



# The VOICE

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Greater Shasta County, CA

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### Did you know...

- There were 74 single family home building permits taken out in the City of Redding in 2010, which is 21% below 2009, and 58% below 2008. The number of multi-family unit permits in the City of Redding increased by 290% over 2009.
- According to www.census.gov, Shasta County's median household income is \$42,362. This is 69.4% of the statewide average.
- The Greater Redding Chamber of Commerce will celebrate its 100th birthday with the 2011 **Chamberee** on Friday, February 4th, beginning at 6:15 pm (no host bar) at the Win-River Casino Event Center. For ticket information, contact Vickie at 530-225-4433x102.
- According to the California Manufacturers & Technology Association, thanks to California's unfriendly political environment, strict regulations and high taxes, 32 companies have announced they'll either expand elsewhere, move or shut down operations.

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## To Charter or Not to Charter

At the January 18th Redding City Council meeting, the Council explored the idea of becoming a Charter City. What is a Charter City, you may ask?

Charter City status is included as an option in the state constitution based on the principle that a city, rather than the state, is in the best position to know what it needs and how to satisfy those needs. Currently, Redding is a general law city, bound by the regulations set forth by the state. According to the League of California Cities, "the benefit of becoming a charter city is that the charter cities have supreme authority over municipal affairs."

Determining what is and is not a "municipal affair" is not always straightforward. The California Constitution does set out a list of four core categories that are, by definition, municipal affairs. These categories are 1) regulation of the city police force, 2) sub-government in all or part of a city, 3) conduct of city elections, and 4) the manner in which municipal officers are elected.

There is plenty of information available on the internet about the history, pros and cons, and successes and failures of Charter Cities for those who want to learn more. Here is one good place to begin: <http://www.cacities.org/chartercities>.

But, back to the Council meeting. City Attorney Rick Duvernay opened the discussion by suggesting that three questions be addressed with regard to this issue:

- Is there a specific area needing to be addressed in a Charter (i.e. prevailing wage)?
- Is there any aspect of our government structure in the City of Redding that can **only** be changed with a Charter?
- Are there any specific limitations that need to be imposed by citizens to prevent Council from making decisions?

Councilman Dick Dickerson posed an additional question to those speaking at the podium about this issue: What specifically is wrong with the City of Redding that can only be fixed with a Charter?

A host of speakers in favor of a Charter had much to offer in answer to all of these questions: reduction of employee salaries, eliminate redundancy, autonomy from the state to become more efficient, give the public more say in decisions, put many things out to private bid, eliminate prevailing wage requirement, more accountability with a different structure, authority to impose corrective action on staff, eliminate rubber stamp council, change the way we elect council, create districts, bring power back to our community, eliminate City Manager (and management staff) in favor of a strong Mayor.

Just as many speakers opposed to a Charter had other concerns: working families would suffer under a Charter with wage reductions, too much control by one entity under a Charter, potential for corruption and abuse under a Charter, expanding government is wrong, you can hold the City Manager accountable now (can be removed by Council), there is a lack of respect for the workforce in Redding, the Charter system mimics the initiative process, a Charter polarizes the community.

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## *Citizens for Fair REU Rates/Fee Fighter LLC Bring Lawsuit Against REU*

A lawsuit is in the process of being filed against the Redding Electric Utility (REU) by Citizens for Fair REU Rates, seeking refunds for REU customers for excessive rate charges.

Together with these citizens, **Fee Fighter LLC** is challenging the legal validity of the City of Redding's adoption of rate increases effective January, 2011, which incorporate a Payment in Lieu of Tax (PILOT) charge in the rate base, and consequently in the charges to rate payers served by the City. The amount of REU's fiscal year 2011 in Lieu of Tax Transfer to the City's General Fund is \$5,968,220. This lawsuit seeks refunds of excessive "total electric charges" paid to the City of Redding for electric utility service for rate payers who choose to participate as claimants.

Fee Fighter LLC is a special purpose collection company that helps ordinary citizens and businesses get refunds of illegal and excessive fees. Whether it is a fee for water, electricity, traffic, garbage, building permits, sewers, telephones (the list goes into the thousands), government agencies at all levels, including cities, counties, state and federal, are taking every opportunity to squeeze higher and higher fees out of all of us. Unless a "fee" has been specifically voted on and approved by the electorate as a "tax," the laws require that the fee be no more than the reasonable cost of providing the governmental service or product. More and more government agencies are ignoring that legal limitation by charging "fees" that are excessive and illegal. But the cost and effort of challenging a government fee to get a refund is more than the ordinary citizen or business can afford, and almost always more than the cost of the fee itself. That's why government agencies get away with it...*until now*.

