



MINUTES OF THE REGULAR MEETING OF THE RIDGECREST CITY COUNCIL AND RIDGECREST REDEVELOPMENT AGENCY

City Council Chambers
100 West California Avenue
Ridgecrest, California 93555

August 3, 2011
5:00 p.m.

This meeting was recorded and will be on file in the Office of the City Clerk for a certain period of time from date of approval by City Council/Redevelopment Agency. Meetings are recorded solely for the purpose of preparation of minutes.

CALL TO ORDER – 5:00 p.m.

ROLL CALL

PRESENT: Mayor Ronald H. Carter; Mayor Pro-Tem Marshall 'Chip' Holloway; Vice Mayor Jerry D. Taylor; Council Member Steven P. Morgan; and Council Member Jason Patin

STAFF: Kurt Wilson City Manager; Rachel J. Ford, City Clerk; Keith Lemieux, City Attorney and other personnel

APPROVAL OF AGENDA

- No changes

Motion To Approve The Agenda (As Amended) Made By Council Member Patin , Second By Council Member Taylor . Motion Carried By Voice Vote Of 4 Ayes; 0 Nays; 0 Abstain; 1 Absent (Council Member Morgan).

CLOSED SESSION – 5:00 p.m.

GC54956.9 (A) Conference With Legal Counsel; Existing Litigation; City Of Ridgecrest V. Benz Sanitation, Inc.

GC54957.6 Labor Negotiations – United Food and Commercial Workers Local 8 (UFCW); Police Employee Association of Ridgecrest (PEAR); Mid-Management Group of Employees (MM); Confidential Group of Employees (CO); Management Group of Employees (MG) – Agency Negotiator City Manager Kurt Wilson

GC54956.9(B) Conference With Legal Counsel, Potential Litigation – Public Disclosure Of Potential Litigant Would Prejudice The City Of Ridgecrest

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PUBLIC COMMENT (Closed Session)

- None presented

REGULAR SESSION – 6:00 p.m.

- Pledge Of Allegiance
- Invocation – Warren Campbell

CITY ATTORNEY REPORTS

- Closed Session
 - Closed Session Item 1 – Benz report received, no action taken
 - Closed Session Item 2 – undisclosed litigation discussed, no action taken
 - Closed Session Item 3 – undisclosed litigation discussed, no action taken
 - Closed Session Item 4 – negotiations pulled and not discussed
- Other
 - No other report

PUBLIC COMMENT

- Tom Nichole – muscular dystrophy association fundraising event.
- Stephanie Harris – partnership fundraiser with local firefighters. Gave history of muscular dystrophy association and its program. Spoke on having two sons with SMA and how MDA has assisted with camp attendance, family support, and equipment. Firefighters partner with the Fill the Boot fundraiser. September 17 at intersection of china lake blvd and Ridgecrest.
- Jay Chun – president of Ridgecrest chamber of commerce proposed partnership for economic development. Chamber in favor of collaborative effort to discuss, plan, and set goals for economic growth Indian wells valley, china lake alliance and others. Plan with needs and goals that can be taken to other boards and businesses to move Ridgecrest forward in economic development.

PROCLAMATIONS

1. A Proclamation Of The Ridgecrest City Council Posthumously Honoring Ridgecrest Citizen Fred Etoch

- Mayor and Council Members presented the family of Fred Etoch with a proclamation honoring his memory.

CONSENT CALENDAR

2. Approve A Resolution Requesting Authorization To Enter Into A Program Supplement Agreement No. 025-N To The Administering Agency-State (State California Department Of Transportation) Agreement No 09-5385R And Authorizing The City Manager To Sign The Agreement Speer
3. Approve A Resolution Requesting Authorization To Enter Into A Program Supplement Agreement No. 0I-15 Rev. 000 To The Administering Agency-State (State California Department Of Transportation) Agreement No 00036S And Authorizing The City Manager To Sign The Agreement Speer

Items removed - none

Motion To Approve Consent Calendar Made By Council Member Holloway, Second By Council Member Morgan. Motion Carried By Voice Vote Of 5 Ayes; 0 Nays; 0 Abstain; 0 Absent.

