of cars at an automobile sales and service business (Chico Volkswagen). The request included related architectural and site design changes. A timely appeal of the Planning Commission’s denial was filed by the applicant, Mark Abouzeid.

The subject site is designated Downtown on the City of Chico General Plan Diagram and located in a C-1-L Restricted Commercial-Landmark overlay zoning district. A small portion of the site along Little Chico Creek is designated Creekside Greenway on the City of Chico General Plan Diagram and is located within the OS-1 Primary Open Space zoning district. The Planning Director recommended that the Council uphold the decision of the Planning Commission, thereby denying Use Permit 03-43 (Abouzeid/Chico Volkswagen).

The hearing was opened to the public. Addressing the Council on this issue were Carl Leverenz, John Blacklock, Kirk Monfort, Barbara Mundy, Mary Watters, John Merz and Katrina Davis. The hearing was closed to the public.

A motion was made by Councilmember Bertagna and seconded by Councilmember Wahl to uphold the appeal and overturn the Planning Commission’s decision and make findings that the proposed use is
allowed within the existing zoning district and complies with all of the applicable provisions of Chapter 19.24; that it is not detrimental to the health, safety, and general welfare of persons residing or working in the downtown area; and to adopt the mitigated negative declaration (Attachment 5) and approve Use Permit 03-43, including the proposed architectural revisions, with the findings and conditions listed in Attachment 6, with one additional finding that this project represents an improvement to the downtown area and would help to bring the downtown and downtown south areas together.

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Jarvis, Herbert, Nguyen-Tan, Wahl, Kirk
NOES: None
ABSENT: None
DISQUAL: None

3.2. **HEARING ON GENERAL PLAN AMENDMENT TO AMEND THE GENERAL PLAN HOUSING ELEMENT REPEALING THE EXISTING HOUSING ELEMENT AND ADOPTING A NEW HOUSING ELEMENT**

By memorandum dated 10/22/03, Housing Officer McLaughlin and Senior Planner Hayes reported that at the Planning Commission meeting of 9/18/03, the Planning Commission voted (4 in favor, 3 in opposition) to recommend City Council adoption of the Draft Housing Element. Supplemental information was also provided by memorandum dated 11/10/03, forwarding findings from the State Department of Housing and Community Development regarding compliance of the draft Housing Element with State law and staff’s recommended revisions to achieve compliance. Staff is in the process of reviewing and responding to comments received from the State Department of Housing and Community Development. In accordance with State law, the Housing Element is updated every five years and contains an assessment of local housing needs and the resources available and constraints to meeting those needs. The Housing Element sets forth a five-year program of actions the City intends to implement or is implementing to meet its identified housing needs. Housing Officer McLaughlin and Senior Planner Hayes recommended that at the conclusion of the public hearing the City Council direct staff to make any revisions to the Housing Element and schedule the resolution approving the General Plan amendment to adopt the Housing Element for the 12/16/03 City Council meeting.

Mayor Kirk opened the hearing to the public. Addressing Council on this issue were Andy Holcomb, Dave Ferrier, Evan O’ Donnell, Greg Webb, John Blacklock, Tony Symmes, Tami Ritter, and John Luvaas.

A motion was made by Councilmember Herbert and seconded by Councilmember Bertagna to have this item come back to the City Council at its meeting of December 18, 2003, with a revised analysis that clearly shows the changes to the element, removes inclusionary zoning, addresses Housing & Community Development concerns, and adds guiding policies HG 20 and HG 24.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Wahl, Kirk
NOES: Gruendl, Jarvis, Nguyen-Tan
ABSENT: None
DISQUAL: None

3.3. **PUBLIC HEARING ON THE PROPOSED HISTORICAL PROPERTY PRESERVATION AGREEMENT FOR 1362 THE ESPLANADE (GRAHAM)**

By memorandum dated 10/29/03, the Assistant Community Development Director forwarded a report on the application for a historic property preservation agreement for the property at 1362 The Esplanade, commonly known as the Goodman House Bed & Breakfast. The application was initiated by the owners of the property. The Assistant Community Development Director recommended that, at the conclusion of the hearing, City Council adopt the resolution authorizing the City Manager to execute the agreement. Mayor Kirk opened the hearing to the public. No one spoke and the hearing was closed.

A motion was made by Councilmember Herbert and seconded by Councilmember Wahl to adopt the
RESOLUTION NO. 42 03-04 — A RESOLUTION OF THE COUNCIL OF THE CITY OF CHICO AUTHORIZING THE CITY MANAGER TO EXECUTE THE HISTORICAL PROPERTY PRESERVATION AGREEMENT - 1362 THE ESPLANADE (CITY OF CHICO/THOMAS A. AND MARGO L. GRAHAM)

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Jarvis, Herbert, Nguyen-Tan, Wahl, Kirk
NOES: None
ABSENT: None
DISQUAL: None

HEARING ON A PROPOSED DEVELOPMENT AGREEMENT BY AND BETWEEN THE CITY OF CHICO AND MBD, INC. AFFECTING APPROVED VESTING TENTATIVE SUBDIVISION MAPS FOR SOPHIA ESTATES, DOE MILL HIGHLANDS WEST, AND DOE MILL HIGHLANDS EAST ON PROPERTIES IDENTIFIED AS ASSESSOR’S PARCEL NUMBERS 011-780-002, 003, AND 004, LOCATED NORTHEAST OF THE FUTURE EXTENSIONS OF EAST 20TH STREET AND POTTER ROAD (DA 03-02 CITY OF CHICO / MBD, INC.) - Introductory Reading

By memorandum dated 11/10/03, Senior Planner Murphy forwarded a proposed development agreement between the City and MBD, Inc. which affects three adjacent vesting tentative subdivision maps (Sophia Estates, Doe Mill Highlands West, and Doe Mill Highlands East). The approved maps expire on 01/14/04. The City and applicant are proposing a development agreement to extend the life of the maps for an initial term of one year and allow time for a process by which both parties will seek to settle and resolve the existing lawsuits stemming from the cutting of oak trees on the site in March 2002. At its 11/06/03 meeting, the Planning Commission voted (5 in favor, 0 in opposition, 1 absent, and 1 disqualified) to recommend that the City Council approve the development agreement. The properties are identified as Assessor’s Parcel Nos. 011-780-002, 003, and 004 and are designated Low Density Residential on the General Plan Diagram. The development agreement is exempt from environmental review pursuant to Section 15061(b)(3) of the California Environmental Quality Act (CEQA) Guidelines under the general rule that it can be seen with certainty that approval of this agreement will not lead to an adverse impact on the environment. The Planning Director recommended that the City Council: 1) hold a public hearing on the ordinance approving the development agreement and 2) introduce the ordinance approving the development agreement ordinance by reading of title only. Mayor Kirk opened the hearing to the public. No one spoke and the hearing was closed.

A motion was made by Councilmember Herbert and seconded by Councilmember Nguyen-Tan to introduce the following ordinance:

ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO APPROVING A DEVELOPMENT AGREEMENT BETWEEN THE CITY OF CHICO AND MBD, INC. AFFECTING APPROVED VESTING TENTATIVE SUBDIVISION MAPS FOR SOPHIA ESTATES, DOE MILL HIGHLANDS WEST, AND DOE MILL HIGHLANDS EAST ON PROPERTIES IDENTIFIED AS ASSESSOR’S PARCEL NUMBERS 011-780-002, 003, AND 004, LOCATED NORTHEAST OF THE FUTURE EXTENSIONS OF EAST 20TH STREET AND POTTER ROAD (DA 03-02 CITY OF CHICO / MBD, INC.) - Introductory Reading

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Jarvis, Herbert, Nguyen-Tan, Wahl, Kirk
NOES: None
ABSENT: None
DISQUAL: None

Vice Mayor Jarvis left the meeting following Item 3.4.
4. **REGULAR AGENDA**

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

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4.2. **CONSIDERATION OF REPORT AND RECOMMENDATIONS FROM THE FINANCE COMMITTEE ON ITS MEETING HELD ON SEPTEMBER 24, 2003**

By memorandum dated 10/6/03, the Finance Committee provided a report on its meeting held on 09/24/03. Committee members present were Councilmembers Gruendl, Wahl, and Nguyen-Tan, Chair.

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

A. **Approval of Administrative Procedure and Policy and Administrative Fee for Special Project Loans.** The Committee recommended (2-1, Wahl voting against) approval of a $250 fee to cover staff costs associated with the annual recalculation of the interest rate on variable rate loans, and directed staff to review real time billing options that would not exceed $250. By memorandum dated 11/10/03, the Finance Director reported that real time billing would produce the same results as the recommended fee.

A motion was made by Councilmember Gruendl and seconded by Councilmember Nguyen-Tan to adopt a resolution amending the City’s Fee Schedule.

The motion failed by the following vote:

- **AYES:** Gruendl, Nguyen-Tan, Kirk
- **NOES:** Bertagna, Herbert, Wahl
- **ABSENT:** Jarvis
- **DISQUAL:** None

B. **Consideration of Amendments to the City of Chico Fee Schedule (Transportation System Fees, Business License Tax Information, Lot Cleaning Fees, Police Department Fees, Fire Department Fees, Uniform Fire Code Permit Fees, Grant of License Fees, Maintenance Assessment District Fees, Vacation and/or Abandonment Fees, Parades, Athletic Events and Public Assemblies Fees, and Public Right-of-Way Café License Fees).** The Committee made the following recommendations:

10.060 - Transportation System Fees. The Committee recommended (2-1, Gruendl voting against) retaining the current hourly service rate to provide special services using CATS/Clipper vehicles, and negotiating the fee next year when the contract expires.

A motion was made by Councilmember Gruendl and seconded by Councilmember Nguyen-Tan to approve the Committee’s recommendation on Transportation System Fees.

The motion failed by the following vote:

- **AYES:** Gruendl, Nguyen-Tan, Kirk
- **NOES:** Bertagna, Herbert, Wahl
- **ABSENT:** Jarvis
- **DISQUAL:** None

15.045 - Business License Tax Information. The Committee recommended (3-0) deletion of the $60 fee for updates to monthly business license tax information, and that individual requests for the information be processed as they are received.
A motion was made by Councilmember Gruendl and seconded by Councilmember Nguyen-Tan to approve the Committee’s recommendation on Business License Tax Information.

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Nguyen-Tan, Wahl, Kirk
NOES: None
ABSENT: Jarvis
DISQUAL: None

21.030 - Lot Cleaning Fee. The Committee recommended (3-0) that the lot cleaning fee be transferred from the Fire Department fee schedule to the Community Development Department fee schedule.

A motion was made by Councilmember Gruendl and seconded by Councilmember Nguyen-Tan to approve the Committee’s recommendation on the Lot Cleaning Fee.

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Nguyen-Tan, Wahl, Kirk
NOES: None
ABSENT: Jarvis
DISQUAL: None

30.020 - Police Department Fees. The Committee recommended (3-0) elimination of the research fee for obtaining police records documents older than 5 years; and also recommended (2-1, Wahl voting against) adding a $5 fee to process amendments to the concealed permit applications, and increasing the fee for concealed weapon permits from $3 to $20.

A motion was made by Councilmember Gruendl and seconded by Councilmember Nguyen-Tan to approve the Committee’s recommendation regarding the elimination of the research fee for obtaining police records documents older than 5 years.

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Nguyen-Tan, Wahl, Kirk
NOES: None
ABSENT: Jarvis
DISQUAL: None

A motion was made by Councilmember Gruendl and seconded by Councilmember Nguyen-Tan to approve the Committee’s recommendation regarding the $5 fee to process amendments to the concealed permit applications and increasing the fee for concealed weapon permits from $3 to $20.

The motion failed by the following vote:

AYES: Gruendl, Nguyen-Tan, Kirk
NOES: Bertagna, Herbert, Wahl
ABSENT: Jarvis
DISQUAL: None

40.010 - Fire Department Fees. The Committee recommended (3-0) revision of the sale price of surplus fire hoses from a flat fee to a fee based on a percentage of the cost of a new hose; eliminating the research fee of $20 to recover fire reports that are over 2 years old; and the deletion of the lot cleaning fee from this fee schedule (see 21.030 above). The Committee also
recommended (2-1, Wahl voting against) increasing the fees for obtaining a one-time and annual fire hydrant permit and increasing the cost of generating fire reports to reflect actual staff processing costs, but did not approve (3-0) the $28 technology fee portion of these increases. The Committee directed staff to determine the actual cost for this technology fee and forward the information to the full City Council with this report.

