

Minutes of the Blythe City Council Meeting January 14, 2020

The January 14, 2020 meeting of the Blythe City Council was called to order at 6:00pm in the Council Chambers by Mayor Reynolds. Also in attendance were Vice Mayor Egan and Council Members DeConinck and Halby. Councilman Rodriguez was excused from the meeting. Staff in attendance included: Interim City Manager and City Clerk Crecelius, Finance Director and City Treasurer Elms, Chief Building Official Brown, Interim Public Works Director Ojeda, Interim Police Chief Coe and Deputy City Attorney Adams.

The Pledge of Allegiance was led by Mayor Reynolds. The Invocation was led by Vice Mayor Egan.

REPORT FROM CLOSED SESSION:

Deputy City Attorney Adams stated no action was taken in Closed Session so there is nothing to report.

CONSENT CALENDAR: *Items on the Consent Calendar are considered routine and will be enacted with one motion of the Council. If any item requires individual consideration, it will be removed from the consent calendar and acted upon separately.*

1. Posting of the Agenda.

The summary of agenda items were posted on the bulletin boards on the outside of the public entrance to the Council Chamber and near the inside entrance of the Council Chamber on Friday, January 10, 2020.

2. Approval of the Warrant Register.

Recommendation: Approve **01/14/2020**, warrants numbered 70964 through 71047 and Utility Billing Refund warrants numbered 71048 through 71058 in the amount of \$392,334.98 and **01/14/2020**, warrants numbered 71059 through 71139 in the amount of \$351,763.92.

3. Approval of the Payroll Register.

Recommendation: Approve **01/14/2020**, warrants numbered 51466 through 51489 in the amount of \$124,429.81; **01/14/2020**, warrants numbered 51490 through 51491 in the amount of \$84.03; **01/14/2020**, warrants numbered 51492 through 51493 in the amount of \$3,787.97; **01/14/2020**, warrants numbered 51494 through 51511 and Direct Deposits numbered 46447 through 46503 in the amount of \$219,253.43; **01/14/2020**, warrants numbered 51512 through 51516 and Direct Deposits numbered 46504 through 46609 in the amount of \$71,346.20; **01/14/2020**, warrants numbered 51517 through 51536 and Direct Deposits numbered 46610 through 46666 in the amount of \$219,249.87 and **01/14/2020**, warrants numbered 51537 through 51538 in the amount of \$447.89.

4. Minutes of the December 10, 2019 City Council Meeting.

Recommendation: Approve the Minutes of the December 10, 2019 meeting.

5. City of Blythe Permits issued for the Month of December 2019.

Recommendation: Receive and file this monthly report.

6. City of Blythe Fire Department Monthly Activity Report for December 2019.

Recommendation: Receive and file this monthly report.

7. City of Blythe Police Department Monthly Activity Report for December 2019.

Recommendation: Receive and file this monthly report.

8. Investment Report for Second Quarter Fiscal Year 2019-20.

Recommendation: Receive and file the quarterly investment report.

9. Police Chief Employment Agreement – Joshua Coe.

Recommendation: Authorize the City Manager to enter into an Employment Agreement with Joshua Coe for the position of Police Chief.

10. SB 2 Planning Grants Program Application.

Recommendation: Adopt Resolution No. 2020-001 authorizing the application for and receipt of SB 2 Planning Grant Program Funds.

RESOLUTION 2020-001. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BLYTHE, CALIFORNIA AUTHORIZING APPLICATION FOR, AND RECEIPT OF, SB 2 PLANNING GRANTS PROGRAM FUNDS.

11. Amendment Number One to Vested Cannabis Master Development Agreement.

Recommendation: Council conduct the second reading, by title only, waiving further reading of Ordinance No. 897-19 approving an Amendment to the Development Agreement between the City and Palo Verde Center, LLC.

ORDINANCE NO. 897-19. AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF BLYTHE, CALIFORNIA, APPROVING AMENDMENT NUMBER ONE TO THE DEVELOPMENT AGREEMENT BY AND BETWEEN THE CITY OF BLYTHE AND PALO VERDE CENTER, LLC.

No public comment. Councilman DeConinck moved approval of the Consent Calendar. The motion was seconded by Vice Mayor Egan with a unanimous aye vote. City Clerk Crecelius read the title of Ordinance No. 897-19 into the record.

Mayor Reynolds congratulated Josh Coe on becoming the City of Blythe's Police Chief.

