



The VOICE

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Greater Shasta County, CA

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Did you know...

- Shasta County's unemployment rate was 10% in October, which is a 15 year high.
- Cottonwood Creek Watershed Group will host its 10th annual open house on **December 17th** from **3:00-7:00 p.m.** They are located at 3233 Brush Street, Cottonwood. The community is invited to stop by and learn more about the projects currently underway in our watershed. Finger foods and refreshments will be available.
- **BLEACHERS Sports Bar** is now open, complete with 28 TV's, pool tables, darts and other games in the multi-sport themed restaurant and bar. It is located at 2167 Hilltop Drive, at the former Chuck E Cheese's building. Hours are: 11:00 a.m. to midnight Monday-Friday; 10 a.m. to midnight Saturday; and 9 a.m. to 10 p.m. Sunday. "Happy Hour" is daily from 4 p.m., to 7 p.m. There is an appetizer menu available, and you can bring the family in for lunch, dinner and to play games.

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Redding Electric Utility (REU) Wants Rate Increase Public Hearing Set for December 16, 2008

The City of Redding is holding a workshop at 6:30 p.m. on December 15th in the Council Chambers to discuss "**budget reduction guidelines**" that have become necessary due to the negative impact of the weak economy on the City's budget. These cuts will include layoffs and elimination of some City programs.

Ironically, the very next night, December 16th, a public hearing is scheduled to consider a Redding Electric Utility (REU) rate increase of about 8% per year for at least the next two years. Why, you may ask? According the new Director of REU, that is the approximate percentage increase in REU's cost of doing business over the next two years. And, what are his other potential solutions to this issue? Well, there weren't any presented at the November 18th City Council meeting.

It is clearly written in the "budget-cutting guidelines" presented by the City Manager that "The City should not increase taxes or fees to balance its General Fund budget. Redding residents and businesses are already struggling due to the weak economy."

Does this not apply to the Redding Electric Utility Department? The Director of REU complains of increased costs of doing business, and a need to maintain REU operating reserves equal to 20 percent of operation and maintenance expense. The current reserve is \$42 million. Every other City department is sharing the pain of the weak economy. REU should participate as well. Wouldn't we all want to just increase "rates" when we need or want more money? This is not sound financial management, and displays a total disregard for providing fiscal responsibility to the ratepayers.

What can you do about it? Attend the Public Hearing on **December 16th, 7:00 p.m.** at the **City Council Chambers** at City Hall on Cypress Avenue. Ask questions, express your concerns, speak up! Bring people with you who will also speak up. This is your opportunity to do something to help weather the economic storm we are all facing.

IBEW Electric Workers Not Responding to Calls

The City of Redding has been bargaining with IBEW Electric workers since August 2008. IBEW Electric and the City have declared impasse and are currently going through the mediation process. The department must deal with electric outages on a scheduled and an emergency basis. Employees are either scheduled to work overtime or they are called out to perform emergency work due to weather, accidents, etc. Employees are **not** agreeing to work scheduled overtime **nor are they responding to calls** due to emergency conditions. Currently, supervisors and managers are providing the necessary service to our citizens. The City Council agreed at its November 18th meeting to pay the supervisors and managers at the rate of one and one-half (1 1/2) times their regular base rate of pay when called upon to perform emergency duties typically within the job classification of non-exempt employees.

So, the Redding Electric Utility wants us to believe they must have a rate increase now? This is yet another good reason to voice concerns at the December 16th hearing.

Many Reasons to “Rethink” New Redding Police Facility

Shasta VOICES continues to monitor the controversial progress of the proposed new Police Facility for the City of Redding, despite the bleak economy. According to a staff presentation at the December 2nd City Council meeting, the City is proceeding with the Schematic Design Phase of the project, and expects to present to the Council by April 2009.

So, why move forward on the design of a facility whose construction funding is questionable, given the current state of the economy and the City’s budget? The City’s answer: First, design is being funded primarily with grants, not General Fund money. Second, construction costs have fallen significantly in the last 6 months, due to the decline in the economy. The City could save \$5 to \$6 million or more by being ready to build before the economy improves and construction costs spike back up to previous budget levels. And third, if the drawings were done, the City could be well-positioned to receive funds being promised by President-elect Obama’s stimulus program for Capital Projects.

There is also controversy surrounding the legality of utilizing the South City Park site for the project, and whether the City Council must approve the project there with a 4/5 vote. Civic Master Plans approved by prior Councils, showing government buildings on the park land, may or may not be binding. More details on this next month.

