



CITY OF DESERT HOT SPRINGS

**REGULAR MEETING OF THE CITY COUNCIL
And the City Council Serving as the Successor Agency to the
Redevelopment Agency Board**

DRAFT MINUTES

JUNE 19, 2018

4:00 P.M. – STUDY SESSION

CLOSED SESSION

(Immediately Following the Study Session)

5:30 P.M. – PRESENTATIONS

6:00 P.M. – REGULAR SESSION

**CITY COUNCIL CHAMBERS
Carl May Community Center
11711 West Drive, Desert Hot Springs, California**

STUDY SESSION - 4:00 P.M.

CALL TO ORDER

Mayor Matas called the Study Session to order at 4:00 P.M.

ROLL CALL

Present:

Council Members: Russell Betts (arrived after Roll Call), Joe McKee, and Jan Pye

Mayor Pro Tem: Anayeli Zavala

Mayor: Scott Matas

PUBLIC COMMENTS

None.

STUDY SESSION

- 1. Update on the Status of CalPERS Unfunded Actuarial Accrued Liability**
Finance Director, Linda Kelly

Andy Heath and Michael Busch, Urban Futures, Inc., presented an overview of CalPERS (California Public Employee Retirement System), the status of Unfunded Actuarial Accrued Liability (UAAL), UAAL funding options and strategies, and responded to questions.

A discussion ensued. It was the consensus of the City Council to consider options at a later date.

CLOSED SESSION **(Immediately Following the Study Session)**

CLOSED SESSION

- 2. REAL PROPERTY NEGOTIATIONS**

Pursuant to Government Code Section 54956.8:

Property: APN 639-252-039 Vacant Lot on the North Side of Pierson Boulevard

Agency Negotiator: Charles L. Maynard, City Manager / Executive Director
Jennifer Mizrahi, City Attorney / General Counsel
Linda Kelly, Finance Director

Negotiating Parties: Desert Hot Springs Successor Agency
Under Negotiation: Price and Terms

- 3. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION**

Significant exposure to litigation pursuant to subdivision (e)(1) of Section 54956.9:
(1 case)

PRESENTATIONS - 5:30 P.M.

- 4. Recognition of Service to Members of the RDA Oversight Board to the Successor Agency**
Mayor, Scott Matas

Mayor Matas recognized members of the RDA Oversight Board to the Successor Agency for their service.

RECESS

The City Council recessed at 5:39 P.M.

REGULAR SESSION - 6:00 P.M.

CALL TO ORDER

Mayor Matas called the meeting to order at 6:00 P.M.

ROLL CALL

Present:

Council Members: Russell Betts, Joe McKee, and Jan Pye
Mayor Pro Tem: Anayeli Zavala
Mayor: Scott Matas

INVOCATION

Council Member Pye gave the Invocation.

PLEDGE OF ALLEGIANCE

Desert Hot Springs Scouts, Troop 1606, presented the colors and led the Pledge of Allegiance.

CITY ATTORNEY REPORT ON CLOSED SESSION

Jennifer Mizrahi, City Attorney, reported that the City Council approved Item 2 regarding the purchase of real property from the Successor Agency for \$22,542. The action carried by a vote of 4-0 (with Council Member Betts recused).

APPROVAL OF THE AGENDA

Action: Betts moved to approve the June 19, 2018 Regular Meeting agenda, and approve the Consent Calendar except for Item 18, motion seconded by McKee, motion carried 5/0 by the following vote:

Vote: AYES: 5 - Zavala, Betts, Matas, McKee, Pye
Passed NOES: 0 - (None)

PUBLIC COMMENTS

Gary Gardner reported on the June 12, 2018 Planning Commission meeting.

Nina Duarte spoke regarding the Emergency Preparedness Seminar event.

Linda Barrack spoke regarding Martha's Village and the homeless services they provide.

Mike Picardi gave various updates and announcements.

Bruce Hutchinson commended Doria Wilms, Assistant to the City Manager.

James Velasquez spoke regarding the cannabis industry and the California Bureau of Cannabis Control (BCC).

Mark McKinney spoke regarding canna tourism in Colorado.

CITY MANAGER REPORT

None.