PUBLIC HEARING

4. A Public Hearing Of The Ridgecrest City Council To Receive Comments Pertaining To A Golden Handshake For The Position Of Administrative Assistant – Finance Staheli

- Tyrell Staheli – gave staff report. Reviewed current costs and estimated savings.

No questions or comments were presented from Council or members or the public.

DISCUSSION AND OTHER ACTION ITEMS

5. Discussion and Minute Motion Of The Ridgecrest Redevelopment Agency Project; China Lake Technologies Economic Development Concept Agreement; Pending AB 1X 26 And 27 Or TAB Analysis McRea

- Jim McRea – gave staff report and history of project with special notation of the current status of redevelopment agencies with respect to Assembly Bill 1X 26 and 27. Current legal analysis is the Tax Allocation Bonds which were entered into prior to the new laws may not be affected at this time and projects connected may be allowed to move forward. Reviewed the phases of the project and costs for the project. This project is presented for discussion but until legal confirmation the first phase will not be implemented.
- Jerry Taylor – agrees with the project but would like to see an escape clause in the agreement that comes back to council.
- Tom Wiknich – considering the contract but won't go into effect until lawsuit is settled?

- Jim McRea – projects in the tax allocation bond have been authorized and debt has been incurred. The bill dissolved the agency or entering into the opt-out agreement (pay to play with ransom payment by city). Initially these are thought to be outside the scope of the law. Entered into a contract with De La Rosa to spend the funds within set time period.
- Tom Wiknich – none of the projects already authorized will be affected?
- Kurt Wilson – current opinion is the projects will not be held up. If that changes then we will discuss again.
- Jason Patin – these funds are coming from the list under economic development and business park
- Chip Holloway – if we pass then don't have to come back

Motion To Approve By Minute Order A Concept Agreement Between The Ridgecrest Redevelopment Agency And China Lake Technologies Economic Development Made By Council Member Holloway , Second By Council Member Patin . Motion Carried By Voice Vote Of 5 Ayes; 0 Nays; 0 Abstain; 0 Absent.

6. Discussion And Appeal Of The Community Remittance Payment Amount

McRea

- Kurt Wilson – PowerPoint presentation summary for the benefit of the public, regarding redevelopment purpose; history; rules; and funding sources. Ridgecrest redevelopment agency history; accomplishments; legislation and the effect on the redevelopment agency. Proposed 'Ransom Payment' is scheduled to be an obligation of the City rather than Redevelopment Agencies. Department of Finance projected costs does not take certain things into account so we have until August 15 to file an appeal of the amount and justify the reason for the appeal. Outlined certain steps necessary to continue the current redevelopment agency and City's deadlines and actions to be taken. In the event council chooses to move forward and later decides to reverse the decision then may do so until January 15.
- Jim McRea – notification that we are going to appeal the amount of the community remittance payment. Reviewed the department of finance statistics and guidelines released August 1.
- Kurt Wilson – want to make council aware that we are going to appeal because we believe the calculated payment amount is incorrect.
- Jim McRea – funds will be paid by agency to City whom will then make the payment.
- Jason Patin – appeal has to be in by August 15? Isn't it odd that we are appealing extortion?
- Jim McRea – primary reason for the appeal is because of the bond issuance. Item 8 the Council will decide whether to absolve or continue the agency.

Motion To Move Forward With Appeal Made By Patin, Second By Holloway. Motion Carried By Voice Vote Of 5 Ayes, 0 Nays, 0 Abstain And 0 Absent.

