

**Minutes of the Blythe City Council Meeting
February 8, 2022**

The February 8, 2022 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 and City Treasurer Elms, City Attorney Roberto, Chief Building Official Brown, Fire Chief Hasler and Police Chief Dale.

The Pledge of Allegiance was led by Mayor Reynolds.

The Invocation was offered by Councilman Burton.

REPORT FROM CLOSED SESSION: City Attorney Roberto stated there is no reportable action. Council discussed the item and provided direction.

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, February 4, 2022.

2. Approval of the Warrant Register.

Recommendation: Approve **2/8/2022**, warrants numbered 74538 through 74608 in the amount of \$493,684.80; **2/8/2022**, Utility Billing Refund warrants numbered 74609 through 74618 in the amount of \$728.21 and **2/8/2022**, warrants numbered 74619 through 74663 in the amount of \$111,754.94.

3. Approval of the Payroll Register.

Recommendation: Approve **2/8/2022**, warrants numbered 52714 through 52717 and Direct Deposit warrants numbered 52181 through 52182 in the amount of \$43,925.93; **2/8/2022**, warrants numbered 52718 through 52833 and Direct Deposit warrants numbered 52183 through 52240 in the amount of \$235,6500.40; **2/8/2022**, warrants numbered 52734 through 52748 and Direct Deposit warrants numbered 52241 through 52297 in the amount of \$232,755.22 and **2/8/2022**, warrants numbered 52749 through 52753 and Direct Deposit warrants numbered 52298 through 52403 in the amount of \$71,598.81.

4. Minutes of the January 11, 2022 City Council Meeting.

Recommendation: Approve the Minutes of the January 11, 2022 Meeting.

5. City of Blythe Permits issued for the Month of January 2022.

Recommendation: Receive and file this monthly report.

6. City of Blythe Fire Department Monthly Activity Report for January 2022.

Recommendation: Receive and file this monthly report.

7. City of Blythe Police Department Monthly Activity Report for January 2022.

Recommendation: Receive and file this monthly report.

8. Submission of an Application to CalRecycle for SB 1383 Funding.

Recommendation: Adopt Resolution No. 2022-003, authorizing the submittal of application(s) for all CalRecycle grants in which the City is eligible.

RESOLUTION NO. 2022-003. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BLYTHE, CALIFORNIA AUTHORIZING SUBMITTAL OF APPLICATION(S) FOR ALL CALRECYCLE GRANTS FOR WHICH THE CITY OF BLYTHE IS ELIGIBLE.

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

PUBLIC HEARING:

Categorical Exemption- SAC Health Care Facility Project. Interim City Manager Crecelius stated SAC Health System proposes to renovate an existing vacant office building to be used as a health care facility. The 2.16-acre project site is located at 500 N. Broadway. The west side of the building will be owner occupied space with a new open floor plan to create medical offices for family medicine, pediatrics, and supporting departments. The layout of the east side of the building will remain as is, except for ADA improvements. The applicant proposes to develop in two phases. Phase I consists of use of the clinic in its current state. Phase II consists of major construction on the west end of the building as well as ADA improvements and upgrades to the parking lot, landscaped areas, and exterior lighting. Based upon information contained in the administrative record and review of CEQA Guidelines, the City has determined that the SAC Health System Health Care Facility project has no conditions as defined in CEQA Guideline 15300.2 that would make it ineligible for the applicable categorical exemptions. The proposed development qualifies for a Categorical Exemption as redevelopment of an existing structure and replacement and reconstruction of existing structure. Therefore, subsequent to the Public Hearing, it is recommended Council adopt a Notice of Exemption- Existing Facilities and Reconstruction of an existing building for the SAC Health System's Health Care Facility project located at 500 N. Broadway in Blythe, CA 92225 and direct staff to file the Notice of Exemption with the County Clerk.

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

NEW BUSINESS:

Letter of Public Convenience and Necessity- Karma's Calling, LLC. Councilman Halby recused himself from the discussion due to a perceived conflict of interest. Interim City Manager Crecelius stated Karma's calling, located at 221 W. Hobsonway has an active type 47-on sale general license for eating places issued by the ABC. Karma's calling would like to exchange the Type 47 license for a Type 48 ABC license. A Type 48 License is an on-sale general license for public premises such as a bar or night club. Food service is not required with the type 48 license. Karma's calling is in Census Tract 461.02 which currently has five active on-sale licenses at four locations. One license is currently allowed within the census tract. As Karma's calling is exchanging their license, no additional license types will be issued within the census tract. The number will remain at 5 active licenses within the tract at four locations. The issuance of this license is a necessity for this operator and to the public as Karma's is one of the few places in Blythe where patrons may consume beer, wine, and distilled spirits in a venue other than a restaurant. As such, Council may make the finding of a public convenience and necessity. Therefore, it is recommended Council approve the draft letter supporting the issuance of an On-Sale General- Public Premises Type 48 ABC License withing Census Tract 461.02 to Karma's Calling, LLC located at 221 W. Hobsonway with full knowledge of the undue concentration provisions as outlined by the ABC.

No public comment. Councilman Rodriguez moved approval of staff's recommendation. The

motion was seconded by Councilman Burton with a unanimous vote from members Reynolds, DeConinck, Rodriguez and Burton.

Councilman Halby rejoined the meeting.

Fiscal Year 2021/22 Budget Amendment and Mid-Year Financial Report. Finance Director Elms stated the City's annual budget is a financial plan based on information available at the time its prepared. As with any plan, changes and conditions may result in the need to modify the original budget. The Mid- year Report is derived from a review of the City's financial activity during the first two quarters of the fiscal year. This review provides an opportunity for the City to make necessary amendments to its original revenue and expenditure projections to better align the budget to actuals. At Mid-year, the General Fund has recorded 42% of projected revenue and expanded 57% of its adopted budget. Revenue estimates are developed based on historical data, trends, and actual receipts. Tax revenue is the largest portion of the General Fund's revenue. 65% of the General Fund's revenue is derived from the City's Sales tax, VLF, Property tax and Transient Occupancy tax. Sales tax alone is 31% of the 65% of tax revenue. Mid-year review of actuals shows these revenue streams are performing better than expected. Based on receipt timing for the top 4 revenue sources, actual receipts at mid-year are typically at 20% of projections. They are currently trending at 37%, 17% above average. Fiscal Year 2021/22 is the first full year of Measure K, an additional 1% of sales tax. Despite it only being effective 9 of 12 months in 2021, revenues were far better than anticipated at just above \$2 million. This was 20% above the amended budget. Based on timing of distributions from the State, actual revenue received at mid-year would typically average 33%. However, actuals are trending at 67% or \$1.16 million; indicating that Measure K is trending well above forecast. As data develops, budget to actuals should stabilize. In addition, other revenue sources are trending at or above target. Based on the Mid-year review, staff is recommending amendments to revenues as identified in Exhibit A, attached. The amendments will account for increases in Measure K, Sales tax, MLV fees, grant funds and other miscellaneous revenue sources of the General Fund. The amended General Fund Revenue budget is proposed at \$12.21 million, excluding transfers for a net increase of \$585,000. As you are aware, the General Fund supports many of the day-to-day operations of the City including police, fire, community development, streets, parks and recreation. Although not all expenditures follow a straight-line spending pattern, operating expenditures should track close to 50% of the budget at midyear. Mid-year expenditures are at 57% with General Government expenditures being the primary factor. General Government expenditures usually track at 75% or greater due to the timing of lump sum pension, liability and debt payments. This makes it look like expenditures overall are trending higher than they are. Total year end expenditures for all departments are anticipated to come under budget at a margin of 4%. As indicated in Exhibit A, staff is proposing minor amendments to appropriations in the General Fund. The amended General Fund expenditure budget is proposed at 10.193 million. Excluding transfers, the net increase is \$158,000. Appropriations for operating transfers out proposes an increase of \$45,000. The Mid-year budget review shows no indication of major variances in the water or sewer enterprise funds as indicated in the attached Mid-year budget report. Exhibit A does provide for proposed budget amendments to other funds including Measure A and Capital Streets from known cost changes in budgeted street projects. The amendment includes revenue received from the City's first allocation of ARPA Funding and amendments to the City's Risk Management Fund for an increase in liability program

assessments. It is recommended Council receive and file the Mid-year report and adopt Resolution No. 2022-004, amending the FY 21/22 Budget as referenced in Exhibit A.

Mayor Reynolds thanked the Community again for the passage of Measure K. We still have a hill to climb, but this helps.

No public comment. Vice Mayor DeConinck moved approval of Resolution No. 2022-004. The motion was seconded by Councilman Burton with a unanimous aye vote.

RESOLUTION NO. 2022-004. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BLYTHE, CALIFORNIA AMENDING THE OPERATING AND CAPITAL BUDGET FOR FISCAL YEAR 2021-2022.

Housing Element Update. Interim City Manager Crecelius stated since 1969, California has required that all local governments adequately plan to meet the housing needs of everyone in the community. Local governments meet this requirement by adopting housing plans as part of their General Plan. The City's Housing Element was last updated in 2014, with a period of 2013 through 2021. The City released a Request for Proposals for the preparation of the 6th Cycle Housing Element Update on December 1st. Proposals were received from The Holt Group in the amount of \$63,000, Realty Planners Group, Inc. in the amount of \$59,850 and Willdan in the amount of \$115,765. After a review of the proposals submitted, staff determined the Holt Group was the responsive bidder due to their qualifications and experience working in rural communities in Southern California. They are also vastly familiar with the City of Blythe, having completed numerous engineering and planning projects in the City. It is recommended Council authorize the Interim City Manager to execute Agreement No. 2022-006 A between the City and The Holt Group and issue a purchase order in an amount not to exceed \$63,000 for preparation of the City's 6th Cycle Housing Element Update.

Public comment. Lindsay Holt of the Holt Group thanked Council for the opportunity to provide planning services to the City.

Councilman Rodriguez moved approval of Agreement No. 2022-006. The motion was seconded by Councilman Burton with a unanimous aye vote.

San Luis Way Street Rehabilitation Project. Interim City Manager Crecelius stated Council adopted the budget with Measure A funds for the rehabilitation of San Luis Way from Barnard to Wisconsin Street. In December, the City released an Invitation for Proposals for the Project. Bids were received from Rove Engineering in the amount of \$385,365, Pyramid Construction in the amount of \$430,808.79 and Granite Construction in the amount of \$411,114. After a review of the proposals submitted, Rove was deemed the responsive and responsible bidder. It is therefore recommended Council authorize the Interim City Manager to execute Agreement No. 2022-007 A with Rove Engineering, Inc. contingent upon all bonds and proper contract documents being fully executed to the satisfaction of the City Attorney; issue a purchase order to Rove Engineering, Inc. in an amount not to exceed \$385,365, authorize \$35,000 for contingencies, project inspection and engineering services, authorize the Interim City Manager to approve change orders during construction not exceeding \$15,000, authorize the Interim City Manager to enter into Agreement No. 2022-008 with the Holt Group for construction surveying

and issue a purchase order to The Holt Ground in an amount not to exceed 29,850 and establish a project budget of \$450,215.

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

Lovekin-Barnard Street Rehabilitation Project. Interim City Manager Crecelius stated Council adopted the budget with Measure A funds for the design and rehabilitation of Lovekin from Hobsonway to Barnard and Barnard from Lovekin to Main Street. The design was completed in the fall of 2021. In December, the City released a Request for Proposals for the street rehabilitation. Bids were received from Rove Engineering in the amount of \$949,365, Pyramid Construction in the amount of \$1,053,588.91 and Granite Construction in the amount of \$1,179,711. After review of the proposals submitted, Rove Engineering was deemed the responsive and responsible bidder. It is therefore recommended Council Authorize the Interim City Manager to execute Agreement No. 2022-009 A with Rove Engineering, Inc. contingent upon all bonds and proper contract documents being fully executed to the satisfaction of the City Attorney and issue a purchase order to Rove Engineering, Inc. in an amount not to exceed \$949,365.00, authorize an additional \$50,500 for contingencies, project inspection and engineering services and authorize the Interim City Manager to approve change orders during construction not exceeding \$15,000 and establish a project budget of \$999,865.00.

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

MEMBER COMMENT: None

PUBLIC COMMENT:

Sabrina Pineda of 1325 Bruce Court asked for an update on the new playground equipment for Engvik Park.

A resident of 318 N. 1st street asked Council to consider increasing funding to the Police Department. Since I moved here 4 years ago, I have been burglarized twice. My neighbor has been burglarized three times. We don't feel safe. Our Police Department is not lacking quality, we are lacking quantity. We need additional resources, officers, and training. I think we would also benefit from body cams for our officers. Our officers deserve to be invested in.

ADJOURN: The City Council meeting was adjourned at 6:29pm.

Dale Reynolds, Mayor

ATTEST:

Mallory Crecelius, City Clerk