

MINUTES OF THE REGULAR MEETING  
OF THE CITY COUNCIL,  
NEEDLES PUBLIC UTILITY AUTHORITY  
NEEDLES, CALIFORNIA

Tuesday, February 25, 2014

**Call to Order**

Mayor Paget called the meeting to order at 5:05 p.m. in the Council Chambers at 1111 Bailey.

**Roll Call**

Present: Mayor Edward T. Paget, M.D.; Council Members Jim Lopez, Linda Kidd, Tony Frazier, Terry Campbell, Tom Darcy and Shawn Gudmundson. Also present City Manager Rick Daniels; City Attorney John Pinkney and City Clerk Dale Jones.

**Public Appearance** – None

**Meeting Recessed for Executive Session Item**

Mayor Paget recessed the meeting for the purpose of Executive Session at 5:07 p.m.

- a) Conference with Labor Negotiator pursuant to California Government Code §54957.6 – Personnel - City Negotiator: Attorney Tom Slovak via teleconference – Employee Organization: San Bernardino Public Employees Association (SBPEA).
- b) Pursuant to California Government Code Section 54956.8—conference with real property negotiator and, if desired, action to sell city owned property consisting of: 610 acres located in San Bernardino County and commonly known as assessor's parcel number 0659-081-29: Agency Negotiator: City Manager Rick Daniels. Under negotiation: Price, terms and terms of payment regarding sale of above described property. Negotiating parties: City of Needles as seller and Mojave Investments III, LLC as buyer.
- c) Pursuant to California Government Code Section 54956.8—conference with real property negotiator and, if desired, action to sell city owned property consisting of: 101.4 acres located in San Bernardino County and commonly known as assessor's parcel numbers 0659-161-01 and 0659-161-06: Agency Negotiator: City Manager Rick Daniels. Under negotiation: Price, terms and terms of payment regarding sale of above described property. Negotiating parties: City of Needles as seller and Mojave Investments III, LLC as buyer.

**Meeting Reconvened**

Mayor Paget reconvened the meeting at 6:00 p.m. with all persons heretofore mentioned present.

**Report Out of Executive Session by City Attorney**

City Attorney Pinkney reported that there was no reportable action taken.

**Roll Call**

Present: Mayor Edward T. Paget, M.D.; Council Members Jim Lopez, Linda Kidd, Tony Frazier, Terry Campbell, Tom Darcy and Shawn Gudmundson. Also present City Manager Rick Daniels; City Attorney John Pinkney and City Clerk Dale Jones.

**Invocation** Given by Mayor Paget

**Pledge of Allegiance**            Led by Vice Mayor Campbell

**Approval of Agenda**

Councilmember Lopez moved, seconded by Councilmember Kidd, to approve the agenda as submitted moving agenda item number 14 (dog park) to before presentations. Motion carried by the following roll call vote:

Ayes:        Council Members Lopez, Kidd, Frazier, Campbell, Darcy and Gudmundson  
Noes:        None  
Absent:      None

**Conflict of Interest - None**

**Correspondence - None**

**Introductions - None**

**Public Appearance**

Ms. Debra Downey, Needles Unified School District, voiced her concern over the number of local marijuana dispensaries in our city; that there were recent raids on all of the dispensaries; the image the dispensaries portray of our city; concerns for the youth of our city and asked the City Council to place a ban on dispensaries. Vice Mayor Campbell informed Ms. Downey that there is current code giving the perimeters of dispensaries and that the city council will be discussing and possibly reviewing other policies. He informed her that the voters did vote to impose a marijuana business tax.

**14)    Named the Needles dog park “Spike’s Desert Dog Park”**

Vice Mayor Campbell moved, seconded by Councilmember Lopez, to name the dog park “Spike’s Desert Dog Park.” Motion carried by the following roll call vote:

Ayes:        Council Members Lopez, Kidd, Frazier, Campbell, Darcy and Gudmundson  
Noes:        None  
Absent:      None

Mr. Mike Servillo, Dog Park Committee member, thanked the City Council for their support; updated them on the progress; that people are already using the dog park; that people traveling with animals have already stopped at our dog park and stayed in Needles; he thanked city staff for their assistance and the Sheriff’s department for catching the vandals; the local school students painted the hydrant in the dog park and informed the Council that the grand opening will be on March 15.