After further review of Fee Schedule 40.010, and 40.030 (report below), the Information Systems Director believed the proposed technology fee is part of a broader issue that should be evaluated for all City fees and not restricted to Fire permits and reports. The Council directed the Information Systems Director to further analyze establishment of a technology fee and report back to the Finance Committee.

A motion was made by Councilmember Gruendl and seconded by Councilmember Nguyen-Tan to approve the Committee’s recommendation regarding the revision of the sale price of surplus fire hoses from a flat fee to a fee based on a percentage of the cost of a new hose; eliminating the research fee of $20 to recover fire reports that are over 2 years old, and the deletion of the lot cleaning fee from this fee schedule.

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Nguyen-Tan, Wahl, Kirk
NOES: None
ABSENT: Jarvis
DISQUAL: None

A motion was made by Councilmember Gruendl and seconded by Councilmember Nguyen-Tan for increasing the fees for obtaining a one-time and annual fire hydrant permit and increasing the cost of generating fire reports to reflect actual staff processing costs.

The motion failed by the following vote:

AYES: Gruendl, Nguyen-Tan, Kirk
NOES: Bertagna, Herbert, Wahl
ABSENT: Jarvis
DISQUAL: None

40.030 - Uniform Fire Code Permit Fees. The Committee recommended (3-0) adding a section to clarify that payment of Uniform Fire Code permit fees are due within 30 days. The Committee also recommended (2-1, Wahl voting against) increasing the fees for issuing a uniform fire code permit and inspection; and adding fees for the Fire Department’s participation in the plan check review process to reflect actual staff processing costs, but did not approve (3-0) the $28 technology fee portion of these increases. The Committee directed staff to determine the actual cost for the technology fees and forward the information to the full City Council with this report.

A motion was made by Councilmember Herbert and seconded by Councilmember Bertagna to approve the Committee’s recommendation regarding the addition of a section to clarify the payment of Uniform Fire Code permit fees are due within 30 days.

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Nguyen-Tan, Wahl, Kirk
NOES: None
ABSENT: Jarvis
A motion was made by Councilmember Gruendl and seconded by Councilmember Nguyen-Tan to increase the fees for issuing a uniform fire code permit and inspection and adding fees for the Fire Department’s participation in the plan check review process to reflect actual staff processing costs.

The motion failed by the following vote:

**AYES:** Gruendl, Nguyen-Tan, Kirk
**NOES:** Bertagna, Herbert, Wahl
**ABSENT:** Jarvis
**DISQUAL:** None

*60.040 - Grant of License Fees.* The Committee recommended (3-0) reducing the fee from $1,050 to $1,005 to process applications for grant of licenses.

A motion was made by Councilmember Herbert and seconded by Councilmember Bertagna to accept the Committee’s recommendation.

The motion carried by the following vote:

**AYES:** Bertagna, Gruendl, Herbert, Nguyen-Tan, Wahl, Kirk
**NOES:** None
**ABSENT:** Jarvis
**DISQUAL:** None

*60.115 - Maintenance Assessment District Fees.* The Committee recommended (3-0) revising this fee to reduce the initial filing deposit to process petitions to establish a maintenance district from $2,050 to $500, and establishing additional deposit increments of $250.

A motion was made by Councilmember Gruendl and seconded by Councilmember Nguyen-Tan to accept the Committee’s recommendation.

The motion carried by the following vote:

**AYES:** Bertagna, Gruendl, Herbert, Nguyen-Tan, Wahl, Kirk
**NOES:** None
**ABSENT:** Jarvis
**DISQUAL:** None

*60.130 - Vacation and/or Abandonment Fees.* The Committee recommended (3-0) reducing the fee for processing vacation and/or abandonment petitions from $1,700 to $1,150.

A motion was made by Councilmember Gruendl and seconded by Councilmember Nguyen-Tan to accept the Committee’s recommendation.

The motion carried by the following vote:

**AYES:** Bertagna, Gruendl, Herbert, Nguyen-Tan, Wahl, Kirk
**NOES:** None
**ABSENT:** Jarvis
**DISQUAL:** None

*60.140 - Parades, Athletic Events and Public Assemblies Fees.* The Committee recommended (2-1, Wahl voting against) increasing the fee to recover costs for Police and the Department of Public Works personnel needed during parades and other events.
A motion was made by Councilmember Gruendl and seconded by Councilmember Nguyen-Tan to accept the Committee’s recommendation.

The motion failed by the following vote:

AYES: Gruendl, Nguyen-Tan, Kirk
NOES: Bertagna, Herbert, Wahl
ABSENT: Jarvis
DISQUAL: None

60.170 - Public Right-of-Way Café License Fees. The Committee recommended (3-0) reducing the Initial License Fee and combining it into the Annual License Renewal Fee to create a single annual fee of $23, and eliminating references to the Central Business District in this fee schedule.

A motion was made by Councilmember Gruendl and seconded by Councilmember Nguyen-Tan to accept the Committee’s recommendation.

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Nguyen-Tan, Wahl, Kirk
NOES: None
ABSENT: Jarvis
DISQUAL: None

A motion was made by Councilmember Gruendl and seconded by Councilmember Nguyen-Tan to adopt the following resolution, as amended:

RESOLUTION NO. 44 03-04 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO AMENDING THE CITY’S FEE SCHEDULE (AMENDMENT NO. 278 - BUSINESS LICENSE TAX INFORMATION; LOT CLEANING FEES; POLICE DEPARTMENT FEES; FIRE DEPARTMENT FEES; UNIFORM FIRE CODE PERMIT FEES; GRANT OF LICENSE FEES; MAINTENANCE ASSESSMENT DISTRICT FEES; VACATION AND/OR ABANDONMENT FEES; PARADES, ATHLETIC EVENTS AND PUBLIC ASSEMBLIES FEES; AND PUBLIC RIGHT-OF-WAY CAFÉ LICENSE FEES) - as amended

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Nguyen-Tan, Wahl, Kirk
NOES: None
ABSENT: Jarvis
DISQUAL: None

COMMITTEE MATTERS REQUIRING NO CITY COUNCIL ACTION AT THIS MEETING

C. Consideration of Request to Add the Bidwell Ranch Property to Bidwell Park. The Committee agreed (3-0) to forward this item to the City Council without a recommendation, for consideration at its work session scheduled for 12/02/03. The Committee directed staff to provide a complete fiscal analysis and estimated infrastructure cost for developing the property, and a copy of the memorandum dated 8/21/00 from the City Manager outlining potential use of the Bidwell Ranch property. The Committee also directed the City Attorney to provide the appropriate legal information regarding recent changes to State law relating to housing. Item C. will be considered at the 12/2/03 City Council meeting.

4.3 ITEMS ADDED AFTER POSTING OF THE AGENDA

4.3. CONSIDERATION OF COUNCILMEMBER WAHL’S REQUEST TO AGENDIZE THE DISCUSSION OF THE HUMBOLDT ROAD BURN DUMP – this item was considered at the beginning of the meeting following Item
5. **BUSINESS FROM THE FLOOR** — None

6. **REPORTS AND COMMUNICATIONS** — None

7. **ADJOURNMENT**

   Adjourned at 10:25 p.m. to December 2, 2003, at 8:30 a.m., in the City Council Chamber for an adjourned regular all-day work session which is being held in lieu of the regularly scheduled evening meeting.

   Date Approved:  January 27, 2004

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Deborah R. Presson, City Clerk
1. **CALL TO ORDER** — Mayor Kirk called the December 2, 2003 - Adjourned Regular Chico City Council Meeting to order at 8:30 a.m. in the Chico Municipal Center, Council Chamber, 421 Main Street.

1.1. Roll Call — Present: Bertagna, Gruendl, Jarvis, Herbert, Nguyen-Tan, Wahl, Kirk  
Absent: None

2. **CLOSED SESSION** – These matters were considered between 12:00 p.m. and approximately 2:00 p.m.

2.1. **REVIEW OF LIST OF CANDIDATES FOR PUBLIC EMPLOYEE APPOINTMENT - CITY MANAGER POSITION**

The Council considered the list of candidates provided by Bob Murray and Associates for the position of City Manager. (Gov. Code Section 54957(b).)

2.2. **CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:** Regional Water Quality Control Board Cleanup and Abatement Order No. R5-2003-0707, Humboldt Road Burn Dump.

3. **ADJOURNMENT**

Adjourned at 2:00 p.m. to a Redevelopment Agency meeting in the Council Chamber.
ADJOURNED REGULAR CHICO REDEVELOPMENT AGENCY MEETING — December 2, 2003
Minutes

1. CALL TO ORDER — Mayor Kirk called the December 2, 2003 - Adjourned Regular Chico Redevelopment Agency Meeting to order at 8:30 a.m. in the Chico Municipal Center, Council Chamber, 421 Main Street.

1.1. Flag Salute

1.2. Roll Call — Present: Bertagna, Gruendl, Jarvis, Herbert, Nguyen-Tan, Wahl, Kirk Absent: None

1.3. Closed Session Announcement — None

2. CONSENT AGENDA — None

3. NOTICED PUBLIC HEARINGS — None

4. REGULAR AGENDA

4.1. ITEMS REMOVED FROM THE CONSENT AGENDA — None

4.2. BUDGET REVIEW

Agency staff reviewed the financial status of the Chico Merged and Greater Chico Urban Area Redevelopment Project Areas and related funds. The Chico Redevelopment Agency was provided with and considered the following documents:

A. Chico Merged Redevelopment Project Area Fund Five Year Trends

Staff was directed to provide a copy of the Executive Director’s memorandum outlining the consensus points on the proposed merger in Council mailboxes.

B. Greater Chico Urban Area Redevelopment Project Area Fund Five Year Trends

C. Low and Moderate Income Housing Fund Summary — Staff was directed to provide a report on available land for affordable housing.

Staff was also directed to provide the Redevelopment Agency a list of redevelopment funded capital projects which will be discussed at the April 2004 work session.

In addition, staff was directed to provide a copy of the Executive Director’s memorandum outlining the consensus points on the proposed merger in the Council boxes.

4.3. CONSIDERATION OF THE RENOVATION OF CITY PLAZA

To consider this matter, the City Council convened as both the City Council and the Chico Redevelopment Agency.

A. Adoption of a Proposed Mitigated Negative Declaration and Approval of the Master Plan Update for City Plaza Bounded by Broadway, Fourth, Main, and Fifth Streets in Downtown Chico, Identified as Assessor’s Parcel No. 004-160-010 (City of Chico)

By memorandum dated 11/17/03, the Park Director transmitted the proposed mitigated negative declaration and monitoring program for the Master Plan Update to the City Plaza in downtown Chico. Pursuant to the California Environmental Quality Act, a negative declaration is proposed for this project. The Bidwell Park and Playground Commission held a public hearing on this matter at its
The 11/24/03 meeting and the Commission’s recommendations are included in the Park Director’s memorandum. The Park Director and the Commission recommended that the City Council: (1) adopt the negative declaration for the project; and (2) approve the master plan update by the adoption of a City Council resolution. Councilmember Wahl disqualified himself from the discussion of this item and subsequent vote. Addressing the Agency on this item was CARD Executive Director, Mary Cahill.

A motion was made by Vice Mayor Jarvis and seconded by Councilmember Gruendl to (1) adopt the negative declaration for the project; and (2) approve the master plan update by the adoption of the following resolution:

RESOLUTION NO. 44 03-04 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO ADOPTING A MITIGATED NEGATIVE DECLARATION AND MONITORING PROGRAM AND APPROVING THE MASTER PLAN UPDATE FOR CITY PLAZA BOUNDED BY BROADWAY, FOURTH, MAIN, AND FIFTH STREETS IN DOWNTOWN CHICO, IDENTIFIED AS ASSESSOR’S PARCEL NO. 004-160-010 (CITY OF CHICO)

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Jarvis, Herbert, Nguyen-Tan, Kirk
NOES: None
ABSENT: None
DISQUAL: Wahl

B. Funding for Design of the Renovation of City Plaza

By memorandum dated 11/3/03, the Park Director requested funding to complete the final design, plans, and specifications for the renovation and revitalization of City Plaza (Plaza Park). The renovation of City Plaza is not included in the 2003-04 through 2007-08 Capital Improvement Program. However, as a result of the emergency removal of the elm trees, it would be appropriate to assign a higher priority to this project. The Park Director recommended that the City Council adopt the resolution below and approve a supplemental appropriation in the amount of $145,718 from redevelopment bond funds.