MAYOR AND COUNCIL MEMBER REPORTS

Council Member Betts reported on the various meetings and events he attended.

Council Member McKee reported on the various meetings and events he attended.

Mayor Pro Tem Zavala reported on the various meetings and events she attended.

Council Member Pye reported on the various meetings and events she attended.

Mayor Matas reported on the various meetings and events he attended.

ADMINISTRATIVE CALENDAR:

5. **(Successor Agency) Resolution Approving Purchase and Sale Agreement and Joint Escrow Instructions With Richard A. Feenstra for Real Property Located at 66071 and 66079 Pierson Boulevard (APN's 641-021-006 and 641-021-048)**

Finance Director, Linda Kelly

Recommendation: Adopt a Resolution of the Successor Agency to the Redevelopment Agency of the City of Desert Hot Springs approving Purchase and Sale Agreement and Joint Escrow Instructions between the Successor Agency to the Redevelopment Agency of the City of Desert Hot Springs and Richard A. Feenstra with respect to the real property located at 66071 and 66079 Pierson Boulevard, Desert Hot Springs, California (APN's 641-021-006 and 641-021-048) and approving certain related actions.

Steve Dukett, Urban Futures, presented the staff report.

Action: McKee moved to approve staff recommendation and adopt *Resolution No. SA-2018-003*, motion seconded by Zavala, motion carried 5/0 by the following vote:

Vote:
Passed

AYES: 5 - Zavala, Betts, Matas, McKee, Pye
NOES: 0 - (None)

6. (Successor Agency) Resolution Approving Purchase and Sale Agreement and Joint Escrow Instructions With Richard A. Feenstra for Real Property Located at 66146 Pierson Boulevard (APN 639-232-040)

Finance Director, Linda Kelly

Recommendation: Adopt a Resolution of the Successor Agency to the Redevelopment Agency of the City of Desert Hot Springs approving Purchase and Sale Agreement and Joint Escrow Instructions between the Successor Agency to the Redevelopment Agency of the City of Desert Hot Springs and Richard A. Feenstra with respect to the Real Property located at 66146 Pierson Boulevard, Desert Hot springs, California (APN 639-232-040) and approving certain related actions.

Steve Dukett, Urban Futures, presented the staff report.

Action: Betts moved to approve staff recommendation and adopt *Resolution No. SA-2018-004*, motion seconded by McKee, motion carried 5/0 by the following vote:

Vote:
Passed

AYES: 5 - Zavala, Betts, Matas, McKee, Pye
NOES: 0 - (None)

7. (Housing Authority) Resolution Approving the Purchase and Sale of Real Property and Joint Escrow Instructions with Richard M. Johnson, Jr. for Real Property Located on the Northeast Corner of West Drive and Ironwood Drive (APN: 641-191-008)

Finance Director, Linda Kelly

Recommendation: Adopt a Resolution of the Desert Hot Springs Housing Authority, acting as the Successor Housing Agency to the Redevelopment Agency of the City of Desert Hot Springs approving the Purchase and Sale Agreement and Joint Escrow Instructions between the Successor Housing Agency and Richard M. Johnson, Jr., as Trustee of the Richard M. Johnson, Jr. Attorney at Law 401(K) Profit Sharing Trust with respect to the real property located on the east side of West Drive on the northeast corner of West Drive and Ironwood Drive, Desert Hot Springs, California (APN 641-191-008); and further instruct the City Manager to substantively negotiate and execute any and all documents needed to effectuate the transaction.

Steve Dukett, Urban Futures, presented the staff report.

Bruce Hutchinson expressed concerns.

Action: Matas moved to approve staff recommendation and adopt *Resolution No. HA-2018-001*, motion seconded by McKee, motion carried 4/1 by the following vote:

Vote: AYES: 4 - Zavala, Betts, Matas, Pye
Passed NOES: 1 - McKee

8. (Housing Authority) Resolution Approving the Purchase and Sale of Real Property and Joint Escrow Instructions with Richard M. Johnson, Jr. for Real Property Located on the Northwest Corner of Santa Ysabel Drive and Ironwood Drive (APN: 641-191-009)

