

**Minutes of the Blythe City Council  
July 9, 2019**

The July 9, 2019 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, Rodriguez and Halby. Staff in attendance included: Interim City Manager and City Clerk Crecelius, Finance Director and City Treasurer Elms, Interim Police Chief Coe, Public Works Director Baldizzone and Deputy City Attorney Vasquez.

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

**REPORT FROM CLOSED SESSION:**

Deputy City Attorney Vasquez stated there was nothing to report from Closed Session.

**PRESENTATION:**

**Blythe Little League 8-10 year old Arizona District 9 Champions.** Troy Love with Blythe Little League gave an update on the teams competing in All-stars. This team went out and played hard and earned the championship. I received an email and two texts today and it was nothing but good things about the kids. Team Coach Jerry White introduced the team.

**PUBLIC COMMENT:**

Supervisor Perez stated I am here tonight to build upon our relationship between the County of Riverside and City of Blythe. In the past there has been rockiness and negativity from both sides and I am willing to accept that and move forward. I feel strongly about being able to work together so we can represent our constituents. I want to make sure we have ongoing positive and constructive dialogue. I am going to turn it over to Juan Perez who will discuss the specifics of B-29 and Development fees as it has been an on-going concern and issue of the council. Its important to discuss official inquires about B-29 which is the County's solar power plant policy. It outlines the terms of payments to the County for use of County property and land in the County area for solar development. This applies to developers of solar projects greater than 20MW. The fee is \$150 per acre adjusted annually for inflation. My office has provided information to the City about B-29 and where that money goes as well as DIF fees generated in the Blythe area. I wanted to be present today and bring staff if you have technical questions about the B-29 funds. I know Economic Development is important to the City and the County has helped form the Palo Verde Valley Economic Alliance. We helped with the Outlook Conference and are now working on the Mayflower Park project. When there was a need for behavioral health services and homeless we hired people to engage the community. Cannabis is a touchy subject but we are working with the City and City staff on that issue. The UC Systems Cooperative Extension was a major concern for the Ag Community and we made sure the funding was not cut. The asylum seekers was something dropped on us last minute, but I am happy to report we immediately came together as a City, County, Non-profits, churches and local volunteers to make sure it didn't have a negative impact on the City of Blythe.

Juan Perez, Assistant CEO and Director of the Transportation and Land Management Agency stated B-29 was adopted in 2013. The fee was \$150 per acre and increases annually by 2%. The current fee is \$169 per acre. 75% goes to the County's General Purpose Fund and 25% goes back to the communities where the solar projects are located. We have 3 projects paying into the fund, two in Desert Center, Desert Sunlight and Desert Harvest and one in the Blythe area, the McCoy Project. We have two approved projects, Blythe Mesa and Palo Verde that are approved but have not been built. Once built they will pay into the fund and there will be additional funding available for the county to allocate. The McCoy project will be about 4,400 acres, but only the first phase has been built. To date we have collected about \$532,000 in B-29 funds from that project. In December of 2018 the Board programmed \$3.5 million towards Mayflower Park for improvements. This represented the projections of what will be received from the McCoy project so all of the McCoy monies have been allocated to Mayflower. As of 2018 the County had invested about \$5 million in improvements for the park. There are about \$10 million in unfunded improvements the parks department will be looking for. The next phase of the park is the sewer line project scheduled to start in June 2020. In addition to B-29, the project pays Development Impact Fees, DIF. They only pay these fees on the portion of the land in the unincorporated area. For example the McCoy project is 4,400 acres; the vast majority is BLM land. They do not pay DIF fees on federal land, only the land in the unincorporated area of the County. McCoy paid \$1.1 million in DIF Fees in 2015. That money has been used as part of the \$5 million improvements at Mayflower Park.

Councilman Halby asked why the Genesis Plant and BSPP are not paying the fees. It was stated there are some projects entirely on BLM land. If that's the case, and there is no County jurisdiction they do not pay at all. If there is some County area such as the McCoy project, they pay B-29 funds on the entire project but there has to be a nexus to the County unincorporated area.

Rob Holt of The Holt Group gave an update on current project and the projects located on BLM land.

Councilman DeConinck stated some of the projects were started before B-29 was put in place. I was involved with this from square one. Originally it was supposed to be 50/50, 50% to the County and 50% to the impacted community.

Juan Perez stated in 2013 the Board discussed a proposal brought by Supervisors Benoit and Ashley in which 25% would go to the affected community, 25% to the supervisorial district and 50% to the County. That did not pass. The Board, representing the entire County thought a mix of 25% to the affected community and 75% to the County was a better plan. That plan was adopted in July 2013.