A motion was made by Vice Mayor Jarvis and seconded by Councilmember Nguyen-Tan to approve: 1) an allocation of $150,718 from the 1996 Chico Public Financing Authority Tax Allocation Bonds Capital Improvement Fund (354), as set forth in the Redevelopment Project Analysis attached to the Park Director’s memorandum; and (2) a transfer of $53,182 in redevelopment bond funds from the Downtown Plaza Park Sidewalk project (12069) into the Plaza Park Improvements project (13056); and adopt the following resolutions with a confirming administrative supplemental appropriation and/or budget modification to be processed following this meeting:

RESOLUTION NO. 45 03-04 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO CONSENTING TO THE PAYMENT BY THE CHICO REDEVELOPMENT AGENCY OF COSTS RELATED TO THE RENOVATION OF CITY PLAZA AND MAKING CERTAIN FINDINGS RELATED THERETO

RESOLUTION NO. 10-03 — A RESOLUTION OF THE CHICO REDEVELOPMENT AGENCY ALLOCATING PROCEEDS FROM THE CHICO MERGED REDEVELOPMENT PROJECT AREA 1996 CHICO PUBLIC FINANCING AUTHORITY TAX ALLOCATION REVENUE BONDS TO PLAZA PARK IMPROVEMENTS PROJECT (13056)

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Jarvis, Herbert, Nguyen-Tan, Kirk
NOES: None
ABSENT: None
DISQUAL: Wahl
4.4. **CONSIDERATION OF THE DOWNTOWN PARKING MANAGEMENT AND IMPLEMENTATION STUDY**
— This item was heard at 9:30 a.m. and limited to one hour for discussion.

By memorandum dated 11/17/03, the Director of Public Works provided background information on the Downtown Parking Management and Implementation Study prepared by consultant Omni Means Ltd. The purpose of the study was to determine the sufficiency of parking in the downtown Chico area and to investigate alternatives for providing additional parking if a deficiency was identified. After reviewing the study, the Parking Place Commission made the following recommendations: (1) construct a four-level parking structure at Municipal Parking Lot No. 1; (2) increase the current downtown hourly parking meter rates from $.25 to $.50; (3) implement extended weekday parking enforcement from 6:00 p.m. to 11:00 p.m.; and (4) implement Saturday and Sunday parking enforcement. Omni Means presented the study to the Council at today's meeting. The Director of Public Works recommended that Council conceptually approve the recommendations set forth by the Parking Place Commission. If approved, staff would solicit proposals for a financial analysis to identify an appropriate funding mechanism based on both a three-story and four-story structure. A request for a supplemental appropriation to fund the financial advisory services will be placed on a future Council agenda.

A motion was made by Vice Mayor Jarvis and seconded by Councilmember to conceptually approve the recommendations set forth by the Parking Place Commission. Staff was directed to solicit proposals for design and a financial analysis to identify an appropriate funding mechanism based on both a three-story and four-story structure. A request for a supplemental appropriation to fund the financial advisory services would be placed on a future Council agenda. Staff was also directed to: (1) contact representatives from the Farmer’s Market to determine their interest in locating within the structure or an alternative location if the structure is constructed on Municipal Parking Lot 1; (2) analyze additional enforcement days; (3) include solar facilities in the design; (4) consider including a public restroom on the street side of the structure; and (5) analyze various meter and other types of payment for street parking that would allow differential time limits for evenings. The increasing of parking citations was referred to the Internal Affairs Committee for review.

The motion carried by the following vote:

**AYES:** Bertagna, Gruendl, Jarvis, Herbert, Nguyen-Tan, Wahl, Kirk  
**NOES:** None  
**ABSENT:** None  
**DISQUAL:** None

4.5. **FUTURE MEETINGS** — None

4.6. **ITEMS ADDED AFTER POSTING OF THE AGENDA** — None

5. **ADJOURNMENT**

Adjourned to a City Council meeting.
1. CALL TO ORDER — Mayor Kirk called the December 2, 2003 - Adjourned Regular Chico City Council Meeting to order in the Chico Municipal Center, Council Chamber, 421 Main Street.

2. CONSENT AGENDA — Items 2.3. and 2.4. were removed from the Consent Agenda and heard under Item 4.1. A motion was made by Councilmember Herbert and seconded by Councilmember Wahl to approve the remaining Consent Agenda items, as read:

2.1. ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ChICO AMENDING TITLE 19 OF THE CHICO MUNICIPAL CODE IN REGARD TO SECOND DWELLING UNITS - Introductory Reading

By memorandum dated 11/21/03, Principal Planner Pam Figge reported that the City Council at its 6/3/03 meeting, directed Planning staff to forward an amendment to the second dwelling unit regulations that would require City wide owner-occupancy of the primary or second dwelling unit with use permit approval required for non-owner-occupied properties. The Planning Commission conducted a public hearing on the amendments to the second dwelling unit regulations at its 11/6/03 meeting. The Commission voted unanimously (6 in favor, 0 in opposition, 1 absent) to recommend City Council approval of four revisions to the regulations: (1) a requirement for owner-occupancy of either the primary or second dwelling unit with use permit approval for non-owner-occupancy of the property; (2) a requirement for local contact information as a condition of use permit approval; (3) consideration of use permit applications by the Zoning Administrator and/or Planning Commission; and, (4) clarification that the maximum allowed height for a second dwelling unit is 25 feet. The amendments are statutorily exempt from environmental review pursuant to Section 21080.17 of the Public Resources Code as set forth in Section 15282(i) of the Guidelines for the California Environmental Quality Act. The Planning Director recommended that the City Council: (1) introduce the text amendments by the reading of the title only, and (2) schedule the public hearing on the amendments for the 12/16/03 City Council meeting.

2.2. ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO AMENDING CERTAIN TIME LIMITATIONS WITH RESPECT TO THE REDEVELOPMENT PLANS FOR THE AMENDED SOUTHEAST CHICO REDEVELOPMENT PROJECT, THE CHICO MUNICIPAL AIRPORT REDEVELOPMENT PROJECT, AND THE CENTRAL CHICO REDEVELOPMENT PROJECT, COLLECTIVELY KNOWN AS THE CHICO MERGED REDEVELOPMENT PROJECT AREAS - Introductory Reading

ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO AMENDING CERTAIN TIME LIMITATIONS WITH RESPECT TO THE REDEVELOPMENT PLAN FOR THE GREATER CHICO URBAN AREA REDEVELOPMENT PROJECT - Introductory Reading

By memorandum dated 11/10/03, the Budget Officer reported that in connection with its effort to balance the State budget, the California legislature adopted Senate Bill 1045 which added Section 33681.9 to the California Health and Safety Code and amended Section 33333.6. SB 1045 requires the Chico Redevelopment Agency to make a payment in 2003-04 for each of its project areas for deposit into Butte County’s Education Revenue Augmentation Fund (ERAF). The payment required for the Chico Merged Redevelopment Project is estimated to be $842,990, and the payment required for the Greater Chico Redevelopment Project is estimated to be $198,491. SB 1045 enables any redevelopment agency that is required to make ERAF payments to amend its redevelopment plans to extend the time limit on the effectiveness of the plan and the use of tax increment to repay indebtedness by one year through the adoption of an authorizing ordinance by the City Council. Because the formation of the Greater Chico Urban Area Redevelopment Project Area (GCUARPA) was initiated under a cooperative agreement between the City and Butte County, the County is required to approve amendment of the GCUARPA Redevelopment Plan. It is anticipated that the County's ordinance will be considered by the Board of Supervisors in January. The Assistant City Manager recommended introduction of these ordinances by reading of the title only.
2.3. **ORDINANCE NO. 2277 — AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO APPROVING A DEVELOPMENT AGREEMENT BETWEEN THE CITY OF CHICO AND MBD, INC. AFFECTING APPROVED VESTING TENTATIVE SUBDIVISION MAPS FOR SOPHIA ESTATES, DOE MILL HIGHLANDS WEST, AND DOE MILL HIGHLANDS EAST ON PROPERTIES IDENTIFIED AS ASSESSOR’S PARCEL NUMBERS 011-780-002, 003, AND 004, LOCATED NORTHEAST OF THE FUTURE EXTENSIONS OF EAST 20TH STREET AND POTTER ROAD (DA 03-02 CITY OF CHICO / MBD, INC.) - Final Reading and Adoption.** This item was removed from the Consent Agenda and heard under Item 4.1.

2.4. **RESOLUTION NO. 46 03-04 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO AMENDING RESOLUTION NO. 114 00-01 TO ADD PROVISIONS FOR PART-TIME POSITIONS AND TO ADD THE POSITION OF ART PROJECTS COORDINATOR TO THE MANAGEMENT EMPLOYEES PAY AND BENEFIT RESOLUTION (AMENDMENT NO. 7 - 2001 MANAGEMENT EMPLOYEES PAY AND BENEFITS RESOLUTION) — This item was removed from the Consent Agenda and heard under Item 4.1.**


RESOLUTION NO. 48 03-04 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO AUTHORIZING PAYING AND REPORTING THE VALUE OF EMPLOYER PAID MEMBER CONTRIBUTIONS TO THE PUBLIC EMPLOYEES RETIREMENT SYSTEM (PERS) AS SPECIAL COMPENSATION FOR CHICO POLICE OFFICERS’ ASSOCIATION - SWORN UNIT (CPOA) EMPLOYEES

By memorandum dated 11/21/03, the Personnel Director reported that the City has concluded reopener negotiations with Chico Police Officers’ Association - Sworn Unit (CPOA). The first resolution will approve a replacement Memorandum of Understanding (MOU). The second resolution is required by the Public Employees Retirement System (PERS) to implement a component of the agreement. The Assistant City Manager and Personnel Director recommended approval of the resolutions.

2.6. **MINUTE ORDER NO. 54-03 — AUTHORIZATION TO SURPLUS CITY-OWNED COMPUTER TO THE CITY MANAGER UPON HIS RETIREMENT**

By Minute Order No. 29-01, approved 09/18/01, the City Council agreed to provide, on loan, a City-owned computer to the City Manager for both City and personal use. Based on the age of the computer and its outdated technology, the Information Systems Director has estimated the depreciated value of the computer at $275. This minute order authorizes the Finance Director, upon retirement of the City Manager, to designate the computer as surplus City property on the fixed assets list, transfer ownership to the City Manager, and increase the City Manager's 2004 taxable wages by $275. The Assistant City Manager recommended approval of the Minute Order.

The motion to approve the Consent Agenda, as read, with Items 2.3. and 2.4. removed and heard under Item 4.1. carried by the following vote:

**AYES:** Bertagna, Gruendl, Herbert, Nguyen-Tan, Wahl, Kirk

**NOES:** None

**ABSENT:** Jarvis

**DISQUAL:** None
3. **NOTICED PUBLIC HEARINGS**

3.1. **PUBLIC HEARING ON THE PROPOSED AMENDMENT OF PARK FACILITY FEES** — Continued from the 10/21/03 City Council meeting. This public hearing was heard at 11:00 a.m. and limited to one hour for public comment and discussion.

At the 10/21/03 City Council meeting, a representative of Economic & Planning Systems presented an overview of its “Final Report - Chico/CARD Area Park Fee Nexus Study,” dated 09/22/03. The report determined the proportionate share of park facility demand and costs attributable to new residential development, and calculates the resulting Park Facility Fee. By memorandum dated 10/14/03, the Assistant Community Development Director forwarded the Report and identified General Plan amendments which are needed to maintain consistency with the park facility assumptions approved by the Council on 7/15/03. The Council was provided with:

A. Letter dated 11/12/03, from Bob Best which questions the assumptions related to land acquisition costs for DeGarmo Park.