The City has explored, and will continue to explore, potential cost-saving options other than constructing an entirely new building. Alternatives have included purchasing and retrofitting existing buildings, with several specific candidates being evaluated in detail to determine costs in comparison to building an all-new facility. More on this next month, too.

While the community is clearly in support of providing much-needed functional facilities for a police force that outgrew their current headquarters more than 20 years ago, it is important that City Management fit this project into the City’s budget, without asking the citizens for more money. That well is dry.

Redding “Budget Reduction Guidelines” Workshop to Address Loss of Revenues from Weakened Economy

A workshop has been scheduled for **Monday, December 15, 2008 at 6:30 p.m.** at Redding City Council Chambers. The purpose of this workshop is for the possible approval by the Council of the City Manager’s “Budget Reduction Guidelines” proposal.

The City of Redding has been negatively impacted by the weak economy. Sales tax revenue and building-related fees, in particular, continue to decline rapidly. It is clear that the City will need to lower its revenue estimates to reflect the current economy, as well as significantly reducing revenue projections for the next fiscal year.

In order to maintain a five percent reserve in the City’s General Fund Ten-Year Financial Plan and remain fiscally sound, it will be necessary to make some significant budget reductions. The City will need to eliminate some existing positions and programs in order to balance the General Fund budget over the next ten-year planning period.

The City staff prepared some guidelines for the City Council’s review and discussion at the upcoming workshop.

Here is a summary of those guidelines:

1. Strong emphasis on fiscal responsibility. The City should strive to maintain a five percent reserve.
2. The City should **not increase taxes or fees** to balance its General Fund. Redding residents and businesses are already struggling due to the weak economy.
3. Utilize a transparent process; explicitly identify proposed reductions and clearly describe the impact on service delivery.
4. Minimize the impact that budget reductions have on community services and programs.
5. Utilize conservative revenue estimates; assume the economy will remain weak through fiscal 2010.
6. Place strong emphasis on maintaining “frontline” safety services (police officers and firefighters in the field), while critically evaluating support functions and discretionary programs in these departments for reductions.
7. The City should not add any General Fund positions until the economy improves.
8. The City should maintain its hiring freeze.
9. In eliminating positions, displaced employees should be treated with respect and dignity.
10. Place an emphasis on reductions in administration, programs and positions related to new development activity, and discretionary programs and services.
11. Work with employee unions to avoid or mitigate layoffs. One example would be to **require employees to pay for the “employee contribution” to their CalPERS retirement benefit**. Another would be mandatory furloughs.
12. Evaluate Capital Improvement Plan for potential deferrals.
13. Reduce City contributions to its non-profit partners beginning July 1, 2009.

Attend the workshop and learn more!

“City of Opportunity” Adds Additional Public Works Projects to Five Year Plan Local Engineering Firms Sought to Prepare the Plans

City Manager Scott Morgan, referring to Anderson as the “City of Opportunity,” has brought some project ideas forward with the blessing of the Anderson City Council.

With area subdivision activity at a standstill, the City of Anderson has enjoyed a series of very favorable public works bids from contractors. Due largely to poor economic conditions, the City has been able to stretch local and grant-funded public works dollars quite a long way. So, they have decided to take advantage of the favorable bid climate and authorize some projects to supplement the five-year Capital Improvement Program (CIP). This would place the City of Anderson in a good position to be ready to compete for any federal/state infrastructure stimulus dollars that might come available in early 2009.

The projects would be modest in scope, perhaps in the \$150,000 to \$400,000 range. In addition to advancing the environmental clearances and performing design engineering services for projects that are already included within the CIP, additional projects that are thought to be good candidates are:

1. Completion of downtown “demonstration block” improvements on East Center between Howard and North.
2. Landscape improvements between SR 273 and the railroad right-of-way from South Street to North Street.
3. Construction of an off-highway bicycle lane along southbound SR 273 from South Street to Pleasant Hills Drive.
4. Construction of sidewalk, curb and gutter improvements along the north side of Mill Street from Silver to Franklin.
5. Construction of a water main along a small portion of Alexander and the entire reach of Bellevue to connect the isolated Ox Yoke system into the main pressure zone.
6. Pavement maintenance on streets where no near-term water or wastewater improvements are planned.
7. Construction of an all-weather crossing where the Anderson River Park recreation trail along the Sacramento River washes out most winters.