Fee Fighter LLC takes assignments of refund claims from a large group of fee payers, and acts as a collection company for all of them. Then Fee Fighter LLC hires top notch legal representation (like our own local expert Walt McNeill) to pursue the legal remedies necessary to obtain refunds. If Fee Fighter LLC is successful in obtaining refunds, it keeps 50% for its collection fee and returns the balance to the fee payers. Finally there will be someone fighting ***for you*** against these illegal government fees, and you may actually get some of your money back!

For the benefit of everyone who wants a refund of the excessive rate increase, the company has designed a super-efficient web-based model for pursuing refunds for large groups of assigned claims. This is will be explained on the website, [www.feefighterllc.com](http://www.feefighterllc.com) along with other information, on or after February 1, 2011.

With the filing of this lawsuit, all REU ratepayers have an opportunity to claim a refund through the Fee Fighter LLC website. If you have a Redding utilities account and are named on the account as the rate payer, and have received and paid your February 2011 utilities bill (which covers your January service), here's how you can become a claimant:

- Go to the website at [www.feefighterllc.com](http://www.feefighterllc.com) (after February 1, 2011).
- Click on the **REU OVERCHARGES** button for details of the case and instructions for filing a refund claim.
- You will be asked to complete a "fill-in-the-blanks" section to self-determine if you qualify for a refund.
- You will then follow instructions and complete the actual claim form and submit it.
- You will make a full, complete and irrevocable assignment of your refund claim to Fee Fighter LLC.
- You can follow the status of the case on the website as it progresses.

That's all you do! There is ***no charge*** for attorney's fees, or anything else. Fee Fighter LLC makes all the efforts to collect a refund of the illegal or excessive portion of your fee payment from REU. This includes negotiations, mediation and/or litigation to recover the money. So, Fee Fighter LLC has great incentive to do the best they can to recover as much as possible, for your benefit and theirs. If and when they do recover on the claim, you will receive no less than 50% of any monetary recovery, and Fee Fighter LLC keeps the remainder for their efforts.

How long will it take to receive a refund, if the challenge is successful? That is hard to say. Such cases can take months or they can take years to come to a conclusion. If successful, each claimant would receive a refund for the excessive total electric charges paid from service beginning in January 2011 until the conclusion date of the lawsuit. So, for instance, if the lawsuit takes one year to come to a successful conclusion, refunds would cover the period of time from January 2011 through January 2012. As mentioned above, you can follow the status of the case on the website as it progresses.

What more could you ask for? This is a brilliant way to pursue a refund—without having to pay for it!

## *City of Redding Building Fees Increase 4.2% Effective January 15, 2011*

There is a fee increase (or decrease) that is built into the City of Redding's building and development impact fees which now occurs every January 15th. This procedure was implemented as a cost of living increase measure many years ago. The amount of the increase (or decrease) is based on the annual Construction Cost Index (CCI) prepared by the Engineering News Record for November of the previous year. In today's case, that increase occurred in November 2010.

In 2008, the fee increase was delayed six months, and in 2009 there was no increase. In January 2010, all the fees were brought together so that they are updated at the same time of year. In the past, some of the fees were changed in June and some in January. In 2010, the CCI increases occurred in all areas of labor and materials (except lumber) and the change was a **4.2% increase**. Below is a chart showing a sampling of the **estimated fees for a typical single-family dwelling** effective as of January 15, 2011. The fee increase is approximately \$1,050 per dwelling:

<b>Living Space</b>	1,500 Sq Feet	2,100 Sq Feet	2,700 Sq Feet	3,300 Sq Feet
<b>Building Fees</b>	<b>\$ 2,528</b>	<b>\$ 3,031</b>	<b>\$ 4,005</b>	<b>\$ 4,596</b>
<b>Development Fees</b>				
Park Fund	\$ 4,164	\$ 4,164	\$ 4,164	\$ 4,164
Electric Service	\$ 100	\$ 100	\$ 100	\$ 100
Fire Dept.	\$ 902	\$ 902	\$ 902	\$ 902
Storm Drain	\$ 929	\$ 929	\$ 929	\$ 929
Traffic Fees	\$ 5,817	\$ 5,817	\$ 5,817	\$ 5,817
<b>TOTAL</b>	<b>\$ 11,912</b>	<b>\$ 11,912</b>	<b>\$ 11,912</b>	<b>\$ 11,912</b>
Sewer	\$ 7,235	\$ 7,235	\$ 7,235	\$ 7,235
Water Meter	\$ 103	\$ 103	\$ 103	\$ 103
Water Connect	\$ 7,179	\$ 7,179	\$ 7,179	\$ 7,179
<b>TOTAL</b>	<b>\$ 14,517</b>	<b>\$ 14,517</b>	<b>\$ 14,517</b>	<b>\$ 14,517</b>
School Fees (\$2.97 per sf)	<b>\$ 4,455</b>	<b>\$ 6,237</b>	<b>\$ 8,019</b>	<b>\$ 9,801</b>
Tech Surcharge	<b>\$ 126</b>	<b>\$ 152</b>	<b>\$ 200</b>	<b>\$ 230</b>
<b>TOTALS</b>	<b>\$ 33,538</b>	<b>\$ 35,849</b>	<b>\$ 38,653</b>	<b>\$ 41,056</b>
<b>North Redding Traffic Benefit District Fees</b> (add if you are building in the Oasis Road area)	\$ 4,330	\$ 4,330	\$ 4,330	\$ 4,330