B. Letter dated 10/31/03 from Building Industry Association which questions the assumptions related to land values for DeGarmo Park.

C. Letter dated 11/24/03 from Attorney Dave McMurchie, on behalf of Chico Area Recreation and Park District, addressing Nexus study assumptions, including land values.

D. Memorandum dated 10/15/03 from the Assistant City Manager regarding Park Maintenance and Development Financing. At its meeting held 09/24/03, the Finance Committee requested that this report be brought forward for today’s discussion of park fees.

The Assistant Community Development Director recommended that at the conclusion of the hearing, the City Council accept the Park Fee Nexus Study, adopt the following resolution amending the fee schedule, and initiate amendments to the General Plan to maintain consistency between the fee assumptions and plan. Mayor Kirk opened the hearing to the public. Tim Youmanns, representing the consulting firm of Economic & Planning Systems, provided an overview of the study including an explanation for the lower fee which was the BIA proposed alternative based on the actual acquisition and carrying costs for the land. Addressing the Council on this item were Bob Best, John Merz, Tony Symmes, and Mary Cahill. The Mayor closed the hearing to the public.

A motion was made by Vice Mayor Jarvis and seconded by Councilmember Gruendl to accept the Park Fee Nexus Study, adopt the following resolution amending the fee schedule recommended by the consultant and initiate amendments to the General Plan to maintain consistency between the fee assumptions and plan.

The motion failed by the following vote:

**AYES:** Gruendl, Jarvis, Nguyen-Tan

**NOES:** Bertagna, Herbert, Wahl, Kirk

**ABSENT:** None

**DISQUAL:** None

A motion was made by Councilmember Nguyen-Tan and seconded by Councilmember Gruendl to accept the Park Fee Nexus Study, adopt the following resolution amending the fee schedule at the lower rates of $2,064 and $1,746 and initiate amendments to the General Plan to maintain consistency between the fee assumptions and plan, as recommended by staff, with the exception of maintaining the ability to acquire the Big Chico Creek greenway west of SHR 32 with funds other than park facility fees.

**RESOLUTION NO. 49 03-04 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO**
AMENDING THE CITY’S FEE SCHEDULE (AMENDMENT NO. 279 - PARK FACILITY FEES)

AYES: Gruendl, Jarvis, Nguyen-Tan, Kirk
NOES: Bertagna, Herbert, Wahl
ABSENT: None
DISQUAL: None

4. REGULAR AGENDA

4.1. ITEMS REMOVED FROM THE CONSENT AGENDA

2.3. ORDINANCE NO. 2277 — AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO
APPROVING A DEVELOPMENT AGREEMENT BETWEEN THE CITY OF CHICO AND MBD, INC.
affecting approved vesting tentative subdivision maps for Sophia Estates, Doe Mill Highlands West, and Doe Mill Highlands East on properties identified as
Assessor’s Parcel Numbers 011-780-002, 003, and 004, located northeast of the
future extensions of East 20th Street and Potter Road (DA 03-02 CITY OF CHICO / MBD, INC.) - Final Reading and Adoption. This item was removed from the Consent Agenda at the
request of a citizen for additional clarification.

By memorandum dated 11/20/03, Senior Planner Murphy reported that at its 11/18/03 meeting, the City Council held a public hearing on the proposed development agreement between the City of Chico and MBD, Inc. and introduced the development agreement ordinance. At its 11/06/03 meeting, the Planning Commission recommended that the Council approve the development agreement. The development agreement affects three adjacent vesting tentative subdivision maps (Sophia Estates, Doe Mill Highlands West, and Doe Mill Highlands East). The approved maps expire on 01/14/04. The development agreement would extend the life of the maps for an initial term of one year and allow time for a process by which both parties will seek to settle and resolve the existing lawsuits stemming from the cutting of oak trees on the site in March 2002. The properties are identified as Assessor’s Parcel Nos. 011-780-002, 003, and 004 and are designated Low Density Residential on the General Plan Diagram. The development agreement is exempt from environmental review pursuant to Section 15061(b)(3) of the California Environmental Quality Act (CEQA) Guidelines under the general rule that it can be seen with certainty that approval of this agreement will not lead to an adverse impact on the environment. The Planning Director and Planning Commission recommended that the City Council adopt the ordinance approving the development agreement by the final reading of the title only.

Addressing the City Council on this item were Py and Bud Pyshora. Council concurred that staff was to clarify the definition of “periodically” used in the development agreement for frequency of inspections of oak woodlands; and directed that the 5 acre oak woodland area be staked on the ground.

A motion was made by Councilmember Herbert and seconded by Councilmember Bertagna to adopt Ordinance No. 2277, by reading of title only.

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Nguyen-Tan, Wahl, Kirk
NOES: None
ABSENT: Jarvis
DISQUAL: None

2.4. RESOLUTION NO. 46 03-04 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO
AMENDING RESOLUTION NO. 114 00-01 TO ADD PROVISIONS FOR PART-TIME POSITIONS AND TO ADD THE POSITION OF ART PROJECTS COORDINATOR TO THE MANAGEMENT EMPLOYEES PAY AND BENEFIT RESOLUTION (AMENDMENT NO. 7 - 2001 MANAGEMENT EMPLOYEES PAY AND BENEFITS RESOLUTION) — This item was removed from the Consent Agenda at the request of Councilmember Bertagna for further discussion.

By memorandum dated 11/21/03, the Personnel Director recommended approval of a resolution amending the Management Employees Pay and Benefits Resolution to establish the option for permanent part-time management employees, and to add the Art Projects Coordinator position. There is no additional cost for this amendment. The Assistant City Manager and Personnel Director
recommended adoption of the resolution.

A motion was made by Vice Mayor Jarvis and seconded by Councilmember Herbert to adopt Resolution No. 46 03-04.

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Jarvis, Herbert, Nguyen-Tan, Wahl, Kirk
NOES: None
ABSENT: None
DISQUAL: None

4.2. BUDGET REVIEW

A. Approval of 2004-05 Budget Calendar.

By memorandum dated 11/14/03, the Budget Officer submitted the proposed 2004-05 Budget Calendar for approval by the City Council. In accordance with prior City Council direction that the January work session not be scheduled for the day following the Martin Luther King holiday, the January work session is scheduled for 01/27/04, and would replace the adjourned regular meeting of 01/20/04. Since City Council review of the 2004-05 proposed budget is scheduled for 06/01/04, which is the day after the Memorial Day holiday, the Council may wish to schedule an alternate date.

Council agreed that the January work session will be scheduled for 1/27/04, replacing the adjourned regular meeting of 1/20/04. Review of the 2004-05 proposed budget was scheduled for 6/8/04.

B. General Budget Review.

The City Council was provided with and considered the following documents:

1. General and Park Funds Projected Trends

   By memorandum dated 11/20/03, the Assistant City Manager reported on the status of the General and Park Funds and potential adjustments that may be required to balance the 2004-05 budget.

2. Summary of Estimated Fund Balances

3. Capital Project Status Report

C. Consideration of Proposed Assistant City Manager Recommended Additive Staffing Requests.

By memorandum dated 11/20/03 the Assistant City Manager forwarded a copy of the additive requests which were postponed from the June work session to today’s meeting. Due to the City’s current fiscal condition, and the uncertainty of the State’s budget, the Assistant City Manager is not recommending approval of any of the additive staffing requests.

A motion was made by Vice Mayor Jarvis and seconded by Councilmember Herbert to approve the Assistant City Manager recommendations.

The motion carried by the following vote:
D. Consideration of Proposed Assistant City Manager Recommended Budget Adjustments.

By memorandum dated 11/20/03, the Assistant City Manager made recommendations on the following requests:

1. City Emergency Plan - Grant funded revenue and expenditures - $15,787
2. Network Server - Capital Projects Fund (400) - $3,000, and Sewer Fund (850) - $3,000
3. Central Plume ($200,000) and Southwest Plume ($100,000) Litigation Expenses - Sewer Fund (850)
4. National Pollution Discharge Elimination System Fees - Sewer Fund (850) - $27,638
5. Replacement of Aerial Lift Truck - Equipment Replacement Fund (932) - $40,000
6. Upgrade Drip Pans - Facility Maintenance Fund (933) - $35,000
7. HVAC at 411 Main Street - Facility Maintenance Fund (933) - $14,000

A motion was made by Vice Mayor Jarvis and seconded by Councilmember Herbert to approve staff recommendations.

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Jarvis, Herbert, Nguyen-Tan, Wahl, Kirk
NOES: None
ABSENT: None
DISQUAL: None

4.3. AUTHORIZATION TO APPLY FOR GRANT FUNDS FROM GRANT PROGRAMS UNDER THE CALIFORNIA WATER, CLEAN AIR, SAFE NEIGHBORHOOD PARKS, AND COASTAL PROTECTION ACT OF 2002 AND APPROVAL OF A SUPPLEMENTAL APPROPRIATION IN THE AMOUNT OF $440,000 TO PROVIDE FUNDING FOR THE REPLACEMENT OF THE ONE MILE DAM ($240,000) AND TO PROVIDE FUNDING ASSISTANCE FOR ADDITIONAL FACILITIES AT THE CHICO CREEK NATURE CENTER ($200,000).

By memorandum dated 11/05/03, the Park Director recommended adoption of two resolutions authorizing applications for funds from the California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Act of 2002 (Proposition 40). Funds are available as a direct allocation based on population to local agencies providing park and recreation services through the Per Capita Grant Program and Roberti-Z’berg- Harris Block Grant Programs. At its 11/06/03 meeting, the Bidwell Park and Playground Commission unanimously supported allocating $440,000 of the City’s allocation to two capital projects, replacement of the One Mile Dam ($240,000), and providing financial assistance for the construction of additional facilities at the Chico Creek Nature Center ($200,000). The Bidwell Park and Playground Commission and the Park Director recommended adoption of the resolutions and approval of the supplemental appropriation. Addressing the City Council on this item were Tom Haithcock, Jeanne Bate and Mary Cahill.

A motion was made by Councilmember Wahl and seconded by Councilmember Bertagna to continue this item until after the County decision on the pass through of its Proposition 40 funds.

The motion failed by the following vote:
A motion was made by Vice Mayor Jarvis and seconded by Councilmember Nguyen-Tan to approve a Supplemental Appropriation in the amount of $440,000 for these projects and to adopt the following resolutions:

RESOLUTION NO. 50 03-04 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO AUTHORIZING THE FILING FOR GRANT FUNDS FOR THE PER CAPITA GRANT PROGRAM UNDER THE CALIFORNIA WATER, CLEAN AIR, SAFE NEIGHBORHOOD PARKS, AND COASTAL PROTECTION ACT OF 2002


The motion carried by the following vote:

AYES: Bertagna, Gruendl, Jarvis, Herbert, Nguyen-Tan, Wahl, Kirk
NOES: None
ABSENT: None
DISQUAL: None

4.4. CONSIDERATION OF CITY COUNCIL ACTION IN RESPONSE TO LETTER FROM THE REGIONAL WATER QUALITY CONTROL BOARD REGARDING CITY COUNCIL SELECTION OF ALTERNATIVE FOR REMEDIATION OF THE HUMBOLDT ROAD BURN DUMP — this item was heard at 3:00 p.m. and limited to 45 minutes.

At its meeting of 10/21/03, the City Council directed staff to prepare a Remedial Action Plan incorporating the major elements of the “Majority Report” to submit to the State Regional Water Quality Control Board (RWQCB). By letter dated 10/27/03, the Director of Public Works advised the RWQCB that City staff would proceed with preparation of a Focused Remedial Action Plan (FRAP) in accordance with the Council action. By letter dated 11/4/03, Thomas R. Pinkos, Executive Officer of the RWQCB, advised that the staff of the RWQCB would not present the proposed FRAP to the Board for approval because the recommended elements “are not protective of human health and the environment and do not comply with applicable state and federal laws, regulations and policies, including Cleanup and Abatement Order No. R5-2003-0707.” The letter also provided notice of the RWQCB staff’s intent to pursue additional enforcement action. Copies of these letters, as well as a copy of the Cleanup and Abatement Order, were included in the agenda packet. The City Council was requested to determine whether it wished to take action in response to the State’s notice. Addressing the City Council on this item were Anne Stevens, Rene’ Vercryssen, Greg Steel, Barbara Vlamis, Marvin Gold, James Fletcher, Alan Gair, Nora Todenhagen, Tom Fogerty, Jim Wagoner, and James Pedri.

A motion was made by Councilmember Nguyen-Tan and seconded by Councilmember Gruendl to proceed with the RAP and EIR for all 80 acres of contaminated property. Use a cap in place option to the extent possible, moving as little dirt as possible. Proceed with the cleanup in three steps:

1. Clean up the City’s one-acre site, the Dunn site and the Scott site. At the conclusion of the work, evaluate dust and other concerns.

2. Clean up Dead Horse Slough.

3. Cap in place on private properties.

Steps 2 and 3 are contingent upon the following: (1) City determination of cost sharing arrangements with all responsible parties; (2) determination of whether insurance coverage is available for equitable cost sharing arrangement. Additional conditions to include: all work to be done when school is out; alternate
route for Stilson Canyon residents during construction; best available technology for monitoring dust in real time; establishment of a monitoring site at Hank Marsh Jr. H.S.; capping with clean soil; and attempt to deal with the slough without constructing a wall.

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Jarvis, Herbert, Nguyen-Tan, Wahl, Kirk
NOES: None
ABSENT: None
DISQUAL: None

12/16/03 City Council Action to amend the 12/2/03 minutes:

A motion was made by Vice Mayor Jarvis and seconded by Councilmember Gruendl to approve the amendment of the 12/2/03 minutes to include the following clarification:

“The City/Agency would contribute to the cost of cleanup of private property only to the extent the City has a responsibility and only in proportion to that responsibility.”

The motion carried by the following vote:

AYES: Gruendl, Jarvis, Herbert, Nguyen-Tan, Kirk
NOES: Bertagna, Wahl

4.5. CONSIDERATION OF AMENDMENTS TO THE CITY OF CHICO FEE SCHEDULE (TRANSPORTATION SYSTEM FEES; POLICE DEPARTMENT FEES; FIRE DEPARTMENT FEES; UNIFORM FIRE CODE PERMIT FEES; AND PARADES, ATHLETIC EVENTS AND PUBLIC ASSEMBLIES FEES).

At its 11/18/03 meeting, the City Council considered the Finance Committee’s recommendations regarding amendments to the City’s Fee Schedule based on an annual review of fees by various City Departments. The Council approved all fee schedule amendments that received an unanimous (3-0) recommendation from the Finance Committee, but all fee schedule amendments that received a 2-1 recommendation from the Committee resulted in a 3-3 tie. Because of the tie vote, Councilmember Gruendl requested that those fee schedule amendments be brought back for Council consideration at this meeting. By memorandum dated 11/19/03, Management Analyst Herman transmitted the proposed fee schedule amendments that did not receive Council approval at the 11/18/03 meeting. The Assistant City Manager recommended adoption of the resolution.

A motion was made by Vice Mayor Jarvis and seconded by Councilmember Gruendl to adopt the following resolution:

RESOLUTION NO. 52 03-04 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO AMENDING THE CITY’S FEE SCHEDULE (AMENDMENT NO. 280 - (TRANSPORTATION SYSTEM FEES; POLICE DEPARTMENT FEES; FIRE DEPARTMENT FEES; UNIFORM FIRE CODE PERMIT FEES; AND PARADES, ATHLETIC EVENTS AND PUBLIC ASSEMBLIES FEES)

The motion carried by the following vote:

AYES: Gruendl, Jarvis, Nguyen-Tan, Kirk
NOES: Bertagna, Herbert, Wahl
ABSENT: None
DISQUAL: None

4.6. CONSIDERATION OF REPORT AND RECOMMENDATIONS FROM THE FINANCE COMMITTEE ON ITS MEETING HELD ON OCTOBER 22, 2003

By memorandum dated 10/23/03, the Finance Committee provided a report on its meeting held on 10/22/03. Committee members present were Councilmembers Gruendl, Wahl, and Nguyen-Tan, Chair.
The matters considered by the Committee are listed below.

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

A. **Consideration of Changes to the City of Chico Housing Rehabilitation Program.** The Committee recommended (3-0) that the City contract with the Sutter County Housing Authority for services to operate and administer the City’s Housing Rehabilitation Program; that the loan limit for City Manager approval be increased from $15,000 to $30,000; and that the loan amount requiring bonding by the contractor be increased from $15,000 to $30,000. The Committee directed staff to evaluate the program in one year and submit a status report for Committee review.

A motion was made by Vice Mayor Jarvis and seconded by Councilmember Herbert to approve the changes as recommended by the Committee.

The motion carried by the following vote:

**AYES:** Bertagna, Gruendl, Jarvis, Herbert, Nguyen-Tan, Wahl, Kirk

**NOES:** None

B. **Request from the Salvation Army for $750,000 of City of Chico Community Development Block Grant (CDBG) Funds for a Residential Rehabilitation Facility.** The Committee recommended (2-0-1, Wahl disqualified) funding for this item be brought back for consideration as part of the annual Community Development Block Grant (CDBG) program. The Committee also recommended an amendment be initiated to add the proposed site to the Chico Sphere of Influence, that the Director of Public Works determine how sewer service could be provided to the site, and that an annexation application be initiated.

By memorandum dated 11/20/03, the Assistant Community Development Director provided an estimated time frame for the sphere amendment and annexation, with completion expected in September 2004, and a cost estimate of $7,500 to process the amendment and annexation.

This item was continued to the 12/18/03 City Council meeting.

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

C. **Discussion of Park Development Financing Options.** This item has been scheduled for further Committee consideration on 12/10/03 and was forwarded without a recommendation. However, the Committee requested that the attached report be provided to the City Council as background information related to the hearing on Park Facility Fees which is scheduled for this meeting under Item 3.1.

D. **Request from Youth & Family Services (Y&F) for $50,000 of City of Chico HOME Funds to Establish a Tenant Based Rental Assistance (TBRA) Program for Emancipated Foster Youth.** The Committee requested Butte County Independent Living Program representatives to provide research based information which would include examples of similar successful programs throughout the state. The Committee also requested more detailed information on the operational components of the program, on measuring success, and additional information from City staff regarding the source of unanticipated program income. This information was requested for the next Committee meeting scheduled for 11/19/03.

E. **Review of Assumptions Used in the Development of Fiscal Projections and Review of Desired Fund Reserves.** This item was tabled until further notice.

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

5. **BUSINESS FROM THE FLOOR**

Thomas Wahl addressed the Council regarding his concerns for how the water is managed in the Chico Creek in the winter. He asked the Council to consider designating it as an official creek.

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.

6.1. Memorandum dated 8/4/03 from the Personnel Director providing the Annual report on Equal Employment Opportunity for the period of 7/1/02 through 6/30/03, approved by the Human Resources Commission at its 10/8/03 meeting.

6.2. Memorandum dated 11/7/03 from the Assistant City Manager providing a report on contracts that have been awarded for the purchase of materials, supplies, and/or services required by the City, within the appropriations approved therefor in the current Annual Budget.


6.4. Memorandum dated 11/17/03 from the Finance Director reporting that the list of claims paid during the month of October 2003 has been produced and was available for review in the offices of the Finance Director, the City Clerk and the City Council.

7. **ADJOURNMENT**

Adjourned at 5:07 p.m. to December 16, 2003, at 7:00 p.m., in Conference Room No. 2 if a closed session is scheduled, followed by an adjourned regular meeting in the Council Chamber at 7:30 p.m.

Date Approved: February 3, 2004

_________________________________
Deborah R. Presson, City Clerk
ADJOURNED REGULAR CHICO CITY COUNCIL MEETING — December 16, 2003
Minutes

ANNOUNCEMENT OF IDENTIFICATION OF NEGOTIATORS, PROPERTIES AND PARTIES WITH WHOM NEGOTIATORS MAY NEGOTIATE IN REGARD TO CLOSED SESSION ITEM NO. 2.1., CONFERENCE WITH REAL PROPERTY NEGOTIATOR

The City Council adjourned to closed session in the Chico Municipal Center, Conference Room #2, 421 Main Street to discuss negotiations with the City’s real property negotiator regarding the following proposed acquisition:

<table>
<thead>
<tr>
<th>Property Owner</th>
<th>Property Location</th>
<th>Assessor’s Parcel No.</th>
</tr>
</thead>
<tbody>
<tr>
<td>George Scott</td>
<td>North side of Humboldt Road,</td>
<td>011-030-015</td>
</tr>
<tr>
<td></td>
<td>East of Bruce Road</td>
<td></td>
</tr>
</tbody>
</table>

The City’s negotiator is City Manager Tom Lando and the party with whom negotiations are proposed to be conducted is the property owner (or such persons designated as his agent for the purpose of negotiations).

1. **CALL TO ORDER** — Mayor Kirk called the December 16, 2003 - Adjourned Regular Chico City Council meeting to order at 7:00 p.m. in the Chico Municipal Center, Conference Room #2, 421 Main Street.

2. **CLOSED SESSION**

2.1. **CONFERENCE WITH REAL PROPERTY NEGOTIATOR REGARDING THE PROPOSED ACQUISITION OF ASSESSOR’S PARCEL NO. 011-030-015**

The subject property is located on the north side of Humboldt Road, east of Bruce Road. Pursuant to Government Code Section 54954.8, the item of business discussed was a conference with the real property negotiator. The item under discussion is instruction to the City’s negotiator on price and terms of payment for the proposed acquisition of the property. The City’s negotiator is City Manager Tom Lando and the party with whom negotiations are proposed is George Scott, the owner of the property (or such persons designated as his agent for the purpose of negotiations).

2.2. **CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:** Regional Water Quality Control Board Cleanup and Abatement Order No. R5-2003-0707, Humboldt Road Burn Dump.

3. **ADJOURNMENT**

Adjourned to a Redevelopment Agency meeting in the Council Chamber.
ADJOURNED REGULAR CHICO REDEVELOPMENT AGENCY MEETING — December 16, 2003
Minutes

1. CALL TO ORDER — Mayor Kirk called the December 16, 2003 - Adjourned Regular Chico Redevelopment Agency meeting to order at 7:40 p.m.

1.1. Flag Salute

1.2. Invocation — Dr. Neal Neaenburg, Aldersgate United Methodist Church

1.3. Roll Call — Present: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk
Absent: None

1.4. Closed Session Announcement — None

1.5. CITY COUNCIL RESOLUTION AND PROCLAMATIONS

A. RESOLUTION NO. 53 03-04 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO URGING THE GOVERNOR AND THE STATE LEGISLATURE TO REINSTATE VEHICLE LICENSE FEE REVENUE TO PROTECT SERVICES VITAL TO THE CITIZENS OF CHICO

As a component of balancing the State budget, the Vehicle License Fee (VLF) reductions that were enacted in 1998 were scheduled to increase from 0.65 percent to two percent effective October 1, 2003. However, on November 17, Governor Schwarzenegger fulfilled his campaign promise to roll back the VLF to its pre-triggered rate of 0.65 percent with no mechanism in place to backfill payment to local governments to ensure no loss of revenue. In fact, no portion of the VLF has been passed through by the State since June resulting in a loss to the City of more than $855,000 already this fiscal year. On an annual basis the City would lose approximately $2.8 million. Unless the State backfills the lost revenue to cities and counties, local governments will be forced to make drastic cuts in local services to citizens for public safety, park, and public works services which are funded in part by this lost revenue. This resolution urges reinstatement of VLF revenue to local governments to prevent potentially devastating short-term and long-term effects on the ability of the City and other local governments to provide essential local services to citizens and would direct the City Manager to forward a copy to the Governor and State Legislature. The City Manager recommended adoption of the resolution.

A motion was made by Vice Mayor Jarvis and seconded by Councilmember Herbert to adopt Resolution No. 53 03-04.