CONTINUED BUSINESS:

Calling an Election to be held on May 5, 2020. City Clerk Crecelius stated at the December 10, 2019 meeting staff was directed to prepare the documents necessary to call an election to be held on May 5, 2020 to place a 1% Transactions and Use tax Measure on the ballot. Cities may only place a tax measure on the ballot at a regularly scheduled municipal election that also includes at least one open Council seat. The City's next General Municipal Election will be held on November 3, 2020. The only exception to the requirement is in the case of emergency declared by a unanimous vote of the Council. Over the past ten years, the City has reasonably managed its limited financial resources and has taken considerable steps to mitigate its continuing state of fiscal affairs, which included the layoff of 35% of the City's workforce and deferring maintenance. The City continues to experience stagnation in the local economy and the remaining effects of the Great Recession. The General Fund is no longer in a deficit position, but there are little to no reserves available for unexpected expenses. The City lacks the resources necessary to adequately maintain roads, tackle blight and building abatement, apply for state grants, attract new businesses and replace aging public safety equipment. Every year operational costs continue to rise and revenues are not keeping pace. Without new revenue sources in the near future the City will be forced to make additional cuts, which would once again impact the services provided to our residents. Resolution No. 2020-002 sets forth findings to support the Council's declaration of a fiscal emergency. The Resolution must be adopted by unanimous vote of the Council. Resolutions 2020-003 through 2020-005 are required to place the measure on the May Ballot. The Resolutions include language to call the election, set the ballot question that will be presented to voters, order the measure to be submitted to the voters, request the County Registrar of Voters to conduct the election, and set guidelines for accepting written and rebuttal arguments for and against the proposed tax measure. The Ballot question is as follows: *To provide the City of Blythe with funding to maintain police and fire services, fund blight and building abatement, address homelessness, attract/retain businesses, replace aging public safety equipment, make street/pothole repairs, and fund other general services, shall the measure establishing a 1% local sales tax (transactions and use tax) that will raise approximately \$1,144,000 annually, until ended by voters, with annual independent audits and all funds remaining in Blythe, be adopted?* A "yes" vote would be in favor of the establishment of a 1% transactions and use tax increase. A "no" vote would be a vote against the tax. If the tax measure is approved by voters in May, it would be paid by anyone shopping or dining in the City of Blythe. Due to this, a significant portion of the approximately \$1.14 million anticipated to be raised would be paid by travelers and visitors. If passed, a taxable purchase of

\$100 in Blythe would cost the consumer an additional \$1. This tax would not be applied to food purchased at local grocery stores or for prescription medication. All revenue collected from the adoption of this tax will remain in Blythe. The City Council would deem how the proceeds should be spent during the City's annual budget process. Items could include: replacement of aging police and fire equipment, funding for blight and building abatement to clean up our City, funding to attract new businesses to Blythe, repair and maintenance of roads, matching funds needed to apply for State and Federal Grants, and improving the financial health of the City. These funds would be subject to an annual independent audit. If approved by voters, the tax measure would go into effect as of October 1, 2020, with the first proceeds to be received by the City in January 2021. A city may levy, increase, or extend a transactions and use tax for general purposes if the ordinance proposing the tax is approved by a two-thirds vote of all City Council members and the tax is approved by a majority vote of the qualified voters of the city voting on the issue. It is important to note that the City Council is not deciding whether to impose the tax. Rather, the Council's role in this process is in deciding whether to place the matter on the ballot for consideration by the voters of Blythe. Therefore it is recommended Council take the following actions in order to place a 1% transactions and use tax measure on the May 5, 2020 ballot: Adopt, by unanimous vote, Resolution No. 2020-002 declaring a fiscal emergency. Adopt Resolutions 2020-003 through 2020-005 and conduct the first reading, by title only, waiving further reading of Ordinance No. 900-2020.

Public Comment. John Osborne asked if this would affect all sales in the City of Blythe. Interim City Manager stated there are some items that would not be affected such as bulk fuel sales purchased in Blythe but used outside of the area. For the most part, this measure would apply to anything that is currently charged sales tax.

Vice Mayor Egan moved approval of Resolution No. 2020-002. The motion was seconded by Councilman Halby with aye votes from Reynolds, Egan, DeConinck and Halby.

RESOLUTION NO. 2020-002. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BLYTHE, CALIFORNIA, DECLARING A FISCAL EMERGENCY.

Vice Mayor Egan moved approval of Resolution No. 2020-003, 2020-004 and 2020-005. The motion was seconded by Councilman DeConinck with aye votes from Reynolds, Egan, DeConinck and Halby.

RESOLUTION NO. 2020-003. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BLYTHE, CALIFORNIA, CALLING FOR AND GIVING NOTICE OF A SPECIAL MUNICIPAL ELECTION TO BE HELD ON TUESDAY, MAY 5, 2020, TO BE CONDUCTED WHOLLY BY MAIL-IN BALLOT, FOR THE SUBMISSION TO THE VOTERS OF AN ORDINANCE TO ESTABLISH A GENERAL TRANSACTIONS (SALES) AND USE TAX IN THE AMOUNT OF ONE PERCENT (1%).