For commercial structures, here is a sampling of **impact** fee increases that are standard and consistent with each project. Other impact fees can vary with each project, and are generally multiples of the single family dwelling fees:

	<u><b>Commercial</b></u>	<u><b>Office/General</b></u>	<u><b>Industrial</b></u>
Storm Drain	<b>\$ 582.02</b> (per 1000 sq ft)	<b>\$ 534.53</b> (per 1000 sq ft)	<b>\$ 389.61</b> (per 1000 sq ft)
City-Wide Traffic	<b>\$13,200.94*</b> (per 1000 sq ft) <i>*General Commercial</i> <b>\$26,401.87**</b> (per 1000 sq ft) <i>**High Generation Commercial</i> <b>\$ 6,600.47***</b> (per 1000 sq ft) <i>***Low Generation Commercial</i>	<b>\$10,267.18</b> (per 1000 sq ft)	<b>\$5,281.02</b> (per 1000 sq ft)

## *To Charter or Not To Charter (continued from page 1)*

And, what was the Council's response to all of these comments? It took three motions to narrowly (3-2) approve the appointment of a **10-member advisory committee** to explore the pros and cons of becoming a Charter City, and bring a report back to the Council within **four months**. Each Council member will appoint two citizens to sit on this committee. It was unclear when this would occur. Mayor McArthur and Councilwoman Sullivan dissented, expressing financial concerns with this whole process, and seeking more information before moving forward.

Because this committee is advisory to the Council, their work will be subject to the provisions of the Brown Act. All meetings will be properly noticed and open to the general public. They will have the support of City staff. Additionally, City Manager Kurt Starman offered to respond to a full list of informational items that the Council would like to have, such as the costs involved in the Charter process, comparisons using actual local prevailing wage projects versus the cost without having had to use prevailing wages, and samples of successful charter cities.

Councilman Dickerson already stated he will **not** support a charter that called for a strong mayor or exemption from prevailing wage requirements on local projects. That aside, the other Council members indicated they have no preconceptions on what will come back from the committee.

## *“It's Gonna Be a Challenge” RCAP Explained*

Russ Mull, Shasta County Air Pollution Control Officer, presented his Regional Climate Action Plan (**RCAP**) to City Council on January 18th. He explained that, on behalf of Shasta County, he is just trying to have a document to refer to with regard to projects that come forward to give **parameters as mitigation** for the offset of greenhouse gas emissions. He's invited anyone to join the “advisory group” set up to provide input in the process of creating these parameters. The working group members now include: Cities of Anderson, Redding, Shasta Lake, Lehigh Cement, REU, Shasta Builder's Exchange, Shasta County Cattleman's Association, Shasta County Department of Resource Management, Shasta County Public Health, SCTPA, Shasta Ranch Aggregate, and Sierra Pacific Industries.

Each of the cities in Shasta County will be “covered” by this plan. When a project is adding greenhouse gas emissions, it must identify mitigation measures to offset them. Each local jurisdiction is the lead agency for their projects, but this plan is bigger to cover **all** projects. Right now, greenhouse gas inventories and forecasts are being prepared for 2020, 2035 and 2050. The RCAP will assume each jurisdiction's land use and transportation plans will conform with the regional target of **0% growth in vehicle emissions**. When Councilman Rick Bosetti asked if the purpose was to restrict development because he didn't see how it would be possible to have 0% growth in vehicle emissions if our community continues to grow, the answer was “it's gonna be a challenge.”

Of great concern is that the RCAP assumes growth projections that were last updated during the “boom” years. Those projections are far too aggressive now, and need to be adjusted downward, according to Jim Hamilton, the City of Redding Development Services Manager. He believes this should be done as quickly as possible.

Mr. Mull stated that it is “**absurd** to think we could make major changes” to our vehicle emissions, and the “state has acknowledged our county is not a large part of the transportation problem.” When asked what consequences Redding would suffer if unable to meet the targets, the answer was a potential delay in specific plans and development, or potential loss of state transportation funds.

Absurd? Somebody doesn't think so, or perhaps doesn't care. Otherwise, why would we need to be doing this?

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