7. Approve A Resolution Of The City Council Of The City Of Ridgcrest Declaring Its Intention To Enact An Ordinance Whereby The City Shall Elect To Comply With And Participate In The Alternative Voluntary Redevelopment Program Contained In Part 1.9 Of Division 24 Of The California Health And Safety Code **McRea**

- Kurt Wilson – if council does not want to move forward then this item is not necessary but staff is recommending that we move forward with this resolution regardless of ultimate decision on continuance of agency. This resolution must be submitted by August 15 and decision may be changed later. Things are moving very quickly and want to cover the agency should council decide to continue.
- Steve Morgan – suggest amending language of resolution to add the words extortion to continue in program with gun to our heads. Second page, first whereas references an oversight committee of the state which has not been put together yet. Oversight of what? Racketeering or extortion. Other parts discuss 'unknown annual remittances' we have no idea how much will be charge annually. Another whereas on page 3 intends to adopt ordinance required, suggest modification to say forced ordinance under duress. Understand the need to do this to show intent that we may be willing to play until the judge issues a decision. None of our local legislators voted for this. I cannot vote for this.
- Jason Patin – based on Morgan's comments, we have until January 15 to pay, what are the odds we will have answers to some of these by that time.
- Kurt Wilson – cannot give the odds, in the event the legal action is successful there is possibility that this won't happen. It could all be suspended.
- Jason Patin – put timelines here but leaves the important things out. If we move forward we pay the money and it is all overturned will we get the money back?
- Kurt Wilson – logic says yes but can't say absolutely. It all depends on court actions.
- Jason patin – no guarantee we would get the money back, courts may say give it back or may move in favor of the state then have to do this action to continue. Don't have a problem moving forward today knowing that payment doesn't go out until January 15.
- Chip Holloway – feel like I caught a guy in my restaurant with gun taking money from my cash register and I have to pay for his defense attorney. Read part of the resolution regarding the constitution. I cannot support that clause. Every senator had to say they supported the constitution and department of finance says it is unconstitutional. Council is being asked to support an unconstitutional action.
- Keith Lemieux – resolution drafted by Dave McEwen. What they are saying is we are not saying these are legal but will comply with the constitution. Idea is to make sure this is not used as a basis to claim that we have taken a position of support.
- Chip Holloway – don't we have money tied up into an appeal that we won and they appealed?

- Kurt Wilson – we lost that appeal but it is still working its way through the process.
- Christina Witt – what are the consequences of dissolving the RDA? Projects are now on hold, if you pay the extortion will these projects continue or stay on hold?
 - Kurt Wilson – clarified two questions. If the agency is dissolved, no ability to move forward on these projects. If opt to continue can move forward with the projects. 20% housing increment. Separate rules for the percentages which cannot be answered at this time.
 - Christina Witt – if dissolved, do bonds have to be paid back?
 - Kurt Wilson – the successor agency would have to pay them back.
- Stan Rajtora – did I just hear that if the RDA goes away, the set aside low cost funding for housing goes away and don't have a commitment?
 - Kurt Wilson – 20% of the increment, but if no RDA then there is no increment. Would no longer have access to it. State is after the funds. Because we have already sold the bonds there is a contractual obligation, however counsel is reviewing to be sure. TAB funds may be saved so long as expended within the confines established.
 - Stan Rajtora – if the low income housing goes away, not sure why we care. Question about split between county and city. county will be going to 100% on some aspect of the money, seems is more in benefit to county to continue RDA if we aren't guaranteed a portion of the funds. Is it possible to adjust the boundary of RDA to not include the portion county is contesting and whatever city gets then only have that. We are paying ransom for county's RDA. Not understanding.
 - Jim McRea – presentation for item 8 may answer that. Assets are transferred to a successor agency by October or November 1.
 - Stan Rajtora – in that case the ransom should go down.
- Tom Wiknich – in discussion, if we dissolve and send our obligation to another agency to pay off the debt. Regarding the unknown obligation, could all projects be on contract for one year and then dissolve?
 - Kurt Wilson – good thought, but current bar was set by state. Rules changed when agencies tried to obligate their funding. Very likely that rules would change if we tried to do this. Possible.
- Chip Holloway – even if we take these steps can't move forward with projects. When can we begin moving forward and who will be liable if we don't move forward?
 - Kurt Wilson – Dave McEwen is working on that answer and without such won't be able to make a recommendation to council until that answer has been received.
 - Jim McRea – this is a resolution declaring intention only.
- Jerry Taylor – this is our willingness to answer the phone when it hasn't rung yet. Understand the frustration but think we need to keep ourselves in this game and at the end we may still have funds, but if we don't then we don't have any funds. Spent good money for Prop 22 and will do so to help keep us in the fight.

