

MINUTES of a regular meeting of the City Council of the City of Redlands held in the Council Chambers, Civic Center, 35 Cajon Street, on March 4, 2008, at 3:00 P.M.

PRESENT Jon Harrison, Mayor
Pat Gilbreath, Mayor Pro Tem
Mick Gallagher, Councilmember
Pete Aguilar, Councilmember
Jerry Bean, Councilmember

ABSENT None

STAFF N. Enrique Martinez, City Manager; Daniel J. McHugh, City Attorney; Lorrie Poyzer, City Clerk; Michael Reynolds, City Treasurer; Jim Bueermann, Police Chief; Greg Hostetler, Fire Battalion Chief; Steven H. Dukett, Interim Redevelopment Agency Director; Tina Kundig, Finance Director; Chris Diggs, Interim Municipal Utilities and Engineering Director; Deborah Scott-Leistra, Human Resources Manager; Bob Dalquest, Interim Community Development Director; Kurt Smith, Chief Information Officer; Gary Van Dorst, Quality of Life Director

The meeting was opened with an invocation by Mayor Harrison followed by the pledge of allegiance.

PRESENTATIONS

Pet Adoptions - Animal Control Officer Bill Miller introduced Pooh, a Shar Pei/Shepherd mix, and Carly Carlstrom, a volunteer with the Redlands Animal Control, introduced Lucy, a Jack Russell terrier mix who growled at Pooh. Both dogs are available for adoption at the Redlands Animal Shelter. Mr. Miller announced the two dogs who were featured at the last City Council meeting have been adopted. Public Information Officer Carl Baker thanked Ms. Carlstrom who is featured in the Pet of the Week video shown on Redlands TV for her volunteer efforts at the animal shelter. He also reported a successful adoption day was held at the Community Center last weekend.

Certificate of Recognition - University of Redlands - Councilmember Aguilar presented a Certificate of Recognition congratulating the University of Redlands for receiving the prestigious President's Higher Education Community Service Presidential Honor Roll Award to Tony Mueller, University of Redlands' Director of the Office of Community Service Learning and Kady Wood, Associate University of Redlands' Director of the Office of Community Service Learning, who were accompanied by three of their student volunteers.

CONSENT CALENDAR

Minutes - Mayor Pro Tem Gilbreath asked that the minutes of the February 19, 2008, meeting be amended to include the City Council's action on her request for staff support to set up a "Healthy Redlands" program. At the end of the meeting, she reported this action was included in the February 5, 2008, minutes and that no amendment was needed. Minutes of the regular meeting of February 19, 2008, were approved as submitted on motion of Councilmember Gilbreath, seconded by Councilmember Gallagher.

Healthy Redlands - Mayor Pro Tem Gilbreath reported the kick off meeting for the "Healthy Redlands" program is scheduled for March 6, 2008, at 2:00 P.M. in the City Hall building.

Bills and Salaries - On motion of Councilmember Gilbreath, seconded by Councilmember Gallagher, payment of salaries and bills was acknowledged.

Agreement - Sungard Transaction Network - On motion of Councilmember Gilbreath, seconded by Councilmember Gallagher, the City Council unanimously approved an agreement with Sungard Transaction Network for investing commercial paper from large corporations and authorized the Mayor to execute, and the City Clerk to attest to, the document on behalf of the City.

Planning Commission Actions - Due to potential conflicts of interest, Councilmembers Aguilar and Bean retired from the Council Chambers and did not participate in this matter; Public Disclosure of Potential Conflict of Interest forms are on file in the City Clerk's Office. On motion of Councilmember Gilbreath, seconded by Councilmember Gallagher, the report of the Planning Commission meeting held on February 26, 2008, was acknowledged as received with Councilmembers Aguilar and Bean having abstained.