RESOLUTION NO. 2020-004. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BLYTHE, CALIFORNIA, REQUESTING THE BOARD OF SUPERVISORS OF THE COUNTY OF RIVERSIDE TO PERMIT THE RIVERSIDE COUNTY REGISTRAR OF VOTERS TO RENDER SPECIFIED SERVICES TO THE CITY OF BLYTHE FOR THE CITY'S SPECIAL MUNICIPAL ELECTION TO BE HELD ON TUESDAY, MAY 5, 2020.

RESOLUTION NO. 2020-005. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BLYTHE, CALIFORNIA, AUTHORIZING MEMBERS OF THE CITY COUNCIL TO AUTHOR AND FILE WRITTEN ARGUMENTS, DIRECTING THE CITY ATTORNEY TO PREPARE AN IMPARTIAL ANALYSIS, AUTHORIZING REBUTTAL ARGUMENTS, AND SETTING DEADLINES FOR THE SUBMISSION OF ARGUMENTS AND REBUTTALS REGARDING A CITY MEASURE TO ESTABLISH A ONE PERCENT (1%) TRANSACTIONS (SALES) AND USE TAX.

Councilman Halby moved to conduct the first reading, by title only, waiving further reading of Ordinance No. 900-2020. The motion was seconded by Councilman DeConinck with aye votes from Reynolds, Egan, DeConinck and Halby. City Clerk Crecelius read the title of the ordinance into the record.

ORDINANCE NO. 900-2020. AN ORDINANCE OF THE CITY OF BLYTHE, CALIFORNIA, ENACTING A TRANSACTIONS AND USE TAX (SALES TAX) TO BE ADMINISTERED BY THE DEPARTMENT OF TAX AND FEE ADMINISTRATION, SUBJECT TO ADOPTION BY THE ELECTORATE.

Repair of Concrete lined Debris Basin- Wastewater Treatment Plant. Interim City Manager Crecelius stated The Regional Water Quality Control Board adopted Board Order R7-2016-0013 on June 30, 2016 regulating the waste discharge requirements of the City of Blythe as the owner and operator of the Blythe Municipal Wastewater Treatment Plant. The Board approved a work plan to produce a City-Wide Salinity Study on October 6, 2017. At the July 10, 2018 meeting Council authorized staff to award a contract to The Holt Group for the City Wide Salinity Study. On November 28, 2018 the Regional Board issued a Notice of Violation to the Wastewater Treatment Plant describing violations to the Waste Discharge Requirements as prescribed in the Board Order for the months of June, July, August and September of 2018. The Notice of Violation required the immediate implementation of corrective and preventive actions, and to ensure full compliance of the Board Order. The Notice of Violation explained the enforcement actions that may apply if their requirements are not met. Actions include up to \$5,000 for each day the violation occurs, or \$10 for each gallon of waste discharged, and may be assessed by the Regional board beginning the date the violations first occurred. In May 2019 Council met in a Study Session to discuss the results of the Salinity Study and how to address the Notice of Violation. At the June 5, 2019 meeting, Council awarded a contract to The Holt Group for the engineering design to rehabilitate two (2) evaporation ponds at the WWTP. A bid document was prepared by the Holt Group and three sealed bids were received on January 2, 2020. The bids included AZCA Drilling and Pump in the amount of \$46,455.00, Burrow Construction in the amount of \$49,500.00 and R.E. Hoover in the amount of 44,605.00. Staff determined R.E. Hoover to be the responsive and responsible bidder and recommends awarding the contract to R.E. Hoover for the basin repair at the WWTP. The second basin in need of rehabilitation will be repaired by separate bid, after the completion of the first basin.

No public comment. Councilman DeConinck moved approval of staff's recommendation. The motion was seconded by Vice Mayor Egan with a unanimous aye vote.

NEW BUSINESS:

Letter of Engagement- Greg Cervantes. Interim City Manager Crecelius stated in December staff learned Sandy Hudson and former Councilman Oscar Galvan met with Greg Cervantes, former Chief of Staff to Manuel Perez, during Manuel's time as a State Assemblyman representing Blythe. Mr. Cervantes currently works with a number of Indian Tribes and they discussed the feasibility of placing a casino in Blythe. Mr. Cervantes stated with a letter from the City authorizing him to open negotiations he could determine if any tribes had an interested in placing a gaming operation in the City. Staff spoke with Greg and he is willing to provide his services for this effort at no cost to the City. The goal would be to bring both the City and an interested Tribe to the table to open discussions/negotiations. It is recommended Council authorize the Mayor to execute the attached letter of engagement.

Public comment. John Osborne of 138 E. Hobsonway asked if this would affect any current interest. It was reported it would not.

Councilman DeConinck moved approval of staff's recommendation. The motion was seconded by Vice Mayor Egan with a unanimous aye vote.

Councilman DeConinck thanked Sandy Hudson and Oscar Galvan for reaching out to Mr. Cervantes.