What’s next? Request for qualifications (RFQ’s) will be invited from local firms, and based on those submittals, the City will engage firms to develop ready-to-bid projects. The City Manager will then return to the City Council with needed budget adjustments, CEQA/NEQA recommendations, authority to seek new federal and state infrastructure stimulus funds, and, upon award of funds, to bid the approved projects.

Stillwater Business Park Project Update

The City of Redding is busy developing and constructing Stillwater Business Park. The park was designed to provide large (up to 100+ acres) sites that are truly “ready to go” for interested businesses.

The vision for Stillwater is that it will be a magnet for companies seeking access to western markets. Office and industrial users will find an excellent workforce, excellent access to I-5, and overall operating costs that are significantly lower than most urban areas.

Currently under construction, the Stillwater North Bridge is now 75% complete. The cost for this phase of construction came in below what was originally budgeted. The nice weather that we have been experi-

encing has helped move the construction along quickly.

A current financial summary of the project-to-date cost shows the following:

<u>Environmental/Permitting/Mitigation</u>	\$2,592,157
<u>Property Acquisition Settlements</u>	\$2,527,352
<u>Project Development</u>	\$2,244,731
<u>Construction Engineering/Mgmt.</u>	\$470,940
<u>Construction Contract & Contingency</u>	\$4,563,177
<u>Economic Development/Marketing</u>	\$40,375

Economic Development/Consulting
\$24,657

Economic Development/Administration
\$43,906

TOTAL
\$12,507,306

The total project is shown on the Stillwater Business Park website to be \$24,674,286. Funding sources include HUD and EPA grants, waste water department, water department, Shastec bond, a General Fund bond and other General Fund contributions. These total \$31,218,747, for what is referred to as the “Phase 1 Funding.”

For additional information, you can contact the City’s Economic Development Director, Jim Zauher, at (530) 225-4083, or jzauher@ci.redding.ca.us.

Oasis Road Interchange Tops List for Potential Obama Stimulus Plan Project

President-Elect Barack Obama told the nation's governors he wants to put people to work building roads, schools and bridges. His incoming administration is seeking projects that are ready to go and could be funded within 120 days. This is an opportunity to build infrastructure and create jobs to get the economy stimulated.

Through the California League of Cities, the City of Redding submitted a list of their "ready to break ground" infrastructure projects for consideration to be included in Governor Schwarzenegger's submissions. The ***Oasis Road interchange*** is a top priority. Improvements to this interchange have already been planned and studied for as long as 20 years, and because of the huge cost to make needed improvements, a multitude of planned developments in the Oasis Road Specific Plan area have been at a complete standstill. If the necessary improvements could be funded, it would jump-start development in that area, which would in turn create thousands of much-needed jobs in our community and stimulate our local economy. So, this is truly a project that is more than ready to go. It can typically take anywhere from two to five years for construction on public works projects to start given the time it takes for planning and design, but this particular project is far ahead of the game because so many years of discussion and planning have already occurred. The time to move this project forward is long overdue.

A short sample list of other infrastructure projects submitted by the City of Redding includes widening Browning Street, Boulder Creek Interceptor, additional lanes on I-5, and improvements to the Bonneyview/I-5 overpass. The City also submitted some Capital Improvement Projects, which may not actually be considered "infrastructure," such as the Stillwater Wastewater Treatment Plant expansion and a new police facility.

There is nothing guaranteed yet by either the Obama administration or Governor Schwarzenegger's office, but the City wants to be positioned properly if this national stimulus plan actually happens. The Governor has proposed suspending environmental review requirements to speed up projects and accelerate public works spending in California, where \$42 billion in infrastructure bonds were approved two years ago. The Governor's office has estimated the state has \$28 billion worth of projects that could be funded by the incoming Obama administration within its first 120 days.

Shasta VOICES has written letters to our state representatives in Washington to express the support of the private sector for the City of Redding's submitted projects. We stressed the importance of such a plan for our local economy, and encouraged them to help us move forward with the stimulus package. We encourage you to write to them as well. Here is contact information for each of them:

U.S. Representative, 2nd District: Wally Herger, 410 Hemsted Dr., #115, Redding, CA, 96002. Phone: (530) 223-5898, Fax: (530) 223-5897.

U.S. Senators: Diane Feinstein, One Post St., San Francisco, CA, 94104, Phone: (415) 393-0707, Fax: (415) 393-0710.

Barbara Boxer, 1700 Montgomery, #240, San Francisco, CA, 94111. Phone: (415) 403-0100, Fax: (415) 956-6701

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