

## **Minutes of the Blythe City Council February 9, 2016**

The February 9, 2016 Meeting of the Blythe City Council was called to order at 6:00pm in the Council Chambers by Mayor DeConinck. Also in attendance were Vice Mayor Wade, Council Members Galvan, Reynolds and Egan. Staff in attendance included: Interim City Manager and City Clerk Sutterfield, City Treasurer and Interim Finance Director Elms, Police Chief Mathews, Public Works Director Baldizzone, Planner Burrow and City Attorney Bettenhausen.

The Pledge of Allegiance was led by Mayor DeConinck. The Invocation was offered by Councilman Galvan.

**REPORT OUT FROM CLOSED SESSION:** City Attorney Bettenhausen stated four items were discussed. Direction was given on items # 1 and 3 with no formal action being taken. There was a certification of disability and Council voted to seek appellate review of an adverse decision made by the Department of Finance.

### **PRESENTATION:**

**City of Blythe FY 2015/16 Audited Financials.** Interim Finance Director Elms stated tonight's presentation covers the year ending June 30, 2015. Rich Teaman and Rick Gallo with Teaman, Ramirez and Smith are here tonight and reviewed the audit report with the Finance Committee on January 27<sup>th</sup>. The City has reduced the General Fund deficit to under \$300,000. The General fund had a \$4.1 million deficit in 2008. We have made great progress but will continue with a going concern due to a number of funds still in the red.

Rich Teaman gave an overview of the audited financial statements. An unqualified opinion has been issued. There is an emphasis of matter related to a going concern due to the fund deficits. This has continued since 2008 but significant progress has been made. You are closing in on a time when that may be eliminated. We have a second emphasis of matter this year related to GASB 68 and 71.

No public comment. The item was received and filed.

**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.*  
*separate action.*

**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, February 5, 2016.

**3. Approval of the Warrant Register.**

Recommendation: Approve **2/9/16**, warrants numbered 63575 through 63661 and 63662 through 63671 in the amount of \$293,628.03 and **2/9/16**, warrants numbered 63672 through 63729 and 6363730 in the amount of \$299,817.06.

**4. Approval of the Payroll Register.**

Recommendation: Approve **2/9/16**, warrants numbered 47978 through 48008 and Direct Deposits numbered 35852 through 35907 in the amount of \$255,462.04; **2/9/16**, warrants numbered 48009 through 48038 and Direct Deposits numbered 35908 through 35963 in the amount of \$259,763.31 and **2/9/16**, warrants numbered 48071 through 48080 and

- Direct Deposits numbered 36020 through 36115 in the amount of \$61,737.94.
5. **Minutes of the January 12, 2016 City Council Meeting.**  
Recommendation: Approve the Minutes of the January 12, 2016 Meeting.
  6. **City of Blythe Permits Issued in January 2016.**  
Recommendation: Receive and file this monthly report.
  7. **City of Blythe Fire Department Monthly Activity Report for January 2016.**  
Recommendation: Receive and file this monthly report.
  8. **Second Quarter Investment Report.**  
Recommendation: Receive and file this quarterly report.
  9. **Acceptance of Land and Abandonment of Existing Easement.**  
Recommendation: Adopt Resolution No. 2016-001 accepting land offered for dedication and abandoning an existing easement.

***RESOLUTION NO. 2016-001. A RESOLUTION OF THE CITY OF BLYTHE, CALIFORNIA, DECLARING AN ORDER TO ACCEPT LAND OFFERED FOR DEDICATION FOR PURPOSE OF OPERATION OF EXISTING WATER WELL FACILITIES; ABANDON EXISTING INGRESS, EGRESS AND INSTALLATION OF PUBLIC UTILITIES EASEMENT; AND, FINDING BOTH ACTIONS ARE IN CONFORMANCE WITH THE CITY OF BLYTHE 2025 GENERAL PLAN.***

No public comment. Councilman Reynolds moved approval of the Consent Calendar. The motion was seconded by Vice Mayor Wade with a unanimous aye vote.

#### **PUBLIC HEARING:**

**Proposed Water, Sewer and Wastewater Rates.** Mayor DeConinck stated this is the time and place set to consider the proposed Ordinances adopting a fee schedule of Water, Sewer Collection Service Fees and Wastewater Treatment Fees. City Clerk Crecelius stated the notice of hearing was given as required by law. Interim Finance Director Elms stated the City contracted with Wildan Financial Services to conduct a comprehensive cost of service and rate study that could be utilized to evaluate user charges. The overall purpose of the study was to perform cost of service analysis and make recommendations regarding water, sewer and wastewater rate structures while maintaining rates that are fair and equitable to users. The dates in the Ordinances should read March 1, 2016, July 1, 2016, July 1, 2017, July 1, 2018 and July 1, 2019.

Jonathan Barnes with Wildan Financial gave an overview of the rate study report.

Mayor DeConinck opened public testimony.