Finance Director, Linda Kelly

Recommendation: Adopt a Resolution of the Desert Hot Springs Housing Authority, acting as the Successor Housing Agency to the Redevelopment Agency of the City of Desert Hot Springs approving the Purchase and Sale Agreement and Joint Escrow Instructions between the Successor Housing Agency and Richard M. Johnson, Jr., as Trustee of the Richard M. Johnson, Jr. Attorney at Law 401(K) Profit Sharing Trust with respect to the real property located on the west side of Santa Ysabel Drive on the northwest corner of Santa Ysabel Drive and Ironwood Drive, Desert Hot Springs, California (APN 641-191-009); and further instruct the City Manager to substantively negotiate and execute any and all documents needed to effectuate the transaction.

Steve Dukett, Urban Futures, presented the staff report.

Action: Betts moved to approve staff recommendation and adopt *Resolution No. HA-2018-002*, motion seconded by Zavala, motion carried 4/1 by the following vote:

Bruce Hutchinson expressed concerns.

Vote: AYES: 4 - Zavala, Betts, Matas, Pye
Passed NOES: 1 - McKee

9. City-Wide Janitorial Services Contract

Community Development Director, Daniel Porras, P.E.

Recommendation: Award the City-wide Janitorial Services Contract to Santa Fe Building Maintenance as the most qualified bidder and authorize the City Manager to execute an agreement between Santa Fe Building Maintenance and the City of Desert Hot Springs in an amount not to exceed \$105,367.24, plus a contingency amount of \$10,536.72 annually, for City Wide Janitorial Services.

Danny Porras, Community Development Director, presented the staff report.

Action: Betts moved to deny the recommendation and direct Staff to re-issue the Request for Proposals for a minimum of 30 days, motion seconded by McKee, motion carried 3/2 by the following vote:

Vote: AYES: 3 - Betts, McKee, Pye
Passed NOES: 2 - Zavala, Matas

10. John Furbee Aquatic Center Pool Maintenance Contract

Community Development Director, Daniel Porras, P.E.

Recommendation: Award the John Furbee Aquatic Center Pool Maintenance Contract to 1 Stop Pool Pros as the most qualified bidder and authorize the City Manager to execute an agreement between 1 Stop Pool Pros and the City of Desert Hot Springs in an amount not to exceed \$128,070.00, with an additional \$25,614.00 for contingency annually, for the John Furbee Aquatic Center Pool Maintenance Services.

Action: Betts moved to award the contract to Ocean Springs Tech with a contingency amount of \$10,000, motion seconded by McKee, motion carried 4/1 by the following vote:

Vote: AYES: 4 - Zavala, Betts, Matas, McKee
Passed NOES: 1 - Pye

11. Notice and Call of General Municipal Election to be Held on Tuesday, November 6, 2018

City Clerk, Jerryl Soriano, CMC

Recommendation: 1) Adopt a Resolution of the City Council, giving notice of the election of officers, authorizing the City Clerk to perform all items necessary to lawfully conduct the election, and requesting services from the County of Riverside to assist in conducting and canvassing the election; and
2) Adopt a Resolution of the City Council establishing general regulations for the filing of an optional candidate's statement for inclusion in the voter's pamphlet; and setting the deposit fee at (\$TBD).

Jerryl Soriano, City Clerk, presented the staff report.

Action: McKee moved to approve staff recommendation and adopt *Resolution Nos. 2018-055* (calling the election) and *2018-056* (candidate statement regulations), motion seconded by Betts, motion carried 5/0 by the following vote:

Vote: AYES: 5 - Zavala, Betts, Matas, McKee, Pye
Passed NOES: 0 - (None)

The City Council recessed at 7:26 P.M.

The City Council reconvened at 7:35 P.M.

12. Resolution Calling and Noticing a Proposed Measure to be Submitted to the Voters at the General Municipal Election on November 6, 2018 to Select the Mayor on a Rotating Basis

Council Member, Russell Betts; and Council Member, Joe McKee

Recommendation: Take whatever action the City Council deems appropriate.

Council Member Betts presented the report.

Donna Poyuzina spoke opposed.

Gary Gardner spoke opposed.

Mike Picardi spoke opposed.