**1)        San Bernardino County Fire Department Chief Benfield will give an overview on current fire department activities**

Division Chief Dave Benfield responded to Council’s inquires that the paid call fire fighter program in Big River is moving slowing and that the Fire Marshall will be in town tomorrow to talk to city staff regarding burn permits and other fire related issues.

**Adjourned the City Council meeting and convened a joint City Council and NPUA meeting**

Mayor Paget recessed the City Council meeting and convened a joint meeting with the NPUA at 6:20 p.m. Roll call previously taken.

**Public Appearance – None**

**2)        NPUA ACTION: Approved the minutes of January 28 and February 11, 2014**

Member Lopez moved, seconded by Member Gudmundson, to approve the minutes of January 28 and February 11, 2014. Motion carried by the following roll call vote:

Ayes: Members Lopez, Kidd, Frazier, Campbell, Darcy, Gudmundson and Paget  
Noes: None  
Absent: None

**3) NPUA ACTION: Waived the reading and adopted Resolution No. 02-25-2014-NPUA adopting the proposed revised budget for the fiscal year ending June 30, 2014**

City Manager Daniels reviewed the summary included in the agenda packet and informed the Council that the Utility Board approved the proposed revised budget.

Member Frazier moved, seconded by Member Campbell, to waive the reading and adopt Resolution No. 02-25-2014-NPUA adopting the proposed revised budget for the fiscal year ending June 30, 2014. Motion carried by the following roll call vote:

Ayes: Members Lopez, Kidd, Frazier, Campbell, Darcy, Gudmundson and Paget  
Noes: None  
Absent: None

**4) CITY COUNCIL / NPUA: Information on the consequences to the NPUA should the State use its power to enforce the requirement to reduce water consumption in Needles**

Assistant City Manager reviewed the information included in the agenda packet. Councilmember Darcy thanked him for the report and that we should take this opportunity to figure out how to address the water shortage and concerns over the water usage at the golf course. Vice Mayor Campbell informed Council that the budget committee has discussed how to be more efficient with water at the golf course. Vice Mayor Campbell voiced his concerns over the steady decline of the Lower Colorado Dam levels and how it could affect our hydro. Councilmember Darcy commented that the decrease in rainfall over the past three years is staggering and the city needs to know what we have to do if measures need to be taken to reduce water usage.

**Adjourned the joint Council / NPUA meeting and reconvened the Council meeting**

Mayor Paget adjourned the joint meeting with the NPUA at 6:30 p.m. and convened the Council meeting; roll call previously taken.

**Consent Calendar**

Councilmember Darcy moved, seconded by Councilmember Kidd, to approve the consent calendar items as recommended. Motion carried by the following roll call vote:

Ayes: Council Members Lopez, Kidd, Frazier, Campbell, Darcy and Gudmundson  
Noes: None  
Absent: None

**5) Approved the warrants register through February 25, 2014 and hospital related payments of \$11,070.00 to CPSI to pay off the contract**

**6) Approved the minutes of the regular meeting of February 11, 2014**

**7) Acknowledged and accepted a Conflict Waiver Letter from Best, Best & Krieger LLP regarding their concurrent representation on two separate matters: I-40 / J Street Connector project and APN 185-066-019 (1401 Needles Highway), and authorized the city manager to sign same**

**8) Approved the 2013-2014 budget revisions for the Needles Area Transit (NAT)**

9) **Waived the reading and adopted Resolution No. 2014-9 – A Resolution of the City Council of the City of Needles directing the City Manager to authorize San Bernardino County Fire Department to sell a city owned 1988 Ford C800 Fire Truck**

10) **Authorized staff to accept the work completed by McCormick Construction for the emergency repairs and repaving at the Rainbo Beach Wash and Almquist Wash on Needles Hwy and file “Notice of Completion” with the San Bernardino County Recorder**