Linda Faulker of 651 E. Barnard St. asked if this increase was necessary to have reserves on hand. Jonathan Barnes stated the increase will build and maintain a reserve. It is a minimum level reserve at 3 months. Mrs. Faulker asked if this would help with the maintenance of delivering the water and asked if we pay for the water. Mayor DeConinck stated you pay a PVID stand by tax that entitles your use of the water. The city does not pay PVID for the water; the only cost is for delivery.

Alfonso Hernandez of 535 N. Broadway asked that this information be reviewed periodically to avoid past mistakes being repeated.

City Clerk Crecelius stated one written protest was received from David Varela. He owns a parcel in Blythe and is protesting the water rates.

The Public hearing was continued to Friday, February 12<sup>th</sup> at 6:00pm.

**NEW BUSINESS:**

**3<sup>rd</sup> Place Sidewalk and Roadway Improvement Project.** Mayor DeConinck excused himself due to a potential conflict of interest. Public Works Director Baldizzone stated the project consists of the construction of sidewalk and roadway from 14<sup>th</sup> Avenue to Vernon Street. The project is located in the unincorporated area of Riverside County with a portion located in City limits. A section of right of way must be acquired for this project. The County and City will need to enter into an Agreement for land acquisition, right of way, construction of the project and maintenance. Resolution No. 2016-003 will jointly exercise the power of eminent domain, authorize the County to be the lead agency for land acquisition within in city limits and grant the County the power of eminent domain to acquire real property interest in City limits in connection with this project. It is recommended Council adopt Resolution No. 2016-003 and authorize the City Manager to enter into a cooperative agreement with Riverside County.

Councilman Reynolds asked about the name of the project being 3<sup>rd</sup> place as its 3<sup>rd</sup> Street. Will there be something to delineate that as S 3<sup>rd</sup> St? Public Works Director Baldizzone stated it is 3<sup>rd</sup> Street in City limits and 3<sup>rd</sup> Place in the County. The County's project manager does not have a problem working with the surveying department to change the name in the County from Place to Street.

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

***RESOLUTION NO. 2016-003. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BLYTHE, CALIFORNIA, AUTHORIZING THE COUNTY OF RIVERSIDE TO ACT AS LEAD AGENCY FOR LAND ACQUISITION SERVICES INCLUDING ACQUISITION BY THE JOINT EXERCISE OF EMINENT DOMAIN OF REAL PROPERTY LOCATED WITHIN CITY OF BLYTHE JURISDICTION FOR THE 3<sup>RD</sup> PLACE SIDEWALK AND ROADWAY IMPROVEMENTS.***

**Mid-Year Performance Review.** Interim Finance Director Elms stated it is recommended you receive and file this report. The General fund's adopted revenue budget was \$9.8 million. We are expected to end the year slightly below projected revenues. Expenditures are expected to end the year under budget. The enterprise funds are on target, but could change based on the rate study. The City's operating budget is performing well and we continue down the road to recovery.

Public Comment. Linda Faulkner asked about the purchase of water meters. The item was received and filed.

**Approval of the Execution and Delivery of a 2011A Bond Proceed Funding Agreement.** Interim Finance Director Elms stated before you is Resolution No. 2016-002 approving the execution and delivery of 2011A bond proceeds funding agreement and taking certain related actions. Prior to the dissolution of RDA, the Agency issued bonds for the purpose of financing costs related to public improvements within that project area. Shortly after issuance, the new laws did not allow the RDA to spend the proceeds and they have been in an investment account since. Staff has discovered recent law amendments which allows the Successor Agency to spend 5% of the proceeds for the purpose they were issued. In this case, it is approximately \$140,000. Two of the projects named were rehab of the college well and sewer infrastructure for the Mesa. The 5% will allow the City to move forward with the College Well rehab, assuming it is approved by DOF. The Resolution and Agreement will allow the Successor Agency to transfer 5% to the City at the completion of the project. Further amendments to the law state the Agency could potentially spend an additional 35% if they were to submit a last and final ROPS. We are not ready for that yet; staff believes we should be able to do so in a few years. This would result

in an additional \$900,000 in proceeds. Interim City Manager Crecelius stated this must be adopted by both the City and Successor Agency Board.

Councilman Egan excused himself due to a potential conflict of interest.

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

***RESOLUTION NO. 2016-002. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BLYTHE, APPROVING THE EXECUTION AND DELIVERY OF A 2011A BOND PROCEEDS FUNDING AGREEMENT AND TAKING CERTAIN RELATED ACTIONS.***

**WRITTEN COMMUNICATION:** None

**ORAL REPORTS:**

Interim City Manager Crecelius reported on Clean up Day and on written communication received regarding medical services not available in Blythe.

**PUBLIC COMMENT:**

Alfonso Hernandez, a school board member would like to re-establish the 2+2+2 program with the Council, School District and College.

Lisa Castellon would like Council to adopt a resolution in support of Grid Alternatives.

**MEMBER COMMENT:**

Mayor DeConinck is circulating a petition to keep the local Edison office open.

**ADJOURN:**

The City Council meeting was adjourned at 7:30pm.

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Joseph DeConinck, Mayor

**ATTEST:**

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Mallory Sutterfield-Creclius, City Clerk