

Community Services Advisory Commission  
Regular Meeting  
City Hall - City Council Chambers  
777 Cypress Avenue  
Redding, California  
October 13, 2010, 3:05 p.m.

## MINUTES

### ATTENDANCE

The meeting opened with the following Commissioners present; Susan Hinz, Leona McCoach, Adam McElvain, and John Wilson. Absent was Commissioner Jason Waybright.

Also present were Community Services Director Kimberly Niemer, City Attorney Rick Duvernay, Assistant to the City Manager Greg Clark, Convention Center Manager John Johnson, Parks Superintendent Dan Cannon, Management Analyst Matt McCallum and Executive Assistant Mari Szyal.

### PUBLIC COMMENT

None.

### CONSENT CALENDAR

The minutes from the meetings on August 18, 2010 and September 8, 2010, the monthly Convention Center Activity Report, the monthly Parks Maintenance Activity Report, the monthly Recreation Division Activity Report, and the monthly Tourism Activity Report were presented.

**Motion:** To table the August 18, 2010 minutes until November and approve the remaining Consent Calendar.  
(Made by Commissioner McElvain, Seconded by Commissioner McCoach)

**AYES:** Commissioners Hinz, McCoach, McElvain, and Wilson

**NOES:** None

**ABSTAIN:** None

**ABSENT:** Commissioner Waybright

## **DISCUSSION ON TURTLE BAY HOTEL LEASE**

Director Niemer recalled that this topic came up for discussion with the Commission at the August meeting when looking at the use permit application for the Turtle Bay hotel. At that time there was a motion made that the Chair would look at a video of the June 2010 City Council meeting to see if the Council, in their deliberation of the amendment to the Turtle Bay lease, had deliberated sufficiently on additional compensation or funding in exchange for the terms of the new lease amendment. If it was determined that the City Council did not adequately consider new compensation to the City then the Chair could direct a letter on behalf of the Commission to the City Council recommending a revenue stream to the Convention Center. At the time, staff reported that additional compensation was outside the realm of the Use Permit application. The Use Permit application was forwarded to the Planning Commission, which has since approved it. Three of the five CSAC members were at the August meeting and there has since been an interest by some of the Commissioners to have a discussion on this topic, which is why this is before you today.

Chair Hinz added that there was a draft letter distributed to the Commissioners last meeting and this would be a time to discuss any concerns they might have. Commissioner McElvain responded that he brought up this topic in August as part of looking for long-term strategies for the Convention Center. He thought this would be a good source of revenue for capital improvements which are needed and would help to get the Convention Center through this difficult time.

Commissioner McCoach noted that she read the letter and reviewed video of City Council discussions on this issue at their June meeting. Based on reviewing the videos, she does not think it is appropriate to send the letter.

Commissioner Wilson added that he is ( good ) with Turtle Bay making as much money as they can to support themselves completely so they do not come back to the city for funding.

Chair Hinz inquired what the Commission's role is regarding the hotel. She understands that the proposed letter talks about a percentage of the money derived from the hotel lease be directed to the Convention Center to fund deferred maintenance or capital projects.

Director Niemer replied that the City Council has already approved a lease amendment for the hotel project. While it never hurts for the Commission to send communication to the City Council that they continue to be concerned for the funding of capital need at the Convention Center, the lease amendment has been approved. The City Council did talk extensively about whether the boundaries of the lease area should be changed or whether there should be some sharing of the land lease proceeds or the profit proceeds and ultimately at the end of the discussion a majority of the City Council took action to approve the lease without any changes other than approval of the hotel project. Turtle Bay has noted to the City Council and the Commission that if they have to slice up the proceeds of the hotel lease, that the project does not make financial sense for them.

Director Niemer added that if the Commission wanted to send the City Council a message that the Commission continues to be concerned about finances at the Convention Center, a letter to the City Council seeking alternative funding sources would be appropriate.

