

**Minutes of the Blythe City Council Meeting
April 13, 2021**

The April 13, 2021 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 DeConinck and Council Members Rodriguez, Halby and Burton. Staff in attendance included: Interim City Manager and City Clerk Crecelius, Finance Director Elms, Building Official Brown, Fire Chief Hasler and City Attorney Roberto.

The Pledge of Allegiance was led by Mayor Reynolds. The Invocation was offered by Councilman Burton.

REPORT FROM CLOSED SESSION: City Attorney Roberto stated as to item #1, Council disused the item and provided direction.

PRESENTATION:

SB 1383 Mandatory Organic Waste Reduction. Interim City Manager Crecelius gave a presentation on SB 1383, which takes effect January 1, 2022. It was reported the City would be required to adopt an ordinance to comply with the regulations as written by that time.

Council asked questions related to the regulations and its impacts. It was decided a Study Session would be scheduled in the fall to answer questions and review the proposed Ordinance.

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.*

No Public Comment. Councilman Rodriguez moved approval of the Consent Calendar. The motion was seconded by Councilman Burton with a unanimous aye vote.

2. 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, April 9, 2021.

3. Approval of the Warrant Register. (pages 4-24)

Recommendation: Approve **4/13/2021**, warrants numbered 73054 through 73138 in the amount of \$509,668.21; **4/13/2021**, Utility Billing Refund warrants numbered 73139 through 773149 in the amount of \$1,028.12 and **4/13/2021**, warrant numbered 73150 through 73214 in the amount of \$332,820.78.

4. Approval of the Payroll Register. (pages 25-28)

Recommendation: Approve **4/13/2021**, warrant numbered 52179 and Direct Deposit numbered 49834 in the amount of \$17,329.45; **4/13/2021**, warrants numbered 52180 through 52194 and Direct Deposits numbered 49835 through 49890 in the amount of \$234,772.42; **4/13/2021**, warrants numbered 52195 through 52209 and Direct Deposits numbered 49891 through 49946 in the amount of \$224,289.22 and **4/13/2021**, warrants numbered 52210 through 52214 and Direct Deposits numbered 49947 through 50050 in the amount of \$67,564.41.

5. Minutes of the March 9, 2021 City Council Meeting. (pages 29-32)

Recommendation: Approve the Minutes of the March 9, 2021 Meeting.

6. City of Blythe Permits issued for the Month of March 2021. (pages 33-42)

Recommendation: Receive and file this monthly report.

7. City of Blythe Fire Department Monthly Activity Report for March 2021. (page 43)

- Recommendation: Receive and file this monthly report.
8. **City of Blythe Police Department Monthly Activity Report for March 2021.** (page 44)
Recommendation: Receive and file this monthly report.
 9. **Investment Report for Third Quarter Fiscal Year 2021/21.** (pages 45-50)
Recommendation: Receive and file the quarterly investment report.
 10. **Measure A Capital Improvement Plan for Fiscal Years 2021-2026.** (pages 51-62).
Recommendation: Adopt Blythe's Measure A Local Streets and Roads five-year Capital Improvement Plan for fiscal years 2021-2026, authorize the City Manager to execute Blythe's Maintenance of Effort Certification Statement, approve for submission Blythe's Project Status Report for fiscal year 2020/21 and authorize the Director of Finance to make minor amendments to the report as per RCTC procedures for fiscal year 2021-2022.
 11. **City-wide Salinity Study- Water Quality Control Board Order R7-2016-003.** (pages 63-80)
Recommendation: Authorize the Interim City Manager to execute Agreement No. 2021-010 A between City and The Holt Group for the City-wide Salinity Study and issue a purchase order not to exceed \$15,000 for the additional work.
 12. **Adoption of a Side Letter Agreement to the Clerical/Para-Professional/ Recreation Unit MOU for FY 2020/21.** (pages 81-83)
Recommendation: Adopt a Side Letter Agreement between the City and Clerical Unit for the addition of a P.T. Graffiti Control Technician at range 28 of the Clerical MOU.
 13. **Community Project Funding- Bolted Steel Water Tank Project.** (pages 84-87)
Recommendation: Adopt Resolution No. 2021-012 supporting the City's Bolted Steel Water Tank Project and request for Community Projects Program Funding for Fiscal Year 2022.

RESOLUTION NO. 2021-012. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BLYTHE, CALIFORNIA EXPRESSING SUPPORT FOR THE REQUEST FOR COMMUNITY PROGRAM FUNDING FOR FISCAL YEAR 2022 FOR THE BLYTHE BOLTED STEEL WATER TANK PROJECT.

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

CONTINUED BUSINESS:

Cannabis Dispensary License Conditionally issued to HAH 1, LLC. Interim City Manager Crecelius stated the applicant provided a monthly update stating the Caltrans permit was still needed to finish the off-site work. Edison will make the permanent power connection, they are working on signage and have started hiring. Staff does not anticipate the applicant being ready for a final inspection by the April 25th deadline. It is recommended Council direct staff to prepare another Amendment to the Agreement to allow for an additional 60-day extension, to June 25, 2021.