11) **Accepted Change Order No. 5 to McCormick Construction for the concrete chipping and additional widening of the concrete sidewalk on the south (park side) at the El Garces Phase 2 in the amount of \$1,427.80**

#### **End of Consent Calendar**

12) **Waived the reading and adopted Resolution No. 2014-8 – A Resolution of the City Council of the City of Needles adopting the revised budget for fiscal year ending June 30, 2014**  
City Manager Daniels reported that city staff and the Budget Committee have completed its review of the midyear budget revisions. The City continues to experience financial distress and had to draw on reserves \$339,230 leaving a projected cash balance of \$355,770 as of June 30, 2014. He concluded that unless significant expenditure reductions or revenue enhancement occur, the City will essentially be out of cash by June 30, 2015.

Councilmember Frazier moved, seconded by Councilmember Darcy, to waive the reading and adopt Resolution No. 2014-8 – A Resolution of the City Council of the City of Needles adopting the revised budget for fiscal year ending June 30, 2014. Motion carried by the following roll call vote:

Ayes: Council Members Lopez, Kidd, Frazier, Campbell, Darcy and Gudmundson  
Noes: None  
Absent: None

13) **Approved Contract No. 04-1235 A-1 between the City of Needles and San Bernardino County Fire Protection District for local fire protection services adding the newest fire truck 31**  
Division Chief Dave Benfield informed Council this contract is revising the equipment list and updating to bring current the services levels. He responded to Council's inquiry regarding limited term firefighters. Councilmember Gudmundson inquired as to why the newest fire truck 31 was not included in the equipment list. Chief Benfield responded that he thought the list was complete and will add to list.

Councilmember Gudmundson moved, seconded by Councilmember Darcy, to approve Contract No. 04-1235 A-1 between the City of Needles and San Bernardino County Fire Protection District for local fire protection services adding the newest fire truck 31. Motion carried by the following roll call vote:

Ayes: Council Members Lopez, Kidd, Frazier, Campbell, Darcy and Gudmundson  
Noes: None  
Absent: None

15) **Accepted a donation from the Centennial Committee and authorized installation of the cantilevered train signal in the Train Park west of the El Garces**  
City Manager Daniels reported. Discussion ensued regarding the cost of the crane; that this will enhance the train park; that the labor cost will come out of the public works budget; inquired if there should be a fence around the train signal and to check with risk management regarding any additional insurance requirements.

Councilmember Darcy moved, seconded by Councilmember Frazier, to accept a donation from the Centennial Committee and authorize installation of the cantilevered train signal in the Train Park west of the El Garces. Motion carried by the following roll call vote:

Ayes: Council Members Lopez, Kidd, Frazier, Campbell, Darcy and Gudmundson  
Noes: None  
Absent: None

**16) Tabled - Direct the City Clerk to place an ad in the Needles Desert Star advertising to fill vacancies on the Needles Community Enhancement Corporation (NCEC) Board**

City Manager Daniels reported that there is a need to fill vacancies on the NCEC Board should we determine to keep the Board. He informed Council that the golf course concessionaire owns the liquor license therefore do we need to have the NCEC at all and that this question should be brought back to Council for discussion. Considerable discussion ensued that the NCEC can own a liquor license and the city cannot; that there is a new vendor at the concession at this time; that there have been three vendors in a short period of time; is there a cost to keep the NCEC active and is there a cost to reinstate should we determine to dissolve the corporation; the NCEC is a 501c3; that it would be the decision of the NCEC Board to dissolve or not; that maybe we should send out a RFP to operate the concession and include the beach front area to enhance the operation; that the concession is necessary for the golf course; the NCEC outstanding loan to the City; are there other options and is this a city liability. City Attorney Pinkney reminded Council that the item on the agenda is to fill vacancies.

Councilmember Darcy moved, seconded by Councilmember Kidd, to **table** advertising to fill vacancies on the Needles Community Enhancement Corporation (NCEC) Board.