Commissioner McElvain noted that the Commission may have missed the bus on this issue, since the lease amendment has been approved. He would like the Commission to continue to pursue long-term revenue solutions for the Convention Center capital improvements.

Chair Hinz presented that there is no action to be taken at this time by the Commission. The Commissioners have discussed this and agreed that the letter does not need to be sent at this time.

## **PRESENTATION ON REDDING CVB CONTRACT**

Director Niemer recalled that at the last Commission meeting there were a number of questions relative to the contract with the Shasta Cascade Wonderland Association for the CVB services and Assistant to the City Manager Greg Clark is here to provide some answers.

Assistant to the City Manager Clark reviewed out the list of deliverables provided to the Commissioners. These are the measurable items from the agreement which will be looked at as the contract progresses. Some are fairly basic and objective and others are a bit more subjective. Those items will be discussed with the SCWA to determine the measurement for reaching the goal.

Commissioner McCoach inquired if the Commission would partake in the SCWA/City quarterly meeting discussion or receive a summary of them? Assistant to the City Manager Clark responded that a summary of the meetings could be included in the monthly CVB Report received by the Commission.

Commissioner McElvain asked when the Commission would receive the first report on the SCWA financial information. Assistant to the City Manager Clark replied that August, 2011 will be the first financial report, per the contract.

No action was required on this informational item.

## **CONSIDERATION OF REQUEST FOR PROPOSALS FOR FORMER REDDING CVB BUILDING**

Director Niemer related that with privatization of the Redding Convention and Tourism Bureau earlier this year, the city-owned building located at 777 Auditorium Drive has been left vacant. Staff has developed a Request for Proposals to solicit potential tenants who would make positive contributions to the surrounding uses and the larger community by providing services that complement the existing facilities and/or serve a community purpose. The RFP will be sent out next week to both the non-profit community and property management companies in town.

Chair Hinz inquired whether the income derived from the rental of the building could be used for the Convention Center capital improvement projects. Director Niemer responded that previously the rent paid by the CVB went to the General Fund. At this point it is her expectation that any rent derived would be directed to the General Fund, but as the lease agreement has not yet been written that might a topic the Commission would like to have input on.

Commissioner McElvain inquired what the rent was previously. Director Niemer replied that it was \$32,000 per year. Commissioner McElvain asked if there was any discussion about selling the property or is the city only interested in a lease? Director Niemer responded that there was a conversation with the City Council and with staff who all felt that since at this point the agreement with SCWA for CVB functions is still in early stages and they would like to see how that goes. There is also a general consensus that the parcel is strategic to the city's holding in that location and that it would be in the city's interest at this point to retain control of the site.

Commissioner McCoach inquired an outside firm will be used to help market the building if there is no response to the RFP. Director Niemer responded that if there are not responses, then staff will consider that option.

**Motion:** To approve the RFP and appoint Commissioner McElvain and Wilson to sit on the Selection Committee.  
(Made by Commissioner McCoach, Seconded by Commissioner Hinz)

AYES: Commissioners Hinz, McCoach, McElvain, and Wilson  
NOES: None  
ABSTAIN: None  
ABSENT: Commissioner Waybright

### **CONSIDERATION OF SUBDIVISION ORDINANCE REVISIONS SPECIFIC TO RMC 17.54.060**

Director Niemer recalled that eighteen months ago, the Planning Division embarked on a full-scale revision of the ordinances relating to approval of new subdivisions. During the drafting and review process, Community Services staff brought forward several issues and provided relevant language to the Planning Division staff. In June and again in July, the Community Services Advisory Commission (CSAC) reviewed an administrative draft of the revised Subdivision Ordinance as presented by Planning Division staff. There was a fair amount of discussion regarding the language related to the CSAC in the draft ordinance. Ultimately, the CSAC recommended the draft ordinance.