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk
NOES: None

B. Proclamation - Honoring Christine Erlandson upon her retirement as Personnel Director

C. Proclamation - Proclaiming December 2003 as National Drunk and Drugged Driving Prevention Month

2. CONSENT AGENDA — None

3. NOTICED PUBLIC HEARINGS — None

4. REGULAR AGENDA

4.1. ITEMS REMOVED FROM THE CONSENT AGENDA — None
4.2. **CONSIDERATION OF REQUEST FROM BUTTE ECONOMIC PARTNERSHIP FOR ASSISTANCE IN ESTABLISHING A LOCAL PREVAILING WAGE RATE FOR BUTTE COUNTY**

By memorandum dated 12/09/03, the Economic Development/Housing Specialist reported that at its meeting of 11/13/03, the Economic Development Committee was provided with an update on the Prevailing Wage Survey conducted by the Butte Economic Partnership and forwarded copies of the presentation and the status report that were provided to the Committee. The Partnership reported that it was planning to submit a petition to the Department of Industrial Relations (DIR) which included a completed wage survey and a request that DIR establish prevailing wage rates in Butte County based on Butte County survey data alone. The Council was provided with a letter and packet of information dated 11/25/03 from Carpenters Local Union #1240 and an email dated 12/1/03 from Doug Warnock regarding this issue. The Partnership was requesting that the City provide financial support in the amount of $10,000 to continue the petition process. There was no recommendation from the Economic Development Committee as this item was agendized as a status report only on the agenda. Addressing Council on this issue were David Palmerlee, Rich Cary, Norm Nielsen, Matt Tennis, Matt Broyson, Dale Mustats, and Ted Stoesser.

A motion was made by Councilmember Herbert and seconded by Councilmember Wahl to fund the request for financial support in the amount of $10,000 for the petition process.

The motion failed by the following vote:

**AYES:** Bertagna, Herbert, Wahl  
**NOES:** Gruendl, Jarvis, Nguyen-Tan, Kirk

A motion was made by Councilmember Gruendl and seconded by Mayor Kirk to deny the request for funding.

The motion by the following vote:

**AYES:** Gruendl, Jarvis, Kirk  
**NOES:** Bertagna, Herbert, Nguyen-Tan, Wahl

A motion was made by Councilmember Nguyen-Tan and seconded by Councilmember Jarvis to table this item until a fiscal analysis by staff has been completed regarding the impact on public projects if prevailing wages were reduced.

The motion failed by the following vote:

**AYES:** Jarvis, Nguyen-Tan  
**NOES:** Bertagna, Gruendl, Herbert, Wahl, Kirk

No action was taken on this item due to the failure of all three motions.

5. **ITEMS ADDED AFTER POSTING OF THE AGENDA** — None

6. **ADJOURNMENT**

Adjourned to a City Council meeting.
1. **CALL TO ORDER** — Mayor Kirk called the December 16, 2003 - Adjourned Regular Chico City Council meeting to order in the Chico Municipal Center, Council Chamber, 421 Main Street.

1.1. Roll Call — Present: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk

Absent: None

2. **CONSENT AGENDA** — Item 2.5. was removed from the Consent Agenda and tabled to a future meeting.

A motion was made by Vice Mayor Jarvis and seconded by Councilmember Bertagna to approve the following Consent Agenda:

2.1. **ORDINANCE NO. 2278** — AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO AMENDING CERTAIN TIME LIMITATIONS WITH RESPECT TO THE REDEVELOPMENT PLANS FOR THE AMENDED SOUTHEAST CHICO REDEVELOPMENT PROJECT, THE CHICO MUNICIPAL AIRPORT REDEVELOPMENT PROJECT, AND THE CENTRAL CHICO REDEVELOPMENT PROJECT, COLLECTIVELY KNOWN AS THE CHICO MERGED REDEVELOPMENT PROJECT AREAS - Final Reading and Adoption

ORDINANCE NO. 2279 — AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO AMENDING CERTAIN TIME LIMITATIONS WITH RESPECT TO THE REDEVELOPMENT PLAN FOR THE GREATER CHICO URBAN AREA REDEVELOPMENT PROJECT - Final Reading and Adoption

At its 12/2/03 meeting, the City Council introduced two ordinances regarding amending certain time limitations for the Chico Merged Redevelopment and the Greater Chico Urban Area Redevelopment projects. By memorandum dated 11/10/03, the Budget Officer reported that in connection with its effort to balance the State budget, the California legislature adopted Senate Bill 1045 which added Section 33681.9 to the California Health and Safety Code and amended Section 33333.6. SB 1045 requires the Chico Redevelopment Agency to make a payment in 2003-04 for each of its project areas for deposit into Butte County’s Education Revenue Augmentation Fund (ERAF). The payment required for the Chico Merged Redevelopment Project is estimated to be $842,990, and the payment required for the Greater Chico Redevelopment Project is estimated to be $198,491. SB 1045 enables any redevelopment agency that is required to make ERAF payments to amend its redevelopment plans to extend the time limit on the effectiveness of the plan and the use of tax increment to repay indebtedness by one year through the adoption of an authorizing ordinance by the City Council. Because the formation of the Greater Chico Urban Area Redevelopment Project Area (GCUARPA) was initiated under a cooperative agreement between the City and Butte County, the County is required to approve amendment of the GCUARPA Redevelopment Plan. It is anticipated that the County's ordinance will be considered by the Board of Supervisors in January. The Assistant City Manager recommended final reading and adoption of these ordinances by reading of the titles only.


By memorandum dated 12/1/03, the Personnel Director reported that the State Political Reform Act requires the City to annually review its Conflict of Interest Reporting Code and amend if necessary. This resolution amends that portion of the City of Chico’s Conflict of Interest Code which lists the required disclosure categories of designated City officials pursuant to the requirements of the Political Reform Act, to reflect the addition of the positions of the Art Projects Coordinator, Senior Construction Inspector, Crime Analyst, and Property Section Manager. The Personnel Director recommended adoption of the resolution.

2.3. **MINUTE ORDER NO. 55-03** — AUTHORIZATION FOR THE CITY MANAGER TO ENTER INTO A LETTER AGREEMENT WITH BUTTE COUNTY FOR THE TRANSFER OF STORM DRAIN FEES COLLECTED BY THE CITY TO BUTTE COUNTY FOR PRE-EXISTING COUNTY STORM DRAIN REIMBURSEMENT AGREEMENTS FOR OVERSIZED STORM DRAIN IMPROVEMENTS CONSTRUCTED IN WEST 11TH AVENUE AND MOYER WAY
This minute order authorized the City Manager to enter into a letter agreement with Butte County to transfer a portion of storm drain fees collected by the City to Butte County for lots that have been developed in the City’s jurisdiction but are located within the Storm Drain Tributary Area covered by pre-existing reimbursement agreements between Butte County and developers. The funds would be used to reimburse the developers, JBR Estates and JBR Three, for oversized storm drain improvements constructed in West 11th Avenue and Moyer Way. The Director of Public Works recommended approval of the minute order.

2.4. MINUTE ORDER NO. 56-03 — AUTHORIZATION FOR THE CITY MANAGER TO ENTER INTO AN AGREEMENT TO REIMBURSE DRAKE HOMES, INC. FOR OVERSIZING COSTS OF THE CONSTRUCTION OF A SANITARY SEWER TRUNKLINE IN EATON ROAD

Drake Homes Inc., the owner and developer of the Meadowood Subdivision, has constructed a 24-inch diameter sanitary sewer trunkline in Eaton Road in conjunction with the development of the subdivision. The oversized sewer trunkline has the capacity to serve those portions of the urban area to the north and east that are tributary to future sewer extensions in Eaton Road, and Drake Homes has requested reimbursement for the oversizing costs. This minute order authorized the City Manager to enter into an agreement to reimburse Drake Homes for oversizing costs in the amount of $31,708, with annual CPI inflation adjustments from March 25, 1999, the date of the City’s acceptance of the oversized improvements. The Director of Public Works recommended approval of the minute order.

2.5. APPROVAL OF SUPPLEMENTAL APPROPRIATION/BUDGET MODIFICATION IN THE AMOUNT OF $450,000 TO PROVIDE ADDITIONAL FUNDING FOR THE DOWNTOWN TRANSIT CENTER (18002) — This item was removed from the Consent Agenda and tabled to a future Council meeting.

2.6. DETERMINATION OF PUBLIC CONVENIENCE OR NECESSITY - CHICO SHELL, 2036 FOREST AVENUE, CHICO

By memorandum dated 12/3/03, the Community Development Director recommended that the City Council make a determination of public convenience or necessity as required by Business and Professions Code Section 23958.4, concerning the issuance of an off-sale alcoholic beverage license for the Chico Shell located at 2036 Forest Avenue, Chico. The Community Development Director recommended a determination of public convenience or necessity.

The motion to approve the Consent Agenda, as read, with Item 2.5. removed and heard under Item 4.1., carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk
NOES: None
ABSENT: None
DISQUAL: None

3. NOTICED PUBLIC HEARINGS

3.1. HEARING ON ABANDONMENT AND VACATION OF A PUBLIC STORM DRAIN AND ACCESS EASEMENT (LOT 17 - CHANNEL PARK SUBDIVISION)

By memorandum dated 11/19/03, the Director of Public Works reported that a public storm drain and access easement located at the northwest corner of Baroni and Remington Drives was created through the Channel Park Subdivision map. It subsequently was determined that the easement was not required because the subdivision drained to the City’s Fair Street Detention Pond. However, the abandonment of the easement was overlooked. In order to clear the title to Lot No. 17, it would be appropriate to abandon the public storm drain and access easement. In order to facilitate the transfer of clear title to the property, it was recommended that the easement be abandoned. At its meeting of 11/18/03, the City Council adopted a resolution of intention to abandon the easement and set the public
hearing for this meeting. The Director of Public Works recommended adoption of the resolution. Mayor Kirk opened the hearing to the public. No one spoke and the hearing was closed.

A motion was made by Vice Mayor Jarvis and seconded by Councilmember Bertagna to adopt the following resolution:

RESOLUTION NO. 55 03-04 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO ORDERING THE ABANDONMENT AND VACATION OF A PUBLIC STORM DRAIN AND ACCESS EASEMENT PURSUANT TO THE PUBLIC STREETS, HIGHWAYS, AND SERVICE EASEMENTS VACATION LAW (LOT 17 - CHANNEL PARK SUBDIVISION)

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk
NOES: None
ABSENT: None
DISQUAL: None

3.2 HEARING ON ABANDONMENT AND VACATION OF A PUBLIC UTILITY EASEMENT (POSADA WAY)

By memorandum dated 11/19/03, the Director of Public Works reported that the property owner, Robert D. Pemble, requested the abandonment of a three-foot-wide public utility easement which runs along Lots 8, 9, 10, and 11 on Posada Way in order to allow recording of a boundary line modification that modifies existing property lines to accommodate development of the site with apartment complexes. At its meeting of 11/18/03, the City Council adopted a resolution of intention to abandon the easements and set the public hearing for this meeting. The Director of Public Works recommended adoption of the resolution. Mayor Kirk opened the hearing. No one spoke and the hearing was closed.

A motion was made by Vice Mayor Jarvis and Councilmember Bertagna to adopt the following:

RESOLUTION NO. 56 03-04 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO ORDERING THE ABANDONMENT AND VACATION OF A PUBLIC UTILITY EASEMENT PURSUANT TO THE PUBLIC STREETS, HIGHWAYS, AND SERVICE EASEMENTS VACATION LAW (POSADA WAY)

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk
NOES: None
ABSENT: None
DISQUAL: None

3.3. HEARING ON TEXT AMENDMENTS TO TITLE 19 (LAND USE AND DEVELOPMENT REGULATIONS) OF THE CHICO MUNICIPAL CODE PERTAINING TO AN OWNER-OCCUPANCY REQUIREMENT FOR THE PRIMARY OR SECOND DWELLING UNIT WITH USE PERMIT APPROVAL FOR NON-OWNER OCCUPIED PROPERTY, MINOR AMENDMENTS TO THE APPLICATION PROCESS AND CLARIFICATION OF THE MAXIMUM HEIGHT FOR SECOND DWELLING UNITS (CITY OF CHICO)

By memorandum dated 12/4/03, Principal Planner Figge reported that the Planning Commission conducted a public hearing on the amendments to the second dwelling unit regulations at its 11/6/03 meeting. The Commission voted unanimously (6 in favor, 0 in opposition, 1 absent) to recommend City Council approval of four revisions to the regulations: (1) a requirement for owner-occupancy of either the primary or second dwelling unit with use permit approval for non-owner-occupancy of the property; (2) a requirement for local contact information as a condition of use permit approval; (3) consideration of use permit applications by the Zoning Administrator and/or Planning Commission; and, (4) clarification that the maximum allowed height for second dwelling units is 25 feet. The City Council at its 12/2/03 meeting introduced the ordinance that would revise the second dwelling unit regulations as noted above, and scheduled the amendments for a public hearing at this meeting. The amendments are statutorily exempt
from environmental review pursuant to Section 21080.17 of the Public Resources Code and set forth in Section 15282(i) of the Guidelines for the California Environmental Quality Act. The Planning Director recommended that the City Council: (1) find that the text amendments are statutorily exempt; and (2) adopt the ordinance by the reading of the title only. Mayor Kirk opened the hearing to the public. Pam Stressor addressed the City Council about this item. The hearing was closed to the public.