Request to Waive Fees for a Zone Change/General Plan Amendment. Interim City Manager Crecelius stated in 2019 staff received a request for a Zoning Verification on the 100 block of N. Hickory Rd. for a potential cannabis business. The letter was issued stating the property was located in a C-G zone

which is an approved zone for cannabis. In later talks with the developer staff realized the wrong property had been identified during Zoning Verification and the 100 block of N. Hickory was actually zoned residential triggering the need for a zone change. Due to the error being on the part of City staff, staff told the developer a request would be made to Council asking for a fee waiver for the Zone Change/General Plan Amendment necessary to continue the project. The fee for a Zone Change/GPA is \$2,630 which covers the cost of staff time to process the request. A Zone Change/GPA triggers the need for environmental review. As the City retains a consultant for this work, staff is not recommending waving those fees as it's a direct cost to the City. The developer understands there will be costs associated with CEQA review. It is therefore recommended Council waive the Zone Change/General Plan Amendment fee of \$2,630 for Anthony Orfanos to construct a Commercial cannabis facility in the 100 block of N. Hickory Rd.

No public comment. Vice Mayor Egan moved approval of staff's recommendation. The motion was seconded by Councilman DeConinck with a unanimous aye vote.

March's City Council Meeting Schedule. Interim City Manager Crecelius stated to accommodate my family leave beginning in mid February it is recommended Council go dark on March 10th, and hold March's City Council Meeting on the 24th, which is the fourth Tuesday of the month. This will enable me to prepare the Agenda for and be in attendance at the March City Council meeting. After March, meetings will resume their normal schedule of the 2nd Tuesday of every month.

No public comment. Councilman DeConinck moved approval of staff's recommendation. The motion was seconded by Vice Mayor Egan with a unanimous aye vote.

Blythe Clean Up Day. Interim City Manager Crecelius stated this is a receive and file item. The next City wide Cleanup Day is schedule for February 1, 2020 from 7-11am in Todd Park. We are hoping for a large turnout in order to remove trash and debris from a number of areas throughout the City. Transportation, supplies and refreshments are being provided during the event. We have a number of sponsors and community partner's working to make this a great event for the City. We welcome the public to attend.

No public comment. The item was received and filed.

Replacement of Biolac System Aeration Lines- Waste Water Treatment Plant. Interim Public Works Director Ojeda stated it was recently discovered some of the lines below ground are leaking. We are not getting enough air into the system to properly aerate the wastewater. We are declaring this an emergency. We received quotes from Fortline Waterworks for the parts needed for the repair and from R.E. Hoover to do the repair. We will get this going as soon as possible, with it to be completed by early March in time for the annual inspection by the State Water Resources Control Board.

No public comment. Vice Mayor Egan moved approval of staff's recommendation. The motion was seconded by Councilman DeConinck with a unanimous aye vote.

ORAL REPORTS:

Councilman Halby provided a status update on various cannabis projects within the City.

Councilman DeConinck stated George Colangeli with PVVTA presented the Blythe Wellness Express Program to the RCTC Board at their meeting last week. He asked George to give an overview of the presentation. Councilman DeConinck also reported on the upcoming Blue Grass Festival scheduled for this weekend.

PUBLIC COMMENT:

Valerie Hudson stated she was representing 1 of 6 young men who will be awarded Eagle Scout at the LDS Church. The mothers asked me to present you with an invitation to the event. Two of these projects were to benefit the City of Blythe. Troop #429 has closed their doors after 70+ years. These will be the last boys to achieve Eagle Scout. I am also here representing the Chamber of Commerce and invite you to attend our first mixer at the Museum next Wednesday. We hope to have the Chamber door open as of the 22nd . They will be open Monday through Friday from 10am to 2pm staffed with volunteers.

Sabrina Pineda asked for improvements to be made at Engvik Park such as playground equipment, drinking fountains and maintenance.

Scott Thomas of 790 Aurora Way stated he coaches girl's basketball at the Recreation Center. He believes the girls are being treated unfairly and asked Council to take some action to rectify the situation.

John Osborne of 138 E. Hobsonway asked if the City would be represented at the Opportunity Zone Conference. It was reported Interim City Manager Crecelius and Councilman Rodriguez would be in attendance. He also stated he was asked by the Chamber of Commerce to look into signage for the City.

Daniella Thomas of 790 Aurora Way stated I am 12 years old and play basketball in the City's Rec league. I believe boys and girls should be treated fairly and the City of Blythe is not doing that. The Boys have 12 games or 12 hours of gym time and the girls have 6 games or 6 hours of gym time. Please make it fair for boys and girls by giving the girls 6 more hours in the gym.

ADJOURN: The City Council meeting was adjourned at 6:50pm.

Dale Reynolds, Mayor

ATTEST:

Mallory Crecelius, City Clerk