Notice of Environmental Actions - The County sent a notice of public hearing before the County Planning Commission for the undeveloped portion in Phase I of Citrus Plaza, known as Mountain Grove. Mayor Harrison asked staff to report further on this project. Councilmember Bean expressed concerns about housing development in this area. Councilmember Harrison moved to acknowledge as received the report on notices of pending environmental actions and pending projects received from surrounding jurisdictions. Motion seconded by Councilmember Gilbreath and carried unanimously.

Resolution No. 6681 - Grant Application - Waste Tire Amnesty Day - On motion of Councilmember Gilbreath, seconded by Councilmember Gallagher, the City Council unanimously adopted Resolution No. 6681, a resolution of the City Council of the City of Redlands authorizing submission of a grant application to the California Integrated Waste Management Board for waste tire amnesty collection events.

Amendment - Oakmont Redlands Palmetto II, LLC - On motion of Councilmember Gilbreath, seconded by Councilmember Gallagher, the City Council unanimously approved the first amendment to a purchase and sale agreement and escrow instructions with Oakmont Redlands Palmetto II, LLC to extend the close of escrow to no later than March 21, 2008. This is for the sale of 5.65 acres of the Marshburn property to Oakmont Industrial Group.

Agreement - Surveying Services - On motion of Councilmember Gilbreath, seconded by Councilmember Gallagher, the City Council unanimously approved an agreement with Hicks & Hartwick to furnish surveying services for development of Block 10 and development of the cremation area west of the new mausoleum at Hillside Memorial Park and authorized the Mayor to execute, and the City Clerk to attest to, the document on behalf of the City.

Fee Waiver - Candlelighters - On motion of Councilmember Gilbreath, seconded by Councilmember Gallagher, the City Council unanimously approved a fee waiver in the amount of \$230.00 for the use of Sylvan Park by the Candlelighters, Childhood Cancer Foundation of the Inland Empire, for their 8th Annual Easter Egg Hunt on March 15, 2008, for children who have cancer and their families.

Agreement - Fire Training Site - On motion of Councilmember Gilbreath, seconded by Councilmember Gallagher, the City Council unanimously approved an agreement with Investwest for entry upon property located at 302 and 304 Ruiz Street and release for use of property as a training site and authorized the Mayor to execute, and the City Clerk to attest to, the document on behalf of the City.

Bid Award - Turnout Gear - Maintenance Equipment - On motion of Councilmember Gilbreath, seconded by Councilmember Gallagher, the City Council unanimously authorized the award of a bid to Western State Design, Inc. and authorized the purchase of equipment necessary to maintain compliance with the NFPA 1851, 2008 Revision, standard on selection, care and maintenance of protective ensembles (turnout gear) for structural firefighting and proximity firefighting and necessary facility modifications at the Redlands Fire Department.

Resolution No. 6683 - Salary - Councilmember Bean questioned the changes in the salary resolution for director positions. Human Resources Director Scott-Leistra reported this is part of a city-wide plan to make the compensation plan more competitive and also explained the process for merit increases. City Manager Martinez expanded on the positions directly under the City Manager. Councilmember Gilbreath moved to adopt Resolution No. 6683, a resolution of the City Council establishing a salary schedule and compensation plan for City employees (which reflects a city-wide departmental reorganization, classification bargaining unit changes, minimum wage increases and salary

range increases) and rescinding Resolution No. 6650. Motion seconded by Councilmember Gallagher and carried unanimously.

Contract - Executive Recruiting Services - On motion of Councilmember Gilbreath, seconded by Councilmember Gallagher, the City Council unanimously approved a contract with Alliance Resource Consulting, LLC for executive search services for the position of Chief Information Officer and authorized the Mayor to execute, and the City Clerk to attest to, the document on behalf of the City.

Proclamation - Registered Dietitians Day - On motion of Councilmember Gilbreath, seconded by Councilmember Gallagher, the City Council unanimously authorized issuance of a proclamation declaring March 10, 2008, as *Registered Dietitians Day*.

Proclamation - Adult Education Week - On motion of Councilmember Gilbreath, seconded by Councilmember Gallagher, the City Council unanimously authorized issuance of a proclamation declaring March 10-14, 2008, as *Adult Education Week*.

Proclamation - Redlands Community Hospital - On motion of Councilmember Gilbreath, seconded by Councilmember Gallagher, the City Council unanimously authorized issuance of a proclamation congratulating the Redlands Community Hospital on the occasion of the maternity and surgery services building dedication.

COMMUNICATIONS

Meeting Attendance - In compliance with Government Code Sections 53232.2 and 53232.3, there were no reports forthcoming from Councilmembers.

Quality of Life Department Update - Quality of Life Director Van Dorst reviewed the functions of the Quality of Life Department which was developed in an effort to increase commitment to quality of services and environmental stewardship. The Quality of Life Departments consists of the following divisions and functions: Solid Waste Division, Street Division, Parks Division, equipment maintenance, Redlands Municipal Airport, citrus groves, Hillside Memorial Park, code enforcement, building maintenance, graffiti removal, grantsmanship and environmental policy.

Mid-Year Budget Review - Councilmember Aguilar reported the Budget Committee, comprised of Councilmember Bean, City Treasurer Reynolds, and himself, met last week and heard recommendations from staff for some changes to the 2007-2008 budget which they supported. Finance Director Kundig reported that each year the Finance Department prepares a review of the current year budget based on where we are financially at mid-year. This year's review is presented based on revenue and expenditure activity through January 31,

2008, and provides a schedule detailing actual changes to the Adopted Fiscal Year 2007-2008 Budget, as well as changes believed necessary as a result of the City's financial status at this point in time. A review at mid-year shows that overall General Fund revenues are up by 4.5 percent over prior year and are at 56 percent of budget. Contributing to the overall increase in revenues is an increase in General Property Taxes (current secured, current unsecured and possessory interest) of 11.8 percent at mid-year. With an expected payment for VLF in-lieu property taxes of approximately \$5.9 million, staff estimated that these revenues may exceed budget by as much as \$450,000.00. Franchise fees are up 15 percent over prior year largely as a result of increased gas usage by Mountain View Power Plant, and are on target with the estimated budget. Police Department revenues, including Animal Control, are up 8 percent, with Police Recreation and Senior Services up 9 percent and 32 percent, respectively. Fire Department revenues are up 65 percent over prior year, primarily as a result of mutual aid and various federal grants. Public Works revenues are up by 109 percent over prior year, with grading permits/paving permits up \$140,230.00, street permits up \$430,839.00 and new NPDES revenues at \$130,372.00, year-to-date. Other property taxes and other taxes are currently up 5 percent and 4 percent, respectively, but will be watched closely over the next months to see if this trend continues in the present economic environment.

Partially offsetting these increases are decreases of 7 percent in Community Development revenues, 8 percent in Library revenues, and 3 percent in other revenues. The most significant decrease in revenue estimates, and the only one that staff believes currently warrants a change in direction at this time, is in the area of sales taxes. The two major areas of sales tax revenues to the City, amounting to approximately 45 percent of the City's total sales taxes, are autos and transportation and building and construction. While the City has benefited from the growth in these areas in recent years, the current economy has negatively impacted these and other businesses. As a result, actual sales taxes received by the City as of January 31, 2008, are down by 13.9 percent over prior year, and according to our consultants, with adjustments, are down by 14.9 percent. This decrease equates to an approximate \$2 million reduction in estimated sales tax. Expenditures at mid-year are at \$29,127,706.00 or 56 percent of budget and are flat at only \$1,422.00 less than at the same time last year.