- Jason Patin – if you let housing go then have to be willing to let everything else go. TAB funds are secured already and money is in the bank. At risk are the increments that come after that. All goes away if we don't continue with the RDA. If we don't answer then are dead in the water. Willing to move forward without writing check today in the hope that we will have answers before the check is written. Make final decision on January 15.
- Chip Holloway - Motion with amendment to read 'whereas the city by the adoption of this resolution...
- Ron Carter – would like to move forward

*Motion To Amend The Resolution And Adopt With Amendment **'Whereas Although The City Believes That ABX126 And 27 Are Unconstitutional, It Nevertheless Takes This Action To Preserve The Ability Of The Agency To Continue To Operate And Thereby Benefit The Community'** Made By Council Member Holloway, Second by Council Member Patin. Motion Carried By Roll Call Vote Of 4 Ayes; 1 Nay (Council Member Morgan); 0 Abstain; And 0 Absent*

ORDINANCES

8. **First Reading And Introduction, An Ordinance Of The City Council Of The City Of Ridgecrest Determining It Will Comply With The Voluntary Alternative Redevelopment Program Pursuant To Part 1.9 Of Division 24 Of The California Health And Safety Code In Order To Permit The Continued Existence And Operation Of The Redevelopment Agency Of The City Of Ridgecrest, And The Discussion Of The RDA Options In Accordance With AB 1x 26 And 27** Lemieux

- Jim McRea – gave staff report. Reviewed the 16 steps required to continue the agency.
- Steve Morgan – understand ramifications. Step 16 last bullet states revised agency will operate under the state oversight board formed by 1/1/12. Cannot vote for this.
- Jason patin – again, will know before writing the check.
 - Jim McRea – action taken by ordinance can be rescinded by ordinance. If you wish to dissolve there is a different path.
- Chip Holloway – if we don't dissolve then we don't get the oversight committee.
 - Jim McRea – if we adopt an ordinance and continue you don't need the enforceable obligation payment schedule. Until the payment is due, then are following the procedure. Statement of indebtedness is required regardless. If you dissolve there are other steps that must be taken. Referred to attachment 2 of item no. 8. Can't dissolve and not pay past debts.
- Jason Patin – if we don't follow these steps then have no choice but to follow the steps to dissolve.
- Jerry Taylor – so to dissolve then just have to pay the debts.
- Chip Holloway – who's going to pay?

- Jim McRea – you get the opportunity.
- Chip Holloway – we have existing bond holders, will new documents be reissued and who will pay.
 - Jim McRea – you get that opportunity and the increment will be reduced.
 - Kurt Wilson – whoever controls the increment will pay.

PUBLIC COMMENT – item 8

- Stan Rajtora – still sounds like the county will start taking 100% of some portion of the increment if we stay in or start a new RDA. Amount of revenue for RDA won't know. Don't know the future ransoms for continuous years. Net benefit of RDA is questionable. We all know state of California wants the money so they will do everything they can to ensure our revenues are minimal and theirs is maximized. Not saying we should not do this tonight but before we give a penny in ransom payments we need to understand the benefits.
 - Jason Patin – agree. Before I vote to write the check then need some answers. Willing to move forward with this tonight but may not be willing in January.
 - Ron Carter – at this point we are keeping the door open and state may not have the answers or care.

Motion To Waive Reading In Full Of An Ordinance Of The City Council Of The City Of Ridgecrest Determining It Will Comply With The Voluntary Alternative Redevelopment Program Pursuant To Part 1.9 Of Division 24 Of The California Health And Safety Code In Order To Permit The Continued Existence And Operation Of The Redevelopment Agency Of The City Of Ridgecrest, And The Discussion Of The RDA Options In Accordance With AB 1X 26 And 27 Made By Council Member Patin , Second By Council Member Taylor . Motion Carried By Voice Vote Of 4 Ayes; 1 Nays (Steve Morgan); 0 Abstain; 0 Absent.