A motion was made by Vice Mayor Jarvis and seconded by Councilmember Herbert to find that the text amendments are statutorily exempt and to adopt the following ordinance, read by title only:

ORDINANCE NO. 2280 — AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO AMENDING TITLE 19 OF THE CHICO MUNICIPAL CODE IN REGARD TO SECOND DWELLING UNITS - Final Reading and Adoption

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk
NOES: None
ABSENT: None
DISQUAL: None

3.4. HEARING ON GENERAL PLAN AMENDMENT AND REZONES 01-04 (PIRET) AND 03-06 (CITY OF CHICO)

General Plan Amendment/Rezone 01-04 (Piret) and General Plan Amendment/Rezone 03-06 (City of Chico) are being combined due to the limitation on the number of amendments that may be approved annually for any one element of the General Plan. One resolution approving both General Plan amendments has been prepared for adoption by the Council following this hearing, and prior to the final reading and adoption of the rezone ordinances.

A. GENERAL PLAN LAND USE AMENDMENT FROM OFFICE TO COMMUNITY COMMERCIAL AND A REZONE FROM OC OFFICE COMMERCIAL TO COMMUNITY COMMERCIAL FOR PROPERTY LOCATED ON THE EAST SIDE OF FOREST AVENUE, APPROXIMATELY 300 FEET NORTH OF PARKWAY VILLAGE DRIVE (GENERAL PLAN AMENDMENT/REZONE 01-04 PIRET)

By memorandum dated 11/19/03, Senior Planner Sigona reported that at the Planning Commission meeting of 12/06/01, the Commission voted 7-0 on a motion of intent to recommend denial of General Plan Amendment/Rezone 01-04. A resolution recommending denial was unanimously approved on the consent agenda at the Commission's meeting on 12/20/03.

The application consists of a proposal to amend the General Plan land use designation for a 1.15-acre parcel located on the east side of Forest Avenue, approximately 300 feet north of Parkway Village Drive, from Office to Community Commercial and concurrently rezone the site from OC Office Commercial to CC Community Commercial. The subject site is identified as Assessor's Parcel No. 002-370-071. After the Commission's recommendation, the applicant elected to suspend processing of the application in order to respond to some of the concerns expressed by the Commission (namely that the rezone was speculative in nature). The applicant has now developed a plan for use of the property, and would like to proceed with Council review of the application. Planning staff recommended approval of the application, noting that the property will function as an extension of the existing Pheasant Run Shopping Center adjacent to the north (also zoned CC). The rezone ordinance for the property was introduced at the 10/21/03 City Council meeting. At the 11/04/03 City Council meeting, the public hearing was rescheduled to this meeting. Mayor Kirk opened the hearing to the public. Ron Piret addressed the Council on this item. The hearing was closed to the public.
B. GENERAL PLAN LAND USE AMENDMENT FROM MEDIUM DENSITY RESIDENTIAL AND LOW DENSITY RESIDENTIAL TO COMMUNITY COMMERCIAL AND PUBLIC FACILITIES AND SERVICES, AND A REZONE FROM R1 LOW DENSITY RESIDENTIAL AND R2 MEDIUM DENSITY RESIDENTIAL TO CN NEIGHBORHOOD COMMERCIAL AND PQ PUBLIC/QUASI PUBLIC FACILITIES FOR PROPERTIES LOCATED AT 1629 AND 1705 MANZANITA AVENUE (GENERAL PLAN AMENDMENT/REZONE 03-06 CITY OF CHICO)

By memorandum dated 11/19/03, Associate Planner Palmeri reported that at its meeting of 05/06/03, the City Council directed staff to initiate action to designate and rezone the Chico Racquet Club located at 1629 Manzanita Avenue (Assessor’s Parcel Nos. 048-203-067 and 078) and Elks Lodge located at 1705 Manzanita Avenue (Assessor’s Parcel Nos. 048-203-051 and 062) to reflect the current uses of the properties. At the Planning Commission meeting of 10/16/03, the Commission voted 7-0 to recommend approval of a request to amend the General Plan land use designation for 18.41 acres from Medium Density Residential and Low Density Residential to Community Commercial and Public Facilities and Services, and a rezone from R2 Medium Density Residential and R1 Low Density Residential to CN (Neighborhood Commercial) and PQ (Public/Quasi Public Facilities). A negative declaration is proposed for this project pursuant to the California Environmental Quality Act (CEQA).

The City Council introduced the rezone ordinance for the properties at the 11/18/03 City Council meeting. Mayor Kirk opened the hearing to the public. Addressing the City Council on this item was Jim Vander. The hearing was closed to the public.

A motion was made by Councilmember Herbert and seconded by Councilmember Wahl to (1) approve the General Plan Amendment and the proposed negative declarations and mitigation monitoring program, as applicable, by adoption of the following City Council resolution; and (2) approve the rezone ordinances by final reading of the titles only.

RESOLUTION NO. 57 03-04 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO AMENDING THE GENERAL PLAN DESIGNATIONS FOR PROPERTIES LOCATED ON THE EAST SIDE OF FOREST AVENUE, APPROXIMATELY 300 FEET NORTH OF PARKWAY VILLAGE DRIVE, ASSESSOR’S PARCEL NO. 002-370-071, FROM OFFICE TO COMMUNITY COMMERCIAL - (GENERAL PLAN AMENDMENT/REZONE 01-04 PIRET); AND 1629 MANZANITA AVENUE, ASSESSOR’S PARCEL NOS. 048-203-067 AND 048-203-078, AND 1705 MANZANITA AVENUE, ASSESSOR’S PARCEL NOS. 048-203-051 AND 048-203-062, FROM MEDIUM DENSITY RESIDENTIAL AND LOW DENSITY RESIDENTIAL TO COMMUNITY COMMERCIAL AND PUBLIC FACILITIES AND SERVICES - (GENERAL PLAN AMENDMENT/REZONE 03-06 CITY OF CHICO)

ORDINANCE NO. 2282 — AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO REZONING 1.15 ACRES LOCATED ON THE EAST SIDE OF FOREST AVENUE, APPROXIMATELY 300 FEET NORTH OF PARKWAY VILLAGE DRIVE, ASSESSOR’S PARCEL NO. 002-370-071, FROM OC OFFICE COMMERCIAL TO CC COMMUNITY COMMERCIAL - (GENERAL PLAN AMENDMENT/REZONE 01-04 PIRET) - Final Reading and Adoption

ORDINANCE NO. 2283 — AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO REZONING PROPERTY AT 1629 MANZANITA AVENUE (ASSESSOR’S PARCEL NOS. 048-203-067 AND 048-203-078) AND 1705 MANZANITA AVENUE (ASSESSOR’S PARCEL NOS. 048-203-051 AND 048-203-062), FROM R1 LOW DENSITY RESIDENTIAL AND R2 MEDIUM DENSITY RESIDENTIAL TO CN NEIGHBORHOOD COMMERCIAL AND PQ PUBLIC/QUASI PUBLIC FACILITIES (GENERAL PLAN AMENDMENT/REZONE # 03-06 CITY OF CHICO) - Final Reading and Adoption

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk
NOES: None
4. **REGULAR AGENDA**

4.1. **ITEMS REMOVED FROM THE CONSENT AGENDA** — None

4.2. **GENERAL PLAN AMENDMENT 03-09, AMENDING THE GENERAL PLAN BY REPEALING THE EXISTING HOUSING ELEMENT AND ADOPTING A NEW HOUSING ELEMENT**

By memorandum dated 12/6/03, Housing Officer McLaughlin and Senior Planner Hayes reported that the Draft Housing Element (Exhibit I of the adopting resolution) was revised following the Council’s 11/18/03 public hearing to incorporate the direction of Council and to respond to comments from the Department of Housing and Community Development. The Housing Element sets forth a five-year program of actions the City intends to implement or is implementing to meet its identified housing needs. Programs specifically address providing an adequate supply of housing ranging in cost to meet the demands of low and moderate income persons, the special needs of the elderly and disabled, and to provide an opportunity for the first-time home buyer. The Planning Commission and Planning Director recommended that the City Council adopt the resolution which approved the negative declaration, and the General Plan Amendment. Addressing the Council on this item were Mary Andrews, Andy Holcombe, and Tami Ritter. Councilmember Bertagna disqualified himself on the discussion and subsequent action.

A motion was made by Vice Mayor Jarvis and seconded by Councilmember Nguyen-Tan to approve the Housing Element and adopt the following resolution:

RESOLUTION NO. 58 03-04 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO APPROVING A GENERAL PLAN AMENDMENT REPEALING THE EXISTING HOUSING ELEMENT OF THE GENERAL PLAN AND ADOPTING A NEW HOUSING ELEMENT, AS SET FORTH IN EXHIBIT I OF THE RESOLUTION (GENERAL PLAN AMENDMENT 03-9)

The motion carried by the following vote:

AYES: Gruendl, Jarvis, Nguyen-Tan, Kirk
NOES: Herbert, Wahl
ABSENT: None
DISQUAL: Bertagna

Staff was also directed to do the following:

1. Forward the revised Housing Element with the understanding that the goals set by the State are unreasonable and unattainable unless the State provides the City with the money to buy the land; and

2. Direct the Planning Commission, Finance Committee or staff, as appropriate, to explore the following:

   a. Land banking for affordable housing developments;
   b. Re-explore mortgage subsidy programs;
   c. Analyze a revenue stream for creating affordable housing for the very low income;
   d. Work with developers so that they include smaller houses in their developments;
   e. Encourage mixed use and multi story development on major transit corridors;
   f. Identify property that is R-2 and see if it can be rezoned to R-3; and
   g. Investigate rezoning the land determined available in the Housing Element, including the pursuit of those lands outside the City limits and the sphere of influence.

4.3. **CONSIDERATION OF REQUEST FROM COUNCILMEMBER NGUYEN-TAN TO CLARIFY THE CITY COUNCIL’S APPROVED ACTION ON THE HUMBOLDT ROAD BURN DUMP**
As requested by several Councilmembers, the Assistant City Manager provided each Councilmember with a memorandum dated 12/04/03 forwarding a copy of the motion by which the City Council approved action on the Humboldt Road Burn Dump. A copy of the Assistant City Manager’s memorandum is being provided with this agenda. After reviewing the motion, Councilmember Nguyen-Tan requested clarification of several points and by memorandum dated 12/8/03, requested the City Council to clarify the action. Discussion of this item was limited to Councilmembers only.

A motion was made by Vice Mayor Jarvis and seconded by Councilmember Gruendl to direct staff to amend the original motion regarding the Humboldt Road Burn Dump made at the 12/2/03 meeting to include the following clarification:

“The City/Agency would contribute to the cost of cleanup of private property only to the extent the City has a responsibility and only in proportion to that responsibility.”

The motion carried by the following vote:

AYES: Gruendl, Herbert, Jarvis, Nguyen-Tan, Kirk
NOES: Bertagna, Wahl
ABSENT: None
DISQUAL: None

4.4. CONSIDERATION OF REPORT AND RECOMMENDATIONS FROM THE FINANCE COMMITTEE ON ITS MEETING HELD ON NOVEMBER 19, 2003

By memorandum dated 11/24/03, the Finance Committee provided a report on its meeting held on 11/19/03. Committee members present were Councilmembers Gruendl, Wahl, and Nguyen-Tan, Chair.

The matters considered by the Committee are listed below.