A General Fund Summary of Changes Adopted to Mid-Year reflects the changes in the fiscal year 2007-2008 adopted budget from its adoption up until mid-year. The changes shown include: an increase of \$2.3 million the fiscal year 2007-2008 beginning fund balance, resulting from increased revenues of over \$716,594.00, expenditure reductions net of the reserve for encumbrances of \$881,401.00, a net increase of \$515,577.00 from changes to transfers in (out) and an increase of \$144,044.00 due to changes in reserves for advances receivable and inventory; a decrease in revenue of \$2,006,695.00, resulting from increases in donations and grants, a decrease in the general government service charge, and a decrease of \$2 million for the expected shortfall in

estimated sales tax revenues for the year; an increase in funding sources resulting from cancellation of reserve for encumbrances; an increase in expenditure of \$895,343.00 occurring primarily as a result of encumbrances and carryovers from prior year of \$700,737.00, as well as \$108,966.00 in additional appropriations which were offset by revenue from donations and grants; and Net funding requirements estimated to exceed funding sources by \$1,272,481.00.

Options presented to cover the shortfall include an estimated \$450,000.00 increase in General Property taxes, \$200,000.00 additional revenue from warehouse and distribution center tax revenues and \$622,000.00 in expenditure budget reductions. As a result of the actions taken when the budget was balanced last spring, the City is ahead of the curve and is able to consider these options in-lieu of having to use its existing reserves or the current \$1.8 million in current funding for reserves to maintain its balanced budget.

City Manager Martinez stressed staff is following the direction of the Budget Committee and City Council and is not cutting into the reserves and the challenge of the additional downturn of revenue is being addressed by staff. Councilmembers discussed the recommendations of staff. Councilmember Gilbreath moved to acknowledge receipt and file this report and supported the recommendations of staff and the Budget Committee. Motion seconded by Councilmember Aguilar and carried unanimously.

UNFINISHED BUSINESS

Ordinance No. 2678 - Purchasing Policy - Finance Director Kundig reported an updated purchasing ordinance was introduced by the City Council at its February 5, 2008 meeting and brought forward for adoption on February 19, 2008. Ordinance No. 2678 has been revised to address Councilmember Bean's concerns in relation to bidding on professional services. Based on the direction of the City Council and staff's review, the alternatives to the language used in Section 2.16.170 Professional Services, Subsection B, of Ordinance No. 2678 were provided for consideration:

Subsection A of Section 2.16.170, regarding professional services governed by the Public Contract Code, remains unchanged; Subsections C and D have been added for further clarification and are recommended regardless of the alternative selected for Subsection B: "2.16.170 Professional Services - A. Landscaping, engineering, architectural, surveying, and construction management. The retention of professional services for architectural, landscape architectural, engineering, land surveying or construction project management shall be on the basis of demonstrated competence and on the professional qualifications necessary for the satisfactory performance of the services required, and at fair and reasonable prices to the City, in accordance with Section 4526 of the Government Code. A request for proposal and/or statement of qualifications shall be prepared by the initiating City Department, and

proposal requests solicited, where practical, from at least three professional services providers.

"Alternative #1: B. Other professional services. Except as may otherwise be provided in this Code or as may be required by state or federal law, the retention of other professional services of individuals or organizations exercising professional discretion and judgment based upon advanced or specialized knowledge, expertise or training, gained by formal study or experience, shall be based upon competitive procurement in accordance with this Chapter unless the City Department Director, pursuant to subsection 2.16.110C of this Chapter, certifies that the professional services sought satisfy the requirements for a single source purchase or sole source purchase, as such purchases are defined in this Chapter.

"Alternative #2: B. Other professional services. Except as may otherwise be provided in this Code or as may be required by state or federal law, the retention of other professional services of individuals or organizations exercising professional discretion and judgment based upon advanced or specialized knowledge, expertise or training, gained by formal study or experience, shall be based upon both the demonstrated competence and on the professional qualifications necessary for the satisfactory performance of the services required, and the cost for such services. A request for proposals and/or statement of qualifications, including a request for the proposed cost for the performance of the professional services, shall be prepared by the initiating City Department. Proposal shall be solicited, where practical, from at least three professional service providers. The negotiations associated with the award of a contract for professional services identified in this subsection 2.16.170B shall occur as follows: Upon receipt of the proposals, the initiating City Department shall first determine and identify those persons or organizations that are qualified to perform the professional services. The contract for professional services shall then be awarded to the person or organization that has submitted a qualified proposal having the lowest cost to the City.