Action: McKee moved to 1) adopt *Resolution No. 2018-057* to proceed with a ballot measure regarding selecting the mayor on a rotating basis with the procedure for rotation to be set by an Ordinance of the City Council; and 2) direct Staff to bring back a resolution/ordinance for a ballot measure regarding a 4 year term for a directly elected mayor, motion seconded by Betts, motion carried 4/1 by the following vote:

A discussion ensued.

Mayor Matas re-opened public comments.

Gary Gardner addressed the City Council.

Mike Picardi addressed the City Council.

Ted Mayrhofer addressed the City Council.

Vote: AYES: 4 - Zavala, Betts, Matas, McKee
Passed NOES: 1 - Pye

13. Palm Springs International Airport Commission Nomination

City Clerk, Jerryl Soriano, CMC

Recommendation: Consider a nomination to the Palm Springs International Airport Commission for a term ending February 28, 2020.

Action: Betts moved to nominate Council Member Jan Pye to the Palm Springs International Airport Commission, motion seconded by McKee, motion carried 5/0 by the following vote:

Vote: AYES: 5 - Zavala, Betts, Matas, McKee, Pye
Passed NOES: 0 - (None)

CONSENT CALENDAR:

14. City Council Regular Meeting Minutes: June 5, 2018

City Clerk, Jerryl Soriano, CMC

Recommendation: Approve Minutes as presented; or as corrected.

15. Desert Valley Disposal Re-Investment Payment and Extension of Term of the Franchise Agreement

Finance Director, Linda Kelly

Recommendation: Approve a Minute Motion to accept a request from the Desert Valley Disposal for Re-Investment Payment and Extension of Term of the Franchise Agreement.

16. Second Reading and Adoption of an Ordinance Adding Chapter 12.24 to the Desert Hot Springs Municipal Code to Establish a Safety Enhancement Zone

City Clerk, Jerryl Soriano, CMC

Recommendation: Approve Second Reading, read by title only and adopt: "An Ordinance of the City Council adding Chapter 12.24 "Safety Enhancement Zones" of Title 12 "Streets, Sidewalks, and Public Places" of the Desert Hot Springs Municipal Code to establish Safety Enhancement Zones and increase fines and penalties for Municipal Code violations in areas designated as a Safety Enhancement Zone.

Ordinance No. 669

17. Second Reading and Adoption of an Ordinance Amending Chapter 17.60 "Art in Public Places Program" of Title 17 "Zoning" of the Desert Hot Springs Municipal Code

City Clerk, Jerryl Soriano, CMC

Recommendation: Approve Second Reading, read by title only and adopt: "An Ordinance of the City Council amending Chapter 17.60 "Art in Public Places Program" of Title 17 "Zoning" of the Desert Hot Springs Municipal Code."

Ordinance No. 670

18. Second Reading and Adoption of an Ordinance Amending Chapter 17.180 (Medical Marijuana Facilities Operation and Location) of Title 17 "Zoning" of the Desert Hot Springs Municipal Code

Community Development Director, Daniel Porras, P.E.

Recommendation: Approve Second Reading, read by title only and adopt: An Ordinance of the City Council of the City of Desert Hot Springs, Amending Chapter 17.180 (Medical Marijuana Facilities Operation and Location) Allowing for Certain Administrative Approvals for Certain Entitlements, Creating a More Streamlined Process for Already Approved Entitlements Which Are in Good Standing With the City.

Action: McKee moved to approve staff recommendation amended to reflect that: "B. i. Size of Structures," and "B. ii. Existing or approved grade elevations" be stricken from the sections under manufacturing, testing, and distribution, motion seconded by Betts, motion carried 5/0 by the following vote:

Vote: AYES: 5 - Zavala, Betts, Matas, McKee, Pye
Passed NOES: 0 - (None)

Due to the amendment, the Ordinance will return on July 3, 2018 for second reading.

19. Payment Register and City Council Expenditures for the Month of April 2018

Finance Director, Linda Kelly

Recommendation: Receive and file.

20. Treasurer's Report for the Month of April 2018

Finance Director, Linda Kelly

Recommendation: Receive and file.

PUBLIC COMMENTS

None.

ADJOURN

Mayor Matas adjourned the meeting at 8:45 P.M.

Jerryl Soriano, CMC
City Clerk