At their September 28, 2010, meeting the Planning Commission considered the draft Subdivision Ordinance, the administrative draft provided to the Planning Commission included language that was different than what was approved by the CSAC for Section 17.54.060 Procedures. The CSAC-recommended language was presented as alternative language. The primary difference in the language was that the CSAC-approved language had listed criteria required for the Planning Commission to overturn the CSAC recommendation. The revised language does not require specific findings or conditions be met for the Planning Commission to modify, eliminate or augment conditions recommended by the CSAC. The Planning Commission approved the language provided in the draft ordinance. This recommendation will be forwarded to the City Council which determines which Commission is delegated which authorities.

Chair Hinz provided an overview of her participation at the September Planning Commission

meeting. She noted her surprise at the general lack of understanding regarding the CSAC's role. There was a concern by the Planning Commission whether the word 'shall' in the amended language was appropriate. Chair Hinz asked City Attorney Duvernay to comment on that issue.

City Attorney Duvernay responded that the inclusion of the word 'shall' as included in the language would be a deviation from past code and past practice. It is something which the City Council could approve if they wanted to provide more authority to the CSAC with regard to subdivision park, open space and trail design. The role of CSAC in review of subdivisions has been a long tradition and practice in the city but has not been in the Municipal Code. Perhaps part of the Planning Commission's confusion and lack of appreciation of the CSAC's role may be that it has never been formalized. A big step with the subdivision update is to very clearly formalize the role in the process. While there are technical nuances in the differences, the word 'shall' is legally an important word. Practically speaking there is very little difference between the two versions.

Chair Hinz inquired whether the CSAC could make an independent recommendation to the City council should a decision regarding subdivisions be rejected by the Planning Commission. City Attorney Duvernay replied that this would be an appropriate action for the CSAC to take.

Commissioner McElvain advised he did not want to present language which would conflict with the Planning Commission's recommendation.

Commissioner McCoach inquired whether the CSAC has a liaison with the Planning Commission. Director Niemer responded that during the work on the *Parks, Trails and Open Space Master Plan* there was a Planning Commissioner liaison to the CSAC, but not currently. Chair Hinz opined that it would be a good idea to have a rotation of Planning Commissioners attend the CSAC meetings.

**Motion:** To decline to take further action relative to the draft ordinance and for the Chair to meet with the Chair of the Planning Commission to discuss opportunities for improved communication and collaboration.  
(Made by Commissioner Wilson, Seconded by Commissioner Hinz)

AYES: Commissioners Hinz, McCoach, McElvain, and Wilson

NOES: None

ABSTAIN: None

ABSENT: Commissioner Waybright

## **CONSIDERATION OF GOODWATER ESTATES SUBDIVISION RECOMMENDATIONS**

Director Niemer noted that per the new subdivision ordinance language, all projects greater than 50 units are to be referred to the Community Services Advisory Commission. This project has been in the works for some time. The application to subdivide 5,302 acres into 87 lots for single-family homes has been named Goodwater Estates. This property is located in east Redding at 4655 Goodwater Avenue and is zoned "RS-2-FP" Residential Single Family with a Floodplain Overlay District. The pre-application was distributed for staff comment in March 2009. At which time Community Services staff responded with the following comments:

1. The Community Services Department is not requesting the dedication of a park site with this subdivision. We do recommend the collection of in-lieu and park development fees for every lot and building permit as required under City code. The 120 acre Clover Creek Preserve is located just over ½ mile to the north. Over time it will be developed with significant park amenities and serve a large area in east Redding. We have also conditioned Shastina Ranch to the south to provide a 7-acre park dedication and development.
2. Under many circumstances we would recommend the acceptance of fee title for the Clover Creek flood plain. However it is likely there will be vernal pool and/or wetlands delineations that subject this area to a conservation easement with the US Army Corps or State Fish and Game. Given that existing condition, we are recommending the flood plain area be dedicated for open space and trail easements. Whether or not the area is encumbered with an open space and trail easement or gifted to the City in fee title, we would recommend the area be maintained as part of a Landscape Maintenance District.
3. We agree there may be value to not building the sidewalk adjacent to the curb from a tree preservation aspect. We would recommend that the concrete sidewalk be allowed to meander in a way that avoids the cutting of trees where feasible. This issue can be fully vetted once wetlands/vernal pool delineation and a tree survey is submitted.
4. We are requesting that the two bridges over Clover Creek be designed to provide adequate pedestrian and bicycle travel over them.