"Alternative #3: B. Other professional services. Except as may otherwise be provided in this Code or as may be required by state or federal law, the retention of other professional services of individuals or organizations exercising professional discretion and judgment based upon advanced or specialized knowledge, expertise or training, gained by formal study or experience, shall be based upon both the demonstrated competence and on the professional qualifications necessary for the satisfactory performance of the services required, and the cost for such services. A request for sealed proposals and/or statement of qualifications, including a request for a separate, sealed proposal for the cost for the performance of the services, shall be prepared by the initiating City Department. Proposals shall be solicited, when practical, from at least three professional service providers. The negotiations associated with the award of a contract for services identified in this subsection 2.16.170B shall occur as follows: Upon receipt of the proposals, the initiating City Department

shall first determine and identify those persons or organizations that are qualified to perform the services and shall rank such persons and organizations based on their demonstrated competence and professional qualifications deemed necessary for the satisfactory performance of the services required. Second, the cost proposals submitted by all the qualified persons and organizations shall be opened and reviewed. Third, negotiations shall be undertaken with the person or organization ranked most qualified in an attempt to secure the services at a cost equivalent to the lowest cost offered to the City by the qualified persons and organizations. If the person or organization ranked most qualified is unwilling to provide the services at a cost equivalent to such lowest cost: (i) such person or organization may nevertheless be awarded a contract, provided the Purchasing Agent, City Manager or City Council, as appropriate, determines the initiating City Department Director has substantiated that the cost for the services is reasonable and appropriate; or, (ii) negotiations with the most qualified person or organization may be terminated and the initiating City Department may undertake similar negotiations with the other qualified persons and organizations in order of rank.

C. Notwithstanding any other provisions of this section 2.16.170, a professional services contract may be awarded as a single source purchase or a sole source purchase; as such purchases are defined in this Chapter.

D. Professional services contracts shall be awarded by the Purchasing Agent, City Manager or City Council, as appropriate, based upon the dollar limits specified in subsection 2.16.140C4 of this Chapter."

Councilmember Bean moved to approve this ordinance with Alternative No. 2. Motion seconded by Councilmember Gallagher and failed by the following vote:

AYES: Councilmembers Gallagher and Bean

NOES: Councilmembers Harrison, Gilbreath and Aguilar

Ordinance No. 2678, an ordinance of the City of Redlands amending Chapter 2.16 of the Redlands Municipal Code relating to City purchases and deleting Chapter 3.74, was read by title only by City Clerk Poyzer, and on motion of Councilmember Gilbreath, seconded by Councilmember Aguilar, further reading of the ordinance text was waived, and Ordinance No. 2678 was introduced with inclusion of Alternative No. 3 and laid over under the rules with adoption scheduled for March 18, 2008, by the following vote:

AYES: Councilmember Harrison, Gilbreath and Aguilar

NOES: Councilmembers Gallagher and Bean

Ordinance No. 2679 - Property Maintenance - Interim Quality of Life Director Van Dorst reviewed the proposed ordinance that would update the Redlands Municipal Code provisions governing the maintenance of properties within the City and establish uniform minimum property standards for all types of private property within the City to supplement the nuisance abatement provisions of the Code. The first draft of Ordinance No. 2679 was presented to the City Council on February 5, 2008. The ordinance presented at this meeting reflects minor

changes in response to City Council comments. The principle modification clarifies Section 8.08.030 A.3 by allowing for drought tolerant landscaping and xeriscaping applications. Bill Cunningham expressed concerns about the exclusion of property not zoned as open space and asked the City Council to re-examine and modify language for native habitat for property in private hands. City Attorney McHugh stated this was precisely why the matter was continued and the revised version presented at this meeting does not exclude open space that is in private ownership. Ordinance No. 2679, an ordinance of the City of Redlands adding Chapter 8.08 to the Redlands Municipal Code relating to property maintenance and deleting Chapters 8.16, 8.28 and 8.32 relating to hospitals, public eating places and slaughtering of animals, respectively, was read by title only by City Clerk Poyzer, and on motion of Councilmember Gilbreath, seconded by Councilmember Gallagher, further reading of the ordinance text was unanimously waived, and Ordinance No. 2679 was introduced with unanimous Council approval and laid over under the rules with adoption scheduled for March 18, 2008.

NEW BUSINESS

Agreement - GIS Licensing - Due to a potential conflict of interest, Councilmember Harrison retired from the Council Chambers and did not participate in this matter; a Public Disclosure of Potential Conflict of Interest form is on file in the City Clerk's Office. Mayor Pro Tem Gilbreath conducted this portion of the meeting. Chief Information Officer Smith reviewed the request. Councilmember Gallagher moved to approve a master license agreement and an enterprise license agreement with Environmental Systems Research Institute (ESRI) in the amount of \$24,500.00 to furnish GIS licensing for the next three years and authorized the Mayor to execute, and the City Clerk to attest to, the document on behalf of the City. Motion seconded by Councilmember Aguilar, who thought this was a wise investment for the next few years, and carried by AYE votes of all present with Councilmember Harrison having abstained.

Professional Services - "Cityworks" - Due to a potential conflict of interest, Councilmember Harrison retired from the Council Chambers and did not participate in this matter; a Public Disclosure of Potential Conflict of Interest form is on file in the City Clerk's Office. Mayor Pro Tem Gilbreath conducted this portion of the meeting. Chief Information Officer Smith reviewed the request. Councilmember Gallagher moved to accept a quote for professional services and support from Azteca, Inc. in the amount of \$28,750.00 for training and implementation support for "Cityworks" by integrating existing processes within the Geographic Information Systems (GIS) data and network environment. Motion seconded by Councilmember Aguilar and carried by AYE votes of all present with Councilmember Harrison having abstained.

Ordinance No. 2696 - Wildland-Urban Interface Code - Fire Marshal Leonard Temby presented Ordinance No. 2696, an ordinance of the City of Redlands

adopting and amending the 2006 Edition of the International Wildland-Urban Interface Code, which will provide regulations and requirements that pertain specifically to wildland-urban interfaces areas. Ordinance No. 2696 was read by title only by City Clerk Poyzer, and on motion of Councilmember Gilbreath, seconded by Councilmember Gallagher, further reading of the ordinance text was unanimously waived, and Ordinance No. 2696, which adds Chapter 15.30 to the Redlands Municipal Code, was introduced with unanimous Council approval and laid over under the rules with adoption scheduled for March 18, 2008.

CLOSED SESSION

The City Council meeting recessed at 4:20 P.M. to a closed session to discuss the following:

1. Withdrawn from closed session: Conference with real property negotiator - Government Code §54956.8
(Interim Municipal Utilities and Engineering Director Diggs)
Property: 2300 West San Bernardino Avenue
Negotiating parties: N. Enrique Martinez, Chris Diggs and Steve Ames (US Industrial REIT II)
Under negotiation: Terms and price for termination of City utility easement
2. Conference with legal counsel - Existing litigation - Government Code §54956.9(a) - (City Attorney McHugh)
 - a. Joseph O. Young v Jeremy Atkins and the City of Redlands, et al - San Bernardino County Superior Court Case No. SCVSS 145639
3. Conference with legal counsel - Anticipated litigation - Government Code §54956.9(b) - Two cases:
 - a. Facts and circumstances - Consideration of claim of Foster Poultry Farms (Administrative Analyst Braun)
 - b. Facts and circumstances - Consideration of claim of Mr. Snodgrass (Mayor Harrison)
4. Public employee performance evaluation - Government Code §54957 (Mayor Harrison)
 - a. City Manager

The meeting reconvened at 7:00 P.M.