Motion To Introduce, By Title Only, An Ordinance Of The City Council Of The City Of Ridgecrest Determining It Will Comply With The Voluntary Alternative Redevelopment Program Pursuant To Part 1.9 Of Division 24 Of The California Health And Safety Code In Order To Permit The Continued Existence And Operation Of The Redevelopment Agency Of The City Of Ridgecrest, And The Discussion Of The RDA Options In Accordance With AB 1X 26 And 27 Made By Council Member Patin , Second By Council Member Taylor . Motion Carried By Voice Vote Of 4 Ayes; 1 Nays (Steve Morgan); 0 Abstain; 0 Absent.

9. Second Reading And Adoption, Ordinance 11-01, An Ordinance Of The City Council Of The City Of Ridgecrest Solid Waste Emergency Procedures

Lemieux

- Keith Lemieux – gave staff report. Anticipates the need to issue an interim franchise so this ordinance is an urgency ordinance for health and safety and limits interim franchise to not more than 120 days.

- Tom Wiknich – at end of 120 days can another contract be issued?
 - Keith – yes. Nothing to stop a serial interim so long as done by resolution.
- unknown – contractor at the dump, what happens when Benz contract ends?
 - Keith – this gives council ability to issue an interim franchise.

Motion To Waive Reading In Full And To Adopt By Title Only, Ordinance No. 11-01, An Ordinance Of The City Council Of The City Of Ridgecrest Solid Waste Emergency Procedures Made By Council Member Taylor , Second By Council Member Morgan. Motion Carried By Voice Vote Of 5 Ayes; 0 Nays; 0 Abstain; 0 Absent.

Motion To Adopt, By Title Only, Ordinance 11-01, An Ordinance Of The City Council Of The City Of Ridgecrest Solid Waste Emergency Procedures Made By Council Member Taylor, Second By Council Member Morgan. Motion Carried By Roll Call Vote Of 5 Ayes; 0 Nays; 0 Abstain; 0 Absent.

10. Second Reading And Adoption, Ordinance 11-02, An Ordinance Of The City Council Of The City Of Ridgecrest Amending And Adding Department Of Transportation Requirements To The Taxi Ordinance **Lemieux**

- Keith Lemieux – gave staff report
- No public comments presented

Motion To Waive Reading In Full And To Adopt By Title Only, Ordinance 11-02, An Ordinance Of The City Council Of The City Of Ridgecrest Amending And Adding Department Of Transportation Requirements To The Taxi Ordinance Made By Council Member Morgan , Second By Council Member Patin . Motion Carried By Voice Vote Of 5 Ayes; 0 Nays; 0 Abstain; 0 Absent.

Motion To Adopt, By Title Only, Ordinance 11-02, An Ordinance Of The City Council Of The City Of Ridgecrest Amending And Adding Department Of Transportation Requirements To The Taxi Ordinance Made By Council Member Morgan , Second By Council Member Taylor . Motion Carried By Roll Call Vote Of 5 Ayes; 0 Nays; 0 Abstain; 0 Absent.

PUBLIC COMMENT

- No comments presented.

DEPARTMENT AND COMMITTEE REPORTS

Infrastructure Committee

Members: Steve Morgan, Jerry Taylor, Craig Porter, James Sanders
Meeting: 2nd Thursday of the month at 5:00 p.m., Council Conference Room
Next Meeting: August 11, 2011

- Jerry Taylor – items on agenda is Wal-Mart drainage and pavement management

Quality of Life

Members: Chip Holloway, Jason Patin, Craig Porter, Carter Pope
Meetings: 1st Thursday of every even month at 12:00 p.m.; Kerr-McGee Center
Next Meeting: August 4, 2011

- Jason Patin – Meeting tomorrow.

City Organization

Members: Ron Carter, Jerry Taylor, Lois Beres, Christopher LeCornu
Meeting: 3rd Tuesday of the month at 5:00 p.m.; Council Conference Room
Next meeting: August 16, 2011

- Jason Patin – gave staff report

Community Development Committee

Members: Steve Morgan, Jason Patin, Christopher LeCornu, James Sanders
Meetings: 1st Thursday of the month at 5:00 p.m.; Council Conference Room
Next Meeting: August 4, 2011

- Steve Morgan – improving efforts to ensure contractors and subs have appropriate licensing to protect citizens.