The application was recently recirculated as an application and staff added one additional recommendation:

5. Add a trail and open space easement (30 feet wide) from Road D between lots 35 & 36 to the east property boundary. The adjoining DeMac Road is currently under private ownership of several property owners. While the likelihood of this connection being accomplished in the short to mid-term is remote, retaining the opportunity could provide for a future direct connection that would negate the need for a two-mile detour.

The recommendation calls for the project to pay all required Park-In Lieu and Park Development fees. The tentative map is being reviewed by City departments and will eventually be considered by the Planning Commission. The recommendations listed above provide for pedestrian and cyclist opportunities, open space preservation and maintenance, and design improvements.

Commissioner Wilson inquired why there is no trail easement south east of the detention basin. Director Niemer responded that staff will look into that to see if a trail easement is feasible, based on the environmental information.

**Motion:** To accept staff recommendations and staff seek out whether it would be feasible to add a trail easement at that location.  
(Made by Commissioner Wilson, Seconded by Commissioner Hinz)

AYES: Commissioners Hinz, McCoach, McElvain, and Wilson  
NOES: None  
ABSTAIN: None  
ABSENT: Commissioner Waybright

## **PARK MAINTENANCE REVIEW**

Director Niemer recalled that at the September Commission meeting staff provided information relative to the background and scope of park maintenance operations, the overall costs of providing those services, and a review of current and previous contracting-out efforts. This month staff will provide a more in-depth analysis, specifically focusing on three key elements - cost - quality - control.

We know the current cost of park services. We know what our costs are and where we have reduced costs in last several years as a result of the recession and significant reductions to the city's General Fund. As a result there are now five less FTE positions than in 2007. This is a significant reduction and all of those positions have been lost at the entry level. We have a comprehensive park system, with an investment of \$200M including fountains, fields, pools, playgrounds, lights, etc.

The general presumption is that contracting-out park maintenance services will result in lower wages to employees and thus less cost to the City. This is not necessarily the case, due to the impact of Prevailing Wage. The Department of Industrial Relations sets the wages that must be paid to those who are employed in a public work. The contracting-out of municipal park maintenance services on public land, such as municipal parks owned by the City, constitutes a public work. Given the broad range of duties and requirements of City of Redding Park Maintenance Division personnel, the only appropriate way to price-out these tasks for an apples-to-apples comparison is to create a blended Prevailing Wage calculation based on how much time a City position works in one Prevailing Wage classification versus another (based on duties and responsibilities of the City position).

Most jurisdictions that contract-out park maintenance services limit their contracts to "basic" services (mowing, trimming, etc.). If we compare only the PW Maintenance Workers (Regular) and PW Maintenance Workers (Temporary) positions, the City labor costs are \$196,873 versus the comparable Prevailing Wage labor costs of \$137,684. This would suggest labor cost savings to the City of \$59,189. However, neither of these scenarios take into account materials nor incorporate overhead and profit for the contractor.

To calculate the potential contractor overhead and profit, we look to the City's current Landscape Maintenance District (LMD) contract as a comparable for costs of contracting out "basic" park maintenance services. The hours LMD billed for in-the-field hours worked divided by the base LMD contract price provides a rate of \$50.44 per hour. Two higher bids were received last year for the same scope of work which would have equated to as much as \$59 per hour. This rate includes all labor, equipment, overhead and profit.

