



In accordance with City Council Resolution 1995-21, the minutes of meetings of the City Council and the Boards, Commissions, and Committees of the City shall be prepared as Action Minutes.

The following information comprises the minutes for the regular meeting of the City Council, a joint meeting of the Banning City Council and Banning Utility Authority and a joint meeting of the Banning City Council and the Banning City Council sitting in its capacity as the Successor Agency Board.

MINUTES
CITY COUNCIL

07/14/2020
REGULAR MEETING

COUNCIL MEMBERS PRESENT: Mayor Andrade
Mayor Pro Tem Wallace
Councilmember Happe
Councilmember Pingree
Councilmember Welch

COUNCIL MEMBERS ABSENT: None

OTHERS PRESENT Douglas Schulze, City Manager
Kevin G. Ennis, City Attorney
Marie Calderon, City Clerk
Sonja De La Fuente, Deputy City Clerk
Jennifer Christensen, Administrative Services Director
Matthew Hamner, Police Chief
Tom Miller, Electric Utility Director
Adam Rush, Community Development Director
Art Vela, Public Works Director/City Engineer (via teleconference)
Ralph Wright, Parks & Recreation Director
Suzanne Cook, Deputy Finance Director (via teleconference)
James Wurtz, Economic Development Manager
Laurie Sampson, Executive Assistant (via teleconference)

I. CALL TO ORDER

A regular meeting of the Banning City Council was called to order by Mayor Andrade on July 14, 2020, at 5:08 P.M.

Ralph Bobik from the Church of Jesus Christ of Latter-Day Saints offered the invocation via teleconference.

Mayor Pro Tem Wallace led the public in the Pledge of Allegiance.

II. AGENDA APPROVAL

A motion was made by Mayor Pro Tem Wallace, seconded by Councilmember Welch, to approve the agenda. Roll call vote was taken as follows:

AYES:	Andrade, Happe, Pingree, Wallace & Welch
NOES:	None
ABSTAIN:	None
ABSENT:	None

III. PRESENTATION(S)

1. Lifesaving Award/Recognition

Police Chief Matthew Hamner recognized Officer Christopher Sayeski for receiving the Lifesaving Award.

2. Special Recognitions

The Mayor and City Council recognized community members Kimberly Cartmell-Ybarra and Darrin Harmon as well as the employees of the City of Banning Public Works Department, Streets Maintenance Division, for making Banning a better place to live work and play.

3. Proclamation – July 2020 – Parks and Recreation Month

Parks and Recreation Director Ralph Wright read the Proclamation and the Mayor and City Council presented the Proclamation proclaiming July 2020 as Parks and Recreation Month.

IV. REPORT ON CLOSED SESSION

City Attorney Ennis reported that City Council held a special meeting beginning at 4:00 P.M. today. The items discussed were as follows:

1. CONFERENCE WITH REAL PROPERTY NEGOTIATORS

Pursuant to Government Code Section 54956.8

Property: 447 E. Ramsey Street (APN: 541-150-004)

City Negotiator: Douglas Schulze, City Manager

Negotiating Parties: Property Owner, Shi Pingdong

Under Negotiation: Price and terms for potential acquisition of property

2. CONFERENCE WITH REAL PROPERTY NEGOTIATORS

Pursuant to Government Code Section 54956.8

Property: 553 E. Ramsey Street (APN: 541-150-010)

City Negotiator: Douglas Schulze, City Manager

Negotiating Parties: Property Owner, DBBF Enterprises

Under Negotiation: Price and terms for potential acquisition of property

3. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION

Pursuant to Paragraph (1) of subdivision (d) of Government Code Section 54956.9

Name of case: *Robertson's Ready Mix, Ltd. v. City of Banning, et al.*, Case No. RIC 1513475

V. PUBLIC COMMENTS, CORRESPONDENCE, AND APPOINTMENTS

PUBLIC COMMENT(S)

John Hagen thanked Frank Burgess for the billboard on Ramsey Street recognizing the police. He advised the sign has been graffitied and requested the City clean it. He would also like to see a balance sheet showing the cost of the Ramsey Street Village along with statistics regarding the success rate and positive outcomes. He mentioned that he has noticed an improvement.

CORRESPONDENCE

None

APPOINTMENT(S)

1. Designation of Voting Delegate and Alternates for the League of California Cities Annual Conference and Expo – October 7-9, 2020

Action: Mayor Andrade was appointed the Voting Delegate with Mayor Pro Tem Wallace as Alternate and Councilmember Pingree as the second Alternate.

VI. CONSENT ITEMS

1. Minutes – June 23, 2020, Regular Meeting
2. Minutes – June 23, 2020, Special Meeting (Budget)
3. Minutes – June 23, 2020, Special Meeting (Closed Session)
4. Receive and File Cash, Investments, and Reserve Report for May 2020

5. Approve and Ratify Accounts Payable and Payroll Warrants Issