

MINUTES

of a special meeting of the City Council of the City of Redlands held in the Council Chambers, Civic Center, 35 Cajon Street, at 4:00 P.M. on Thursday, August 10, 2000.

PRESENT

Pat Gilbreath, Mayor
Gary George, Mayor Pro Tem
John L. Freedman, Councilmember
Susan Peppler, Councilmember
Karl N. "Kasey" Haws, Councilmember

Larry E. Burgess, Interim City Manager
Daniel J. McHugh, City Attorney
Lorrie Poyzer, City Clerk

ABSENT

None

Mayor Gilbreath called the meeting to order which was immediately recessed to a closed session to discuss the following:

1. Conference with legal counsel: Existing litigation - Government Code Section 54956.9(a)
 - City of Redlands v. State of California, Case No. 00-CS-01094

The City Council meeting reconvened at 7:08 P.M. Councilmember Gilbreath moved to add the following item to the agenda which arose subsequent to the agenda being posted:

1. Conference with legal counsel: Existing litigation - Government Code Section 54956.9(a)
 - City of Redlands v. County of San Bernardino - Riverside Superior Court Case No. 293198
 - City of Redlands v. Majestic Realty SCV 38504

Motion seconded by Councilmember George and carried unanimously. The City Council recessed to continue the closed session.

The City Council meeting reconvened at approximately 8:15 P.M. Mayor Gilbreath explained why the City Council, at its August 1, 2000, meeting, had initiated a lawsuit at the State level challenging AB 1544 at the meeting held on August 1, 2000. At this meeting, she explained the City Council discussed an opportunity for a global settlement of several issues. Mayor Gilbreath moved to dismiss the lawsuit against the State of California without prejudice and authorized the City Attorney to make a settlement offer to the County of San Bernardino, Redlands Joint Venture, and Majestic Realty Company on the following points:

1. The County of San Bernardino, Redlands Joint Venture, Majestic Realty Company, and the City of Redlands will take all actions to dismiss with prejudice all existing litigation among them, in particular the contract action (as we call it) pending in Riverside Superior Court and the easement case

pending in San Bernardino Superior Court as part of a stipulated judgement or order that is signed off by the judges.

2. As part of that process, the County of San Bernardino, as part of the stipulated order or judgement, will covenant that it will not, through itself, through its County service areas, or through its improvement zones, provide water or sewer service to the Donut Hole.
3. Upon the above events occurring, the Redlands City Council will dismiss with prejudice and without further action by the City Council its lawsuit against the State of California as to all constitutional claims, challenges, and actions it may have against the State under AB 1544.
4. The caveat to all of this is that this offer by the Redlands City Council to accomplish this global settlement and resolve this dispute that has occurred for the past seven years once and for all needs to be accepted by all parties, signed and agreed to, in approved form, by September 30, 2000.

Motion seconded by Councilmember George and carried unanimously.

Councilmember Freedman stated he would like to see this issue end. Councilmember Haws agreed and noted today's discussions evolved to attempt to end any and all problems in the Donut Hole forever. Councilmember Pepler expressed her appreciation that the City Council was able to have this discussion and come to an agreement. Mayor Pro Tem George said this is a unanimous Council willing to work with others and he hoped all parties would strive to meet the parameters of this offer. Noting compromise had taken place, Mayor Gilbreath expressed her appreciation to Councilmembers for their willingness to compromise and to move forward to resolve this issue. Councilmembers expressed appreciation to Interim City Manager Burgess and City Attorney McHugh for their efforts during this meeting.

There being no further business, the City Council meeting adjourned at approximately 8:30 P.M.

Mayor