Councilman Halby asked when it would be done. Chief Building Official Brown stated aside from the Caltrans permit, the inside of the build is about complete.

Councilman DeConinck asked what the issue with Caltrans was. Kim Kelley of 345 N. Main St. stated it has been under review. We are waiting for final approval for the retaining wall and the sidewalk on Intake.

Councilman DeConinck asked if the Caltrans work needed to be done before they opened. It was reported yes, to have access to the building, it would need to be completed.

Interim City Manager Crecelius stated there are a few PRC Conditions that also need to be completed before a Certificate of Occupancy is issued.

No public comment. Councilman Halby moved approval of an additional 60-day extension for the project. The motion was seconded by Councilman Rodriguez with a unanimous aye vote.

NEW BUSINESS:

FY 2020/21 Budget Amendment and 3rd Quarter Financial Report. Finance Director Elms presented a report on the progress of the current year's budget, a review of third quarter FY 2020/21 and proposed budget amendments based on the City's financial progress. The current budget was adopted with a lot of uncertainties because of the pandemic. Tonight, we will focus on the General Fund as the City's major operating fund and where most of tonight's recommendations exist. The City's budget assumed a significant impact to city revenues such as sales tax and TOT. These taxes, along with property tax make up 60% of the General Fund's revenue. The good news is the City's performance has been better than anticipated. Finance projects we will end the year \$1.3 million above the original budget's revenues. This does not mean the City was not financially impacted by the pandemic, because we were. It just means some areas of the City fared better than our original assumptions. There are multiple construction projects in the area that probably played a big part in our economy during the pandemic. We might have seen a different outcome if not for that. We anticipate some American Rescue Plan funding. As that develops, we will update Council. Most expenditures are trending below budget. We estimate expenditures coming in about \$500,000 below appropriations. This is largely due to contingency funds going unspent, not making transfers to the Rec Center due to it being closed, shelter cost savings and salary and benefit savings in the Police Department. The end result to the General Fund could mean a \$2.2 million increase to the fund balance. We did adopt the budget with a \$300,000 surplus which is accounted in that. The Water Fund has a slight increase in revenue and decrease in expenditures. Sewer Fund revenues are right on track with a slight decrease in expenditures. Staff proposes to amend the current budget to allow for additional appropriations in the current year. Staff met with the Finance Committee to review the amendments and this third quarter review for approval before bringing the item to Council. It was determined it was in the City's best interest to pay off the Golf Course Loan. In addition, we are proposing to buy a truck for the Fire Chief in the current year, vs. next year, and to fund the Graffiti Control Technician position. If Council approves these amendments, the General Fund should still realize a \$1.1 million increase to the bottom line. It is recommended Council receive and file the FY 2020/21 Third Quarter Report, adopt Resolution No. 2021-011 amending the budget and authorize staff to create and make appropriations for the Graffiti Control Technician.

Councilman Halby stated for background, that loan was granted in 2004 for \$400,000. No payments have been made and we have accrued \$40,000 in interest every year since 2005. I want everyone to understand why we are paying it off.

Councilman Rodriguez thanked staff for the work they have been doing.

Mayor Reynolds stated its good to see we are slowly inching forward. We now have the ability to pay off this loan. Its due to the dedication of staff. We are starting to see some light at the end of the tunnel.

Public Comment. Leslie Watkins of 117 E. Hobsonway asked why there was a reduction, about 80% in Public Works funding. Is that from not doing chip, slurry and fog sealing, wheelchair ramps and the Wells and Willow improvements? Finance Director Elms stated there is a transfer from the General Fund to Public Works that is approximately \$300,000. This is made at the end of the fiscal year. The transfer is for streets. If you are looking at the progress report, its year to date and you will not see that transfer. It's a one-time internal transfer. Mrs. Watkins stated this is unprecedented. Its usually because we do not have money. Its nice to hear there will be a little excess.

Councilman Rodriguez moved approval of staff's recommendation. The motion was seconded by Councilman Burton with a unanimous aye vote.

RESOLUTION NO. 2021-011. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BLYTHE, CALIFORNIA AMENDING THE OPERATING AND CAPITAL BUDGET FOR FISCAL YEAR 2020-2021 AND ESTABLISH THE POSITION OF GRAFFITI CONTROL TECHNICIAN.

Acacia Street Rehabilitation Project Award. Interim City Manager Crecelius stated the budget includes an allocation of Measure A funds for the rehabilitation of Acacia Street from E. Hobsonway to Barnard Street. Acacia was identified in the Measure A CIP for repair in 2021/22. Due to the condition of the roadway, staff re-prioritized the rehabilitation to the current fiscal year. On November 18, 2020, the City released an Invitation for Proposals for the project. The bid opening was held on December 8, 2020 with sealed bids received from Pyramid Construction and Aggregates, Inc. and Rove Engineering. After the bid opening, staff noticed irregularities in the bidding process. Staff believed rejecting all bids, reviewing project documents and re-advertising the project would result in more competitive bids for the City. Council rejected the bids at the January 2021 meeting. The Acacia Street plans were revised to include the addition of water shut off valves and the replacement of two fire hydrants. The original plans specified a grind and overlay. Due to its condition, the plans were revised to have the street pulverized, re-graded, with crown, and paved to City Standard. The revised plans were released on February 24th and the City conducted a bid opening on March 23rd. The City received proposals from Rove Engineering in the amount of \$192,700, Pyramid Construction in the amount of \$215,688.40 and Granite Construction in the amount of \$276,540. The apparent low bidder was Rove Engineering in the amount of \$192,700. The City's contract Engineer reviewed Rove's project work history, references, and construction license and determined Rove Engineering, Inc. was the responsive and responsible bidder. Therefore, it is recommended Council authorize the Interim City Manager to execute an Agreement with Rove Engineering, Inc, and issue a purchase to Rove Engineering in an amount not to exceed \$192,700, authorize an additional \$22,000 for contingencies and allow the Interim City Manager to approve change orders not exceeding \$15,000 during construction, authorize the Interim City Manager to enter into Agreement with the Holt Group for construction surveying and issue a purchase order to The Holt Ground in an amount not to exceed 19,500.00 and establish a project budget not to exceed \$234,200.

Mayor Reynolds asked about their references and qualifications. Interim City Manager Crecelius stated they were reviewed by the City's Engineer.

Vice Mayor DeConinck asked about previous work. Interim City Manager Crecelius stated they have not worked for the City before. They are a newer company, but the owner has years of experience. They have done projects in the Imperial valley. Those references were checked, and they had nothing but positive things to say about the company.

James Clarke with Rove Engineering stated we are a new company. We started two years ago. I worked for Granite Construction for 18 years as a project manager and estimator and ran their plants for 6 years. My partner worked for Pyramid Construction, AMR Construction and spent some time in the area with Lyles. I have worked with Granite on projects here in the past. Our main paving foreman was the paving foreman for Pyramid Construction and has some experience in the area as well. So, although we are new, we have stolen a lot of good people from across the industry.

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

WRITTEN COMMUNICATION:

Request to Dedicate an Access Road to the City's Public Street System. Interim City Manager Crecelius stated in January, Moe Essa submitted a PRC request for conditions to construct a two-phased Cannabis Cultivation Project on approximately 5 acres of land located north of Interstate 10, south of Hobsonway, and east of Intake Boulevard. Phase I of the project proposes fourteen (14) 25'x75' structures for cannabis cultivation, a 1,000-sf building for curing and drying cannabis and an outpost area. Phase II of the project proposes sixteen (16) 25'X75' structures for cannabis cultivation. A condition of the project is providing a paved access from Hobsonway to the property/project. Mr. Essa would like to build the access road to City Standard and dedicate it to the City once complete. The access road would be used by employees of the cultivation business and would be the access for emergency services. The access road could be used by other parcels in the vicinity once developed. The applicant believes making this a public street vs. private access to their project would encourage development on the vacant parcel located to the east by allowing easier access to the rear of the property. If the City were to accept the street, staff recommends the applicant agree to slurry seal the access road to lengthen its potential life. This will decrease the City's future maintenance and repair costs.

Councilman Halby stated the letter says the applicant would be here this evening. I have some questions. Is he a real-estate broker? Does he have cannabis experience? My concern is that we do all this paperwork, and they never move forward because they can't find anyone to lease. I don't want the City getting stuck with a road. I am a little lost on this. They want us to take care of them, but there is no benefit to the City.

Lindsay Holt of the Holt Group stated his interest is in developing the project and leasing the space. He has an existing facility in Santa Barbara County. He will lease the structures and develop a manufacturing building on site which he would operate. I do think his intent is to move forward. I also believe this road will help other property owners in the area. Danny Nasca contacted me about developing his property to the east last week.

Interim City Manager Crecelius stated if you accepted the street dedication, it would only be dedicated if the project was developed, and the road was built. It would not be dedicated to the

City until completely built to City standard.

Lindsay Holt stated the City would then be required to maintain the road, but the applicant has agreed to slurry seal it to extend the life of the road. There is also a landlocked parcel to the west and the applicant has agreed to an access easement to that property if the road were dedicated to the City.

Public Comment Leslie Watkins of 117 E. Hobsonway asked if there were two projects in this area. There was a PRC started for cannabis, its not just this parcel if that PRC is still in play. It was reported it was one and the same. The PRC was started for this property.

Councilman Rodriguez moved to accept the access road to support development. The motion was seconded by Vice Mayor DeConinck with a unanimous aye vote.

MEMBER COMMENT:

Vice Mayor DeConinck reported on the upcoming Farmer's Ball and Cinco De Mayo.

Councilman Halby reported the Recreation Center will re-opened the first week of May.

Mayor Reynolds reported on the pause of the Johnson and Johnson Vaccine due to blood clot issues. I received my vaccine last Thursday. So far, I am good. The Riverside County Health Director stated anyone who received the vaccine should consult your physician immediately if you experience headaches, shortness of breath, abdominal or leg pain in the next three weeks.

PUBLIC COMMENT:

Troy Love, Little League President gave an update on the season.

ADJOURN: The City Council meeting was adjourned at 7:36pm.

Dale Reynolds, Mayor

ATTEST:

Mallory Crecelius, City Clerk