Councilman DeConinck stated things were changed and Blythe was never notified. We were told things were going in one direction and bottom line it changed. Originally some money was allocated to Lake Tamarisk, did they ever get that funding?

Juan Perez stated there have been two projects in Desert Center. Recently the County approved another project in Desert Center. There is a return to source component. I believe we have another project making its way through the approval process. If they build they will provide funds that have not been allocated yet. There are opportunities to work together on the projects in which funding has not been allocated.

Councilman DeConinck asked where the funding collected from the Desert Center projects was going now, has it all been allocated to Mayflower?

Juan Perez stated he would have to dig into Desert Center.

Councilman DeConinck would like an accounting of all B-29 funds collected and where it's gone to date. Originally the County was going to take care of Lake Tamarisk and then that money was going to move towards Blythe. The McCoy project has 2,267 acres they are paying \$150 per acre on. Of the 2,267 acres they are paid a surface mining fee of \$5,000 per acre when they got started. Originally the County was going to charge a DIF fee and decided on surface mining instead. Where is that money from that project?

Juan Perez stated surface mining is a DIF fee. This was a negotiated issue in lieu of legal action. The County of Riverside is ahead of other counties in terms of collecting anything. The glass is not half empty. The County has different categories under the DIF. We have residential, commercial, industrial, we did not have a category for solar as it's a new industry. The County thought surface mining was the most applicable as it generates less impacts than commercial or industrial. The DIF fees collected have been on the surface mining rate, it's not an additional fee; it's the DIF fee component.

Councilman DeConinck stated that is \$5,086 per acre on 2,267 acres. The County also charged \$29,000 per acre on 476 acres of that project.

Juan Perez stated the total DIF fee paid was \$1.1 million on the entire 476 acres. We don't charge the DIF fee on the federal portion of the project. Some of that went into the Hobsonway Interchange project. Some of it goes to parks, fire stations, etc. Even counting the \$1.1 million paid the County has spent more than that on park improvements.

Councilman DeConinck would like to see an accounting of the B-29 money and where it's gone along with the Surface Mining and Development fee so we know what is coming in and where it's being used. I was very involved in this and I am not picking on anyone, but I have been on Council for 13 years and spent a lot of time on this. Things were supposed to be happening and I would like to see them happen and is why I have been asking about it. You are saying future B-29 has not been spoken for yet. Blythe would like some input. I understand there are some re-negotiations going on.

Juan Perez stated we are having conversations with Desert Quartzsite which won't go to the Board until later in the year but the B-29 fee continues.

Councilman DeConinck would like to be informed of any changes made by the Board.

Supervisor Perez asked if the Desert Quartzsite money goes to the area around Blythe or the area around Desert Center. Juan Perez stated Desert Quartzsite is near Blythe. Desert Sunlight and Desert Harvest are in Desert Center and those funds stay in Desert Center. Supervisor Perez stated that needs to be clarified.

Councilman DeConinck stated when it was originally started, the Desert center project included Blythe in the overall picture.

Supervisor Perez stated it was proposed, but changes were made. Moving forward and I am open.

Mayor Reynolds thanked Supervisor Perez for coming in and extending an olive branch to the City of Blythe and bringing staff to answer our questions.

Leslie Jessop-Watkins of 117 E. Hobsonway stated I was an employee and consultant for First Solar from 2009 until 2015. The amount of negotiations that went into what we call the Solar Tax was unbelievable. It took 4 years to negotiate the \$150 per acre fee, to the point that some of these plants would not be built in Riverside County. The Board was put into a position to negotiate. There were a lot of things going on that were very dynamic as it was a new industry. At the end of the day they did get built but we did lose some due to the fees. Some of the projects were able to build before the fee was set in 2013. The Imperial Valley benefited greatly as they had their act together and San Bernardino County was behind us.

**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 DeConinck moved approval of the Consent Calendar. The motion was seconded by Vice Mayor Egan 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 Wednesday, July 3, 2019.

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

Recommendation: Approve **7/9/19**, warrants numbered 70138 through 70169 in the amount of \$56,020.77 and **7/9/19**, warrants numbered 70170 through 70186 in the amount of \$126,304.94.

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

Recommendation: Approve **7/9/19**, warrants numbered 51089 through 51105 and Direct Deposits numbered 45062 through 45120 in the amount of \$229,553.71 and **7/9/19**, warrants numbered 51106 through 51138 and in the amount of \$106,789.27.

5. **Minutes of the June 25, 2019 Special City Council Meeting.**

Recommendation: Approve the Minutes of the June 25, 2019 Special meeting.

