Called to Order at 5:30 p.m.

Roll Call: Council Member Ward, Vice Mayor Hamilton, Council Member Shelton, Council Member McCracken, Mayor Irish

Pledge of Allegiance Led by Council Member Pete McCracken

**ORAL COMMUNICATIONS**

- John Coffee, Porterville resident, expressed concerns regarding the speed of vehicle traffic on North Grand Avenue and parking of vehicles in bike lanes in the vicinity of Morton and F Street.
- Dave Paynter, Paynter Realty Investments, requested permission to speak during consideration of Item No. 2; informed the Council that the Pet Fair would remain open; and voiced support for approval of Item No. 3.
- Brock Neeley, Porterville resident, requested permission to speak during consideration of Item No. 3.
- Greg Woodard, 1055 W. Morton, spoke in support of Item No. 2 as a representative of the Chamber’s Economic Development Committee.

**SCHEDULED MATTERS**

3. **COUNCIL MEMBER REQUESTED AGENDA ITEM – CONSIDERATION OF LETTER OR RESOLUTION OPPOSING SB 469 (VARGAS)**

Recommendation: That the Council provide direction to staff.

City Manager John Lollis presented the item and indicated that the item has been requested by Mayor Irish. Mayor Irish then allowed the opportunity for public comment.

- John Coffee, spoke in favor of SB 469 and questioned why a company would be opposed to providing the proposed report.
- Brock Neeley, presented the Council with information regarding the economic impact of Wal-Mart stores and the retailer’s use of safety net programs; and voiced his support for SB 469, financial accountability and informed communities.
- Dave Paynter, spoke in opposition of SB 469, noting that it was redundant, targeted specific retailers, and would allow additional opportunity for litigation.

A discussion ensued regarding the number of regulations currently in place. During which it was noted that the opportunity for local municipalities to require such a report of a retailer already existed.
COUNCIL ACTION: MOVED by Vice Mayor Hamilton, SECONDED by Council Member McCracken that the City Council approve the drafting of a resolution in opposition of SB 469. The motion carried unanimously.

Disposition: Approved

Mayor Irish indicated that he had a conflict of interest with regard to Item Nos. 1 and 2. He recused himself and left the meeting. He indicated that he would not return for Oral Communications.

1. AWARD OF CONTRACT – SPORTS COMPLEX LIGHTING PROJECT

Recommendation: That the City Council:

1. Award the contract to the lowest responsible bidder, provided the lowest responsible bid is within 10% of the Engineer’s estimate;
2. Authorize a 10% Construction Contingency and a 5% Construction Management and Inspection contingency; and
3. Authorize payments to the Contractor up to 90% of the contract amount.

City Manager Lollis introduced the item, and Public Works Director Baldo Rodriguez presented the staff report. Following which he addressed questions regarding the last bid amounts.

COUNCIL ACTION: MOVED by Council Member McCracken, SECONDED by Council Member Ward that the City Council award a contract to G & S Electric in the amount of $65,333.00.

AYES: Ward, Shelton, McCracken, Hamilton
NOES: None
ABSTAIN: None
ABSENT: Irish

Disposition: Approved

2. AMENDMENT TO LOAN AGREEMENT AND APPROVAL OF REQUEST FOR PARTIAL RELEASE OF LAND

City Manager Lollis introduced the item, and Community Development Director Brad Dunlap presented the staff report.

Council Member McCracken MOVED to approve staff’s recommendation, which was SECONDED by Vice Mayor Hamilton.

Council Member Shelton voiced his opposition to the original loan agreement, and expressed his concerns with the decrease in property value.
Vice Mayor Hamilton spoke in favor of the amendment, the creation of jobs, and stated that the addition of 19,000 square feet of retail would increase the value.

Council Member Ward disclosed that he had met with Mr. Paynter and they had discussed the loan to value ratio. He indicated that he had reservations with the proposed options and spoke in favor of finding a means of securing the loan to protect the City’s position.

Council Member McCracken asked the Council to consider whether or not the approval of staff’s recommendation would improve the City’s position by creating more jobs, adding to the land, and improving the probability of being paid.

The Council discussed the idea of securing or protecting the loan, but were unable to identify an instrument by which to achieve it. Council Member McCracken suggested that staff research requirements of banking institutions and meet with Mr. Paynter to identify a feasible alternative that addresses Council’s concerns.

- Dave Paynter, expressed his disappointment in the discussion; indicated that he had never been asked to provide mortgage insurance on a commercial loan, and had not had sufficient time to research the option. He then stated that he was offended by Council Member Shelton’s comments and spoke of his reliable payment history.

**COUNCIL ACTION:** MOVED by Council Member McCracken, SECONDED by Council Member Ward that the City Council continue the item to the next regular meeting.

- **AYES:** Ward, Shelton, McCracken, Hamilton
- **NOES:** None
- **ABSTAIN:** None
- **ABSENT:** Irish

Staff was directed staff to meet with Mr. Paynter to explore additional options which would secure the loan.

Disposition: Approved

**ORAL COMMUNICATIONS**

- Dave Paynter, thanked the Council for their time, and stated that he would work with staff as directed.

**OTHER MATTERS**

- Council Member Ward spoke about the upcoming Freedom Fest on July 2\(^{nd}\), lauded the Pioneer Days event; and expressed his hope in finding an amicable solution to Item No. 2.
- Vice Mayor Hamilton requested that an item for consideration of a resolution in opposition of Representative Farr’s proposal to shift the management responsibilities for the Giant Sequoia National Monument from the U.S. Forest Service to the National Park Service be on the next regular agenda.
ADJOURNMENT
The Council adjourned at 6:35 p.m. to the meeting of July 5, 2011 at 5:30 p.m.

SEAL

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Luisa Herrera, Deputy City Clerk

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Ronald L. Irish, Mayor