PRESENT

Jon Harrison, Mayor
Pat Gilbreath, Mayor Pro Tem
Mick Gallagher, Councilmember
Jerry Bean, Councilmember

ABSENT

Pete Aguilar, Councilmember

STAFF

N. Enrique Martinez, City Manager; Daniel J. McHugh, City Attorney; Lorrie Poyzer, City Clerk; Teresa Ballinger, Assistant City Clerk; Michael Reynolds, City Treasurer; Jim Bueermann, Police Chief; Greg Hostetler, Fire Battalion Chief; Tina Kundig, Finance Director; Chris Diggs, Interim Municipal Utilities and Engineering Director; Bob Dalquest, Interim Community Development Director; Deborah Scott-Leistra, Human Resources Director; Kurt Smith, Chief Information Officer; Gary Van Dorst, Quality of Life Director

CLOSED SESSION REPORT

There was no reportable action taken during the closed session.

ANNOUNCEMENT/REPORTS

SANBAG - Mayor Pro Tem Gilbreath reported she traveled to Washington D.C. on behalf of SANBAG to lobby for funding for the Metrolink extension to Redlands, the I-15 Devore interchange, and the Safe-Loop.

LAND USE AND PUBLIC HEARINGS

Ordinance No. 2687 - Hillside Development District - Public notice was advertised for this time and place to consider approval of a Draft Mitigated Negative Declaration for Ordinance Text Amendment No. 323 to add Chapter 18.138 to the Redlands Municipal Code establishing a Hillside Development District and a public hearing to consider introduction and reading of the title of Ordinance No. 2687, Ordinance Text Amendment No. 323, to add Chapter 18.138 to the Redlands Municipal Code establishing a Hillside Development District. Mayor Harrison declared the meeting open as a public hearing. Interim Community Development Director Dalquest reviewed the proposed ordinance which is mandated under Section 11 of Measure N and re-adopts the existing Hillside Development ordinance originally adopted in 1988. Minor changes have been done by the City Attorney to clean-up language and remove outdated references. None of these minor changes affect the existing regulations and requirements contained in the Hillside Development ordinance. Mayor Harrison called for public comments. A letter supporting adoption of Ordinance No. 2687 was received from the Redlands Conservancy. There being no further comments, the public hearing was declared closed.

Negative Declaration - Councilmember Gilbreath moved to approve the Negative Declaration for Ordinance Text Amendment No. 323 based on the finding that the project will not have a significant effect on the environment,

determining this project will not individually or cumulatively have an adverse impact on wildlife resources as defined in Section 711.2 of the California Fish and Game Code and directed staff to file and post a Notice of Determination in accordance with the City's guidelines. Motion seconded by Councilmember Gallagher and carried by AYE votes of all present.

Ordinance No. 2687 - Hillside Development District - Ordinance No. 2687, an ordinance of the City of Redlands adding Chapter 18.138 to the Redlands Municipal Code to establish the Hillside Development District, was read by title only by City Clerk Poyzer, and on motion of Councilmember Gilbreath, seconded by Councilmember Gallagher, further reading of the ordinance text was waived, and Ordinance No. 2687 was introduced, by AYE votes of all present, and laid over under the rules with adoption scheduled for March 18, 2008.

UNFINISHED BUSINESS

Termination of Utility Easement - A request for termination of a City utilities easement was received from US Industrial REIT II, but the situation has been resolved and no action is required at this time.

PUBLIC COMMENTS

None forthcoming.

ADJOURNMENT

There being no further business, the City Council meeting adjourned at 7:06 P.M. The next regular meeting will be held on March 18, 2008.

/s/ City Clerk