Including labor, fuel, materials and supervision, the City's cost to provide "basic" park maintenance

services is \$36.37 per hour. Using the LMD contract hourly rate of \$50.44 as a comparable, these “basic” services would cost \$361,150, an increase of \$100,743 more than the City is currently expending. The full in-the-field costs of the Park Maintenance Division of \$1,464,651 divided by the total 30,040 in-the-field hours worked is \$48.76 per hour. This sum is still lower than the LMD contract, and does not take into account the higher wages paid for the more complex work done by most of the employees of the Division.

It is important to maintain the standard of maintenance in our park system, as it is well used and in many areas heavily used. A municipal park system is a community investment, an asset for a lifetime and beyond. To maintain the viability of that asset, there needs to be a commitment by the community to its preservation and continual public availability through the provision of regular and quality maintenance. In most instances, quality is thought of in terms of service metrics, performance measures and deliverables that can be observed, measured and documented. However, this matter of quality not only applies to services rendered to the park system, but to the personnel who provide them as well.

In addition to the qualifications of the individuals performing these tasks, the quality of the work itself is of paramount concern. There needs to be a balance established between maximum efficiency and a high-standard of quality. This standard is not merely an aesthetic, but also an awareness and willingness to identify and address small issues before they grow into significant ones or ultimately hazards. Because of the holistic nature of the operation, Park Division staff work in concert to troubleshoot problems and conserve resources.

When conducting the research for this report, City staff did not encounter a community that felt the quality of park maintenance services would improve under a private contractor, nor was there a community that found that the quality did improve. The best report came from the City of Folsom where it was felt that quality remained "essentially the same" under the contractor. In Modesto, Fairfield, and Woodland the quality of service provided was found to be worse after contracting-out than when these services had been provided in-house. Indeed, both Fairfield and Woodland reported they had terminated contracts with vendors due to poor performance. These terminations resulted in additional costs for an interim service provider to step into the breach and for staff to rebid the contract. Indeed, as noted in the case studies, the City of Campbell re-established their park maintenance division due to the poor quality work delivered by their contractor rather than seeking a replacement vendor.

Effective contract management and oversight are critical to the success of contracting-out municipal services. As detailed last month, the most effective relationships have been with entities that take operational ownership of their facilities, providing both efficiencies in programming and maintenance, and operating within a confined geographic space. Those conditions allow a relatively small team of City staff to manage these significant contracts with vigilance, and hold the contractors accountable. The circumstances of hundreds of acres in 80 different locations spread across the City of Redding creates a very different dynamic for monitoring contractor performance.

One of the reasons the why the LMD contract has worked successfully is because Park Maintenance Division staff work effectively as inspectors, monitoring the performance of the contractor as they travel between work sites. They serve as roving eyes and ears for issues affecting all City operations

and help the City address concerns in a timely manner. Contracting-out park maintenance would not only severely reduce this capability, but also expand the number of areas that would need to be monitored. Thus, one of the additional costs of contracting-out would be the need to establish inspectors specifically to monitor work performance at the various work sites. In short, rather than paying City staff to perform work we would be paying City staff to ensure other's performed work.

The degree of inefficiency increases with the number of contracts for park maintenance services across the system and the quality of the contractor(s) involved. While conducting research, staff was repeatedly told contracting-out works best in a highly competitive market. The evidence is clear that the key to success is finding the right contractor, one who recognizes the unique nature of public spaces and the challenges of serving the public interest.

Staff's research has detailed that even with the best contractors there still remain issues between the contractor and management oversight to be resolved, whether they be related to the efficient use of resources, or disagreements over meeting performance standards. As other cities have reported, a disproportionate amount of the contract management process is spent negotiating and resolving these types of small issues, as opposed to just directing staff to make things right when these services were addressed in-house.