COMMITTEE ITEMS REQUIRING CITY COUNCIL/AGENCY ACTION AT THIS MEETING:

A. Request from Rural Resources for Community Development (RRCD) for $200,000 of City of Chico Home Investment Partnership Program (HOME), Community Housing Development Organization (CHDO) Set-Aside Funds, for Development of an Affordable Rental Housing Project. The Committee recommended (3-0) that RRCD’s request be considered as part of the 2004-05 Annual Plan for the City’s HOME Program CHDO funds.

A motion was made by Vice Mayor Jarvis and seconded by Councilmember Gruendl to approve the Committee recommendation.

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk
NOES: None
ABSENT: None
DISQUAL: None

B. Recommendation for Housing Rehabilitation Program for Owners of Mobile Homes in Mobile Home Parks. The Committee recommended (3-0) that staff prepare a new Administrative Procedure and Policy for the City’s Housing Rehabilitation Program to serve low income residents in mobile home parks, with funding to be provided by the existing housing rehabilitation program budget.

A motion was made by Vice Mayor Jarvis and seconded by Councilmember Gruendl to approve the Committee recommendation.

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk
NOES: None
ABSENT: None
DISQUAL: None
C. Request from Youth & Family Programs (Y&F) for $50,000 of City of Chico HOME Funds to Establish a Tenant Based Rental Assistance (TBRA) Program for Emancipated Foster Youth. The Committee recommended (3-0) to include this request with the other annual HOME allocation requests as part of the 2004-05 Annual Plan, and requested that an outline of a method for evaluating the project be provided when the request is submitted in February.

A motion was made by Vice Mayor Jarvis and seconded by Councilmember Gruendl to approve the Committee recommendation.

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk
NOES: None
ABSENT: None
DISQUAL: None

D. Consideration of Request for Funding the Costs of Interpreting and Analyzing Data Gathered for a Halloween Survey Conducted by The College of Behavioral and Social Sciences at CSU, Chico. The Committee recommended (2-0-1, Nguyen-Tan abstaining) approval of the request for funding in the amount of $3,000 to interpret and analyze data obtained from surveys conducted by the college of Behavioral and Social Sciences and the Department of Political Science at CSU, Chico regarding Halloween 2003.

A motion was made by Vice Mayor Jarvis and seconded by Councilmember Gruendl to approve the Committee recommendation.

The motion failed by the following vote:

AYES: Gruendl, Jarvis, Herbert
NOES: Bertagna, Wahl, Kirk
ABSTAIN: Nguyen-Tan
DISQUAL: None

E. Consideration of an Amendment to the City of Chico Fee Schedule (50.050-Sewer Fees). The Committee recommended (2-1, Wahl voting against) approval of a Fee Schedule amendment to properly establish fees for the discharge of wastewater, other than septage, that may be delivered by truck for disposal at the City's Water Pollution Control Plant. The Committee also requested that the technical information in the staff report be clarified before being forwarded to the Council. By memorandum dated 12/5/03, the Assistant Director of Public Works forwarded the additional information requested by the Committee.

A motion was made by Vice Mayor Jarvis and seconded by Councilmember Bertagna to approve the Committee recommendation and adopt the following resolution:

RESOLUTION NO. 59 03-04 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO AMENDING THE CITY'S FEE SCHEDULE (AMENDMENT NO. 281 - SEWER FEES)

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Kirk
NOES: Wahl
ABSENT: None
DISQUAL: None

F. Consideration of Penalty Provisions and Permit Fees for Proposed Tree Preservation Ordinance. The Committee recommended (2-1, Wahl voting against) approval of the penalty provisions of the proposed Tree Preservation Ordinance and the related fees as submitted, and that the ordinance be forwarded to the City Council for introductory reading following amendments by the City
Attorney and Community Development Director. Council was provided with a fax dated 11/19/03 from the Valley Contractor’s Exchange and a letter dated 12/2/03 from the Building Industry Association regarding the proposed Tree Preservation Ordinance. The amendments recommended by the Committee are as follows:

1. “Minor” or “Minimal” will be used throughout the ordinance, not both.
2. Page 4 - Line 16 – “All” changed to, “all existing trees which may be affected by tree removal.”
3. Page 5 - Line 19 – Addition of a separate section which addresses permits subject to California Environmental Quality Act (CEQA) requirements, since ten days will not be adequate time for processing these permits.

In addition, the Tree Removal Permit Fees on Page 6 of 6 of Fee Schedule 21.025 will read, “Removal of 1-5 trees” and “Removal of more than 5 trees.”

A motion was made by Vice Mayor Jarvis and seconded by Councilmember Gruendl to approve the recommendations from the Finance Committee to be incorporated into the ordinance and fee schedule resolution for consideration at a future Council meeting. Staff was directed to clarify the term “reasonably needed.”

The motion carried by the following vote:

AYES: Gruendl, Jarvis, Nguyen-Tan, Kirk
NOES: Bertagna, Herbert, Wahl
ABSENT: None
DISQUAL: None

**COMMITTEE ITEM REQUIRING NO COUNCIL/AGENCY ACTION AT THIS MEETING**

**G. Proposal from Butte County for the Chico Redevelopment Agency to Purchase the Parcel at 874 East 20th Street with Funds from the Low and Moderate Income Housing Fund (LMIHF) of the Greater Chico Urban Area Redevelopment Project Area (GCUARPA).** The Committee directed staff to provide more detailed information regarding the property, including an appraisal of the parcel, the size of the parcel, scenarios for use if purchased by the Agency, and the current uses and zoning of the surrounding properties. This item will be brought back for further consideration at a future meeting.

A motion was made by Vice Mayor Jarvis and seconded by Councilmember Gruendl to accept the 11/19/03 Finance Committee Report.

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk
NOES: None
ABSENT: None
DISQUAL: None

**4.5. REQUEST FROM THE SALVATION ARMY FOR $750,000 OF CITY OF CHICO COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) FUNDS FOR A RESIDENTIAL REHABILITATION FACILITY**

At its meeting held 12/02/03, the City Council delayed consideration of the 10/22/03 Finance Committee recommendation on this item to tonight’s meeting. The Committee recommended (2-0-1, Wahl disqualified) funding for this item be brought back for consideration as part of the 2004-05 Annual Community Development Block Grant (CDBG) program.

The Committee also recommended an amendment be initiated to add the proposed site to the Chico Sphere of Influence, that the Director of Public Works determine how sewer service could be provided to the site, and that an annexation application be initiated.
By memorandum dated 11/20/03, the Assistant Community Development Director provided an estimated time frame for the sphere amendment and annexation, with completion expected in September 2004, and a cost estimate of $7,500 to process the amendment and annexation. If the City Council approves the recommendation of the Finance Committee to proceed with the amendment and annexation, an administrative supplemental appropriation to cover staff costs and LAFCo fees in the amount of $7,500 from the General Fund (001) will be processed to confirm the Council’s action. Councilmember Wahl disqualified himself from the discussion and subsequent action.

A motion was made by Councilmember Bertagna and seconded by Councilmember Herbert to approve the $7,500 needed for the amendment and annexation process from CDBG funds.

The motion failed by the following vote:

AYES: Bertagna, Herbert
NOES: Gruendl, Jarvis, Nguyen-Tan, Kirk
ABSENT: None
DISQUAL: Wahl

A motion was made by Councilmember Nguyen-Tan and seconded by Mayor Kirk to approve funding in the amount of $7,500 from the General Fund (001) and directed staff to prepare an Administrative Supplemental Appropriation to cover staff costs and LAFCo fees to confirm Council action.

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Nguyen-Tan, Kirk
NOES: Jarvis
ABSENT: None
DISQUAL: Wahl

4.6. CONSIDERATION OF REPORT AND RECOMMENDATIONS FROM THE INTERNAL AFFAIRS COMMITTEE ON ITS MEETING HELD ON NOVEMBER 25, 2003

By memorandum dated 12/10/03, the Internal Affairs Committee provided a reported on its meeting held on 11/25/03. Committee members present were Councilmembers Bertagna, Jarvis, and Herbert, Chair. The matters considered by the Committee are listed below.

COMMITTEE MATTERS REQUIRING CITY COUNCIL ACTION AT THIS MEETING:

A. Consideration of Request from Rick Tofanelli of Nantucket Home Furnishings for the Establishment of a Permit Process for Placement of Decorative Planters on Downtown Sidewalks. The Committee recommended (3-0) an amendment to the Chico Municipal Code to establish a permit process that would allow for the placement of decorative planters on downtown sidewalks.

A motion was made by Councilmember Bertagna and seconded by Councilmember Herbert to accept the Committee recommendation.

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk
NOES: None
ABSENT: None
DISQUAL: None

B. Vice Mayor Jarvis’ Request to Review the City Charter. The Committee recommended (3-0)
approval of a citizen-based committee to consist of the following members: Bob Best, Bob Ross, Kimberlee Candela, Mary Watters, Katrina Davis, Heather Senske, John Dougherty, Fred Davis, Bob Linschied, and Georgie Bellin.

A motion was made by Councilmember Herbert and seconded by Councilmember Bertagna to approve the formation of a 14-person committee, with each Councilmember selecting two individuals to serve on the committee. Councilmembers are to provide names to the City Clerk by 12/30/03.

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl
NOES: Kirk
ABSENT: None
DISQUAL: None

C. Consideration of Lease Proposals for the Old Municipal Building from (1) the Chico Art Center, and (2) the OMB Partners. The Committee recommended (3-0) that the two proposals for the Old Municipal Building be forwarded to the Arts Commission for mediation and possible consolidation, along with the Arts Commission evaluating and ranking both proposals and coming back to the Committee with a recommendation. Councilmember Wahl disqualified himself from the discussion and subsequent action. Addressing the City Council on this item were Andy Holcombe, Ken Fleming, Greg Tropea, Sara Blackstone, Daniel Donnelly, and Janice Hoffman.

A motion was made by Vice Mayor Jarvis and seconded by Councilmember Herbert to have the involved parties work together on a joint plan for the building, which would include: special event rentals; determination by staff on the feasibility of a kitchen to be used by caterers; CAC Gallery with rotating artists with a curatorial vision; community gallery available to artists to rent in order to show their work; a tourist information center staffed by volunteers from Friends of the Arts; a permanent location for the Janet Turner Gallery, along with a security system for the gallery; a requirement that the building be open 6 days a week with one day on the weekend, preferably two, along with one evening; and that the group come back to the Council by January 27, 2004 with its proposal. If this is not accomplished, the City Council will then request that bids be obtained from others for this intended use.

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Kirk
NOES: None
ABSENT: None
DISQUAL: Wahl

COMMITTEE MATTERS REQUIRING NO CITY COUNCIL ACTION AT THIS MEETING

The Committee agreed to consolidate Item D and Item E and consider them simultaneously.

D. Consideration of a Request to Install Stop Signs on Filbert Avenue.
E. Consideration of Traffic Calming Measures on Crister Avenue.

The Committee recommended (3-0) that a neighborhood meeting be held to inform the neighborhood of the proposed addition of three new stop signs at the intersections of Crister Avenue and Filbert Avenue, Wayne Lane and Filbert Avenue, and Hooker Oak Avenue and Crister Avenue, before coming back to Committee for final consideration.

A motion was made by Vice Mayor Jarvis and seconded by Councilmember Bertagna to accept the
11/25/03 Internal Affairs Committee Report.

The motion carried by the following vote:

AYES: Bertagna, Gruendl, Herbert, Jarvis, Nguyen-Tan, Wahl, Kirk
NOES: None
ABSENT: None
DISQUAL: None

4.7. FUTURE MEETINGS

The City Council scheduled a public hearing for consideration of the Airport Master Plan and certification of the Environmental Impact Report to be held 2/10/04 from 6:30 - 9:30 p.m.

4.8. ITEMS ADDED AFTER POSTING OF THE AGENDA — None

5. BUSINESS FROM THE FLOOR — None

6. REPORTS AND COMMUNICATIONS — None

7. ADJOURNMENT

Adjourned at 11:20 p.m. to January 6, 2004, at 7:00 p.m., in Conference Room No. 2, if a closed session is scheduled, followed by a regular meeting in the Council Chamber at 7:30 p.m.

Date Approved: February 3, 2004

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Deborah R. Presson, City Clerk