Motion carried by the following roll call vote:

Ayes: Council Members Lopez, Kidd, Frazier, Campbell, Darcy and Gudmundson  
Noes: None  
Absent: None

**17) Waived the reading and adopted Resolution 2014-10 – A Resolution of the City Council of the City of Needles establishing rates and policies for the rental of the City’s El Garces meeting room - Approved the El Garces Grounds and Building Maintenance Budget – Waived the reading and adopted Resolution 2014-11 - A Resolution of the City Council of the City of Needles authorizing issuance of a Request for Qualifications (RFQ) for a commercial real estate broker / property manager to represent City of Needles in leasing and managing the El Garces Facility**

City Manager Daniels reported that the renovation at the El Garces should be completed by April 1 and that there has already been a request to use the building and there are three components that need to be addressed and are being presented to you tonight for consideration. Considerable discussion ensued relative to how the City is going to pay for the upkeep of the El Garces; what should be charged for the rental of the property for events; who will be responsible for leasing and managing the property; that the biggest cost will be the electricity and that the Amtrak area has a separate meter. Mayor Paget informed Council that a lot of people have asked about tours.

Councilmember Kidd moved, seconded by Vice Mayor Campbell, to waive the reading and adopt Resolution 2014-10 – A Resolution of the City Council of the City of Needles establishing rates and policies for the rental of the City’s El Garces meeting room AND Approve the El Garces Grounds and Building Maintenance Budget AND waive the reading and adopt Resolution 2014-11 - A Resolution of the City Council of the City of Needles authorizing issuance of a Request for Qualifications (RFQ) for a commercial real estate broker / property manager to represent City of Needles in leasing and managing the El Garces Facility. Motion carried by the following roll call vote:

Ayes: Council Members Lopez, Kidd, Frazier, Campbell, Darcy and Gudmundson  
Noes: None  
Absent: None

**City Attorney's Report**

City Attorney Pinkney informed Council that earlier tonight Mayor Paget attempted to second a motion however Councilmember Frazier jumped in and made the second. Per Charter Section 455 the Mayor is the presiding officer and does not second a motion. City Attorney Pinkney updated Council on the projects he is working on.

**City Manager's Report**

City Manager Daniels informed Council that there will be a manager's memo every two weeks to update Council on projects city staff is working on and it will be posted to the cities web page.

**Council Requests**

Councilmember Lopez inquired if CalTrans has responded as to when they are going to replace the lights on the freeway overpasses.

Councilmember Kidd thanked the Sheriff's Department for apprehending the vandals that damaged the dog park.

Councilmember Kidd asked staff to look into the sign code and the dispensary signage that is located by the Colorado River Bridge.

Councilmember Frazier thanked Cindy Semione, planning department, for volunteering at the car show.

Councilmember Frazier thanked the Sherriff's Department for their recent activity at the marijuana dispensaries as he has noticed significantly reduced traffic.

Vice Mayor Campbell informed Council that Apple Valley and Hesperia have asked the Air District Board of Governors to increase the VLF fees on car licensing so they can put natural gas and propane in their school buses. He voiced his opinion that this fee would require to go the voters. After the meeting he wants to ask Dr. McNeil from the school district, that maybe our district could look into AB2766 grant funds for our bus conversion.

Vice Mayor Campbell asked public works to see what they can do to repair the really bad portion of Needles Hwy by Paradise Storage.

Councilmember Darcy thanked Assistant City Manager Brownlee for his report on the drought water issue.

Councilmember Gudmundson informed Council that the annual basketball tournament will be held soon at the Recreation Center and the Rodeo will be April 11 and 12.

Mayor Paget thanked the City for the red rock which the Rotary will spread around the covered wagon site.

Mayor Paget reminded everyone of the Route 66 meeting to be held on the 27<sup>th</sup>; the State of the County address is tomorrow in Ontario and that representatives from SCAG will also be in town on the 27<sup>th</sup>.

Mayor Paget declared the regular meeting of the City Council held on the 25th day of February, 2014, adjourned at 7:17 p.m.

ATTEST: \_\_\_\_\_  
Mayor Edward T. Paget, M.D.

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City Clerk Dale Jones, CMC