

MINUTES of an adjourned regular meeting of the City Council of the City of Redlands held in the Council Chambers, Civic Center, 35 Cajon Street, at 9:00 A.M. on May 7, 1998.

PRESENT

William E. Cunningham, Mayor
Geni A. S. Banda, Mayor Pro Tem
Pat Gilbreath, Councilmember
John L. Freedman, Councilmember
Gary George, Councilmember

Gary M. Luebbers, City Manager
Bonnie Johnson, Finance Director
Tina Kundig, Accounting Manager
Lorrie Poyzer, City Clerk

ABSENT None

WORKSHOP

1998-99 Proposed Budget - City Manager Luebbers distributed revised pages for the proposed budget which contain all the changes and other information requests from the May 5, 1998, workshop.

Debt Service - On April 16, 1998, the Finance Committee, Finance director, Accounting Manager, and Municipal Utilities Director met with Scott Sollers of Stone & Youngberg to discuss alternatives relating to streamlining Redevelopment Agency and Utility outstanding debt. Several options were thoroughly analyzed. The Finance Committee narrowed down the alternatives to the following: 1) take no action at the current time, or 2) convert the existing variable rate financings to fixed rate debt thus taking advantage of extremely favorable interest rates. Mr. Sollers then reviewed in detail the advantage of converting from variable to fixed rate. Mayor Cunningham asked that the detailed report prepared by Stone and Youngberg be made available to each Councilmember to study prior to making a decision.

1998-99 Proposed Budget - Proposed budgets were reviewed by the City Council as follows: Public Works Department and Police Department. A budget recap was presented breaking down the totals for the recently merged Police Department and Human Services Department.

The City Council briefly recessed at 10:35 A.M. and reconvened at 10:40 A.M.

Pre-Annexation Agreement No. 98-01 - A special meeting of the City Council was noticed for this time and place to consider Pre-Annexation Agreement No. 98-01 which was continued from the May 5, 1998, meeting. The City Council convened at 11:36 A.M. to consider a negative declaration or other environmental determinations and a pre-annexation agreement on approximately 463 acres generally located southeast of the intersection of Sand Canyon Road and Crafton Avenue within the Crafton Hills area (Hampton Land, LTD., LP, applicant). Mr. Keith Cunningham, Hampton Land, was unable to attend this meeting having been fogged in at an airport in Texas. Representing the applicant was Pat Meyer, Urban Environs. Following lengthy discussion, Councilmembers concurred with the following changes which were agreeable to Mr. Meyer:

Page 1 Recitals - Paragraph B: Deletion of the first four sentences referring to permitted density of residential use.

Page 4 Section 2 - Effective Date of Agreement...: Re-word the last sentence to reflect the pre-annexation agreement shall remain in effect up to 18 months following its approval .

Page 7 Deletion of Section 6 - Entertainment Tax.

Councilmember Gilbreath's motion to approve the Negative Declaration for Pre-Annexation Agreement No. 98-01, as amended by the City Council, did not receive a second. Mayor Cunningham directed this item be continued to May 19, 1998, at 3:00 P.M.

CLOSED SESSION

The City Council meeting recessed at 11:15 A.M. to a closed session to hold a conference with its legal counsel in accordance with Government Code Section 54956.9(a): Workers' Compensation Claim: Lewis Nelson. There was no report following the closed session.

ADJOURNMENT

There being no further business, the City Council meeting adjourned at 12:10 P.M. to an adjourned regular meeting to be held on May 8, 1998, at 9:00 A.M. in the Council Chambers, Civic Center, 35 Cajon Street, Redlands, California.

City Clerk