An even greater challenge emerges in communities that have disassembled their park maintenance infrastructure and lack the ability to resume park maintenance services in the event of a contractor default, without incurring significant capital start-up costs. Those municipalities greatly restrict their ability to address changing economic circumstances. As staff has been advised by multiple jurisdictions, contracting-out under such circumstances becomes a "one-way street" and there is "no turning back" at a later date if that were desired.

One of the key strengths of in-house park maintenance services is their responsiveness and flexibility. The workforce can be reassigned as priorities shift for the City, when urgent needs arise or there is a need to achieve budgetary cost-savings. Many communities look to contracting-out maintenance services as a cost-saving measure. However, as those communities later discovered – as did Redding with the contract for Riverfront Park – there is greater flexibility and more control in changing environments by maintaining internal resources, particularly if the labor wages are comparable.

Commissioner Wilson inquired whether there are any examples not addressed in the report. Management Analyst McCallum responded that staff research found there are a number of communities that have either chosen not to privatize or who have privatized. The three examples cited in the report covered the most ground. Commissioner Wilson inquired if the Commissioners could review those other examples and if they could also review the Campbell agreement, as that was one of the communities which privatized for a couple of years and then brought the services back in-house. Management Analyst McCallum replied that the Campbell agreement was from 1994 and he will contact the city to see if that could be made available prior to the next meeting.

Commissioner McElvain requested that at the November meeting staff provide the Commission with three privatization success stories from California. Management Analyst McCallum inquired what parameters should be used to measure success. The response was 'someone who is still doing it,

someone who has cost savings or quality improvement.’ Commissioner Wilson noted that his definition of success is five years.

Commissioner McElvain also requested staff to provide information on how many hours are spent on average per month on the mow, blow and go piece of parks maintenance.

Commissioner Wilson asked that staff provide information on how performance standards are quantified? Director Niemer responded that staff will do their best to provide this information. This is not an apples-to-apples comparison. Staff has not found another community who is contracting out full-scale park maintenance operations. Primarily for the reason of complexity, continuity and how to arrive at a number which takes into account all the unknowns which occur in a park system. If the Commission would like to look more closely at the basic maintenance services, staff could return with a more accurate review of that. Staff has looked at the global perspective, which was presented in today’s report. Commissioner Wilson agrees that there are some very specific job classifications which do not allow for comparison.

Commissioner Hinz inquired whether there are aspects other than mow, blow & go which could be broken out and successfully privatized? Director Niemer replied that anything could be contracted out, but need to look at what makes sense from a cost perspective and from a management perspective. If the focus becomes too narrow, then efficiency is lost.

Commissioner McElvain noted that he is interested in looking at the basic services provided by Park Maintenance staff and possibly contracting them out. He is not interested in laying off any current Park Maintenance staff. The best scenario would be to wait until positions become vacant and then phase in the privatization. The specialized services should be retained in-house.

Discussion took place regarding holding a Special Meeting on this topic on November 18.

No action was required on this informational item.

## **PROJECTS UPDATES**

Director Niemer provided updates on the following items:

### Convention Center Floors

A mediation session took place last week and there was no resolution.

### Mosaic Turtles

These are being placed near the Turtle Bay Café as part of the improvements to the Sacramento River Trail.

No action was required on these informational items.

## **COMMISSIONER COMMENTS**

None.

### **DIRECTORS' COMMENTS**

A local attorney, Emma Suarez, has taken the lead in promoting a fund for the maintenance and preservation of the Sundial Bridge. The fund will be housed at the Shasta Regional Community Foundation under the City of Redding Park & Recreation fund. There are some issues with the glass deck and the white tiles which need to be addressed soon.

The Fifth Annual Community Creek Clean-up took place earlier this month and was a great success with approximately 300 volunteers. The section of the Sacramento River Trail between the Sundial Bridge and the North Market Street bridge was cleared of invasive species and now provides a lovely vista to the Sacramento River.

### **ADJOURNMENT**

There being no further business, at the hour of 5:34 p.m. Chair Hinz declared the meeting adjourned.

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Susan Hinz, Chair