Activate Community Talents and Interventions For Optimal Neighborhoods Task Force (ACTION)

Members: Ron Carter, Chip Holloway, Ron Strand
Meetings: 2nd Monday of odd numbered months at 6:00 p.m., Kerr-McGee Center
Next Meeting: September 12, 2011

- Ron Carter – scheduled for September 12 and suggests first meeting focus on goals and objectives.

Ridgecrest Area Convention and Visitors Bureau (RACVB)

Members: Chip Holloway, Jason Patin

Meetings: 1st Wednesday of the month, 8:00 a.m.

Next meeting: September 7, 2011 and location to be announced

- Chip Holloway – gave staff report (minutes on file in city clerk office)

OTHER COMMITTEES, BOARDS, OR COMMISSIONS

- Jerry Taylor – desert mountain division 'Save Morgan Hills' video regarding RDA. Next meeting in twenty nine palms.

CITY MANAGER/EXECUTIVE DIRECTOR REPORTS

- Kurt Wilson – staff aware of problems with broadcast and working with Mediacom to correct. MIS staff updated the broadcast room. Chief has been working on public safety issues related to state activities and will bring presentation to council soon. Solid waste RFP committee is on-board and offers thanks to them. Stan Rajtora, Chuck Roulund, and Steven Boster will be evaluating proposals for council recommendation. September council meeting changes for league of California cities. Will plan on cancelling September 17 meeting for lack of quorum.

MAYOR AND COUNCIL COMMENTS

- Jason Patin – another median project coming up. Been discussing with Jim Ponek to try to develop adoption program. Watched redistricting meeting yesterday, option no. 7 selected and we get to keep 2 representatives, thanked county supervisors for their decision. Thanked Stephanie Harris for MDA information and thank fire department for their support of the program. Jay Chung, thanked for offer of joint economic development and will be happy to attend meetings. Congratulations to Etoch family have had a hard time with family tragedy. Fred contributed to local organizations and the family continues to do the same. In our prayers during the grieving process. Local family with premature infant and realtors and community response for help was amazing. Personally thank the realtors and community for their support.

- Steve Morgan – amazed at the amount of community support Ridgecrest gives. Have had many citizens with difficulties such as friend with home that burned down and how individuals and groups came forward to assist. This makes Ridgecrest special. Thanked Jay for speaking to council regarding economic development, council is open and willing to listen and work with individuals. Remind council will be gone for august 17 meeting and will not be available remotely. Schools opening so remember children when driving. There have been individuals asking questions about my intentions for election. No way that I will run for another term on council. Have been beat up enough, accused of illegal action. Will continue to work for this city and once I step down from the public realm but is time for someone else to take the beating. Appreciate the time the citizens have given by electing me to this council and for not signing a recall. Proud of the work we have done. Think Ridgecrest is blessed with the representation we have.
- Jerry Taylor – can relate to Mr. Morgan’s statement. Interesting time. Will do my part to have less in my house to recycle. Not here to help further discussion on front page today. Here to do hard work and diligence. That is what I do in my day job and what I do here. Will continue to work hard for this community.
- Chip Holloway – thanked Rachel for putting proclamation together for the Etoch family on such short notice. Thanked Jay for speaking on economic development and including other organizations in town. Excited about the future of this project. Tangible things came out of similar project with the college. Glad organizations that are struggling just like the city are willing to step forward and try to work things out to improve our community.
- Ron Carter – thanked Chamber for their leadership on economic development. Nathan and Kurt have been meeting. Want to do something big with organizations in our community, have opportunity to do great things for our community. Thank you, we are headed the right direction. Thanked the Etoch family for coming to the meeting, had opportunity to work with the family thru the years. Concern, spoke with Sen. Boxer’s representative when in town, are getting a lot of veterans coming back from war with injuries but they don’t have support from communities. Injured veterans need jobs and as a county and community what can we do for them? Blessed that two of my grandsons came back and appreciate all veterans out there protecting us.

ADJOURNMENT at 10:00 pm



Rachel J. Ford, CMC

Rachel J. Ford, CMC, City Clerk