6. **City of Blythe Permits issued for the Month of June 2019.**

Recommendation: Receive and file this monthly report.

7. **City of Blythe Fire Department Monthly Activity Report for June 2019.**

- Recommendation: Receive and file this monthly report.
8. **City of Blythe Police Department Monthly Activity Report for June 2019.**  
Recommendation: Receive and file this monthly report.
9. **Investment Report for Fourth Quarter (Fiscal Year 2018/19).**  
Recommendation: Accept and file the quarterly investment report.
10. **Statement of Auditing Standards (SAS) #114 and Engagement Letters.**  
Recommendation: Accept the Statement of Auditing Standards #114 as presented and authorize the Mayor and Finance Director to sign the attached letters of engagement with Teaman, Ramirez & Smith, Inc.
11. **Levy of Special Taxes within Community Facilities District No. 2004-1.**  
Recommendation: Adopt Resolution No. 2019-022 authorizing the Levy of Special Taxes within Community Facilities District 2004-1 (Hidden Beaches) for Fiscal Year 2019/20.  
*RESOLUTION NO. 2019-022. A RESOLUTION OF THE CITY COUNCIL ACTING AS THE LEGISLATIVE BODY OF THE COMMUNITY FACILITIES DISTRICT NO. 2004-1 (HIDDEN BEACHES) OF THE CITY OF BLYTHE AUTHORIZING THE LEVY OF SPECIAL TAXES WITHIN COMMUNITY FACILITIES DISTRICT NO. 2004-1 (HIDDEN BEACHES) FOR FISCAL YEAR 2019-2020.*
12. **Special Assessment for Prior Year Delinquent Utility Charges.**  
Recommendation: Adopt Resolution No. 2019-023 adopting the report of delinquent utility accounts and placing said delinquent accounts on the tax roll.  
*RESOLUTION NO. 2019-023. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BLYTHE ADOPTING THE REPORT OF THE DELINQUENT UTILITY ACCOUNTS AND DIRECTING THE CITY MANAGER TO FILE SAID REPORT WITH THE COUNTY OF RIVERSIDE AUDITOR AND REQUEST THE AUDITOR PLACE THE DELINQUENT ACCOUNTS ON THE TAX ROLL.*

Interim City Manager Crecelius stated Item number 12 should be adopted with the exclusion of APN# 845-100-012 as the property has sold making it ineligible to be placed on the tax roll.

Councilman DeConinck would like to abstain from voting on Item #5.

No public comment. Vice Mayor Egan moved approval of the consent calendar. The motion was seconded by Councilman Rodriguez with a unanimous aye vote.

#### **PUBLIC HEARING:**

**Tentative Parcel Map 37656.** Interim City Manager Crecelius stated Blythe Marina Estates, LLC is requesting approval to allow the division of one (1) 17.23± acre parcel into two (2) separate parcels. The project site is located at 3600 Colorado River Road and is legally described as Assessor's Parcel Number 833-310-016. Proposed Parcel No. 1 is 12.12± acres in size and Proposed Parcel No. 2 is 5.10± acres in size. Each parcel has access from an improved dedicated right-of-way; all public and private utilities are in place on proposed parcel 1, with parcel No. 2 undeveloped. No variances or exceptions are required for this Parcel Map. There is currently a mobile home park within the boundaries of the existing parcel. If approved, the mobile home park will be located on Proposed Parcel No. 1. Proposed Parcel No. 2 will be 5.10 ±acres of undeveloped land. Separating this parcel into two individual parcels will increase development opportunities for the vacant land on Proposed Parcel No. 2. The General Plan Land Use and Zoning Designation of the site is R-L-1 (Low Density Residential). The existing zoning designation allows for a minimum lot area of 7,800 square feet with a minimum lot width of 65' and minimum depth of 100'. As the smallest proposed parcel is 5.10± acres, the proposed project is consistent with existing zoning regulations. The project is categorically exempt from the California Environmental Quality Act

(CEQA) pursuant to Guidelines Section 15315-Minor Land Divisions, and a Notice of Exemption with De Minimis Impact Finding will be filed. Therefore, subsequent to the public hearing it is recommended Council adopt Resolution No. 2019-020 approving the Notice of Exemption with De Minimis Impact Finding for Tentative Parcel Map 37656 and Resolution No. 2019-021 approving Tentative Parcel Map 37656 with conditions.

Public comment. Interim City Manager Crecelius stated noticing requirements include a notice being sent to all residents within a 300 foot radius. I received one comment from Ms. Kathy William I would like to read into the record. Ms. Williams is a resident of Colorado River Rd. and since the County sold the mobile home park to the current owner the property values have declined. She is aware of three campgrounds with amenities in Blythe with several more across the river, but there are no amenities on this property. There are several unattractive trailers that have been dumped on the property and left to rust for over a year. The new company is less than forthright and she has trepidation of the real intentions of this company. She fears the company is looking at this site for use as a junk yard and is afraid her view will be obstructed which could cause more financial harm.

Lindsay Holt of The Holt Group stated they are doing this Parcel Map in order sell the adjacent property. They do not plan to develop it themselves. A representative of the company stated the site has not been nor will be used as a dump site. There is a homeless encampment near the property. They disked the property as part of their weed abatement program to ensure there are no problems on the site. I believe their intent is to complete the Parcel Map and sell that portion of the property. I also understand there has been some interest in that property.

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

*RESOLUTION NO. 2019-020. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BLYTHE CONTAINING FINDINGS IN SUPPORT OF APPROVAL OF A NOTICE OF EXEMPTION WITH DE MINIMIS IMPACT FINDING FOR TENTATIVE PARCEL MAP 37656.*

*RESOLUTION NO. 2019-021. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BLYTHE CONTAINING FINDINGS AND CONDITIONS IN SUPPORT OF APPROVING TENTATIVE PARCEL MAP 37656 TO ALLOW THE DIVISION OF ONE (1) 17.23 ± (GROSS) ACRE PARCEL INTO TWO (2) SEPARATE PARCELS ON PROPERTY LOCATED AT 3600 COLORADO RIVER ROAD (ASSESSOR'S PARCEL NUMBER 833-310-016.*

## **NEW BUSINESS:**

**Agreement between AMN Key Solutions for Sales Tax Consulting Services.** Interim City Manager Crecelius stated during a study session held to review the FY 2019/20 budget staff and Council had a discussion related to the feasibility of placing a Sales Tax Measure on a future ballot. The first step in the process would be determining what the community would be willing to support by conducting a public opinion survey and polling residents. Staff looked for consultants experienced with municipal measures and spoke with the Lew Edwards Group and Ann Knock with AMN Key Solutions. Due to Ann Knock's experience in Blythe working with the City and College District, it is recommended the City once again contract AMN Key Solutions to determine the

feasibility of a potential Sales Tax Measure. If it is determined the residents of Blythe would support such a measure, Ann will work with the City through the election by determine when the place the measure on the ballot, preparing informational mailers, providing ballot language and strategies necessary to inform voters of what a potential sales tax measure would mean to them and the City. It is recommended Council authorize the Interim City Manager to execute a General Services Agreement with AMN Key Solutions with a consulting fee of \$4,000 per month, and polling fees of an estimated \$10,000 and authorize staff to make the necessary budget adjustments for this service.

Councilman Halby asked if the mailers were included in the cost. It was reported there would be postage and potentially the purchase of stock photos for the mailers.

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

**ORAL REPORTS:**

Councilman DeConinck thanked Supervisor Perez for coming. He stated a few years ago the citizens passed a property tax measure to help the College who was struggling financially. Last year citizens passed a property tax measure to help the school district. We are struggling and our community is helping keep things together. We are trying to move forward with this tax measure so we have some operating money to work with. Our local Fire Department put on a heck of a Fireworks show and its all volunteer. It's free to the public to attend and all done thorough donations. Our community works to put this on. We are finally getting some State money, \$52,000 a year for the fairgrounds and it if wasn't for the Friends of the Fair and community donors our fair wouldn't be happening right now.

Councilman Rodriguez stated Caltrans would be starting construction on I-10. In 2017 I was working for the County and commuting from Blythe. There was a section being repaved from Desert Center to Chiraco Summit. They didn't do a great job with safety standards and barriers. There was at least 1 accident every day. I ask you Supervisor Perez to make sure the safety requirements are in place to avoid accidents. This year they are working between Blythe and the Prison and I would hate to lose anyone from our community for lack of safety.

Supervisor Perez stated he will speak to our Assembly member and Senator to address these issues.

Councilman DeConinck stated maybe the Supervisor and I can speak to the CalTrans Area Director at our RCTC meeting tomorrow. I can also make a comment to the local CHP Commander. There has been good cooperation between everyone lately.

Mayor Reynolds stated the CV Rescue Mission will be here from 10am to 2pm to assist with homeless outreach.

**PUBLIC COMMENT:** None

**ADJOURN:** The City Council meeting was adjourned at 7:22pm.

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Dale Reynolds, Mayor

**ATTEST:**

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Mallory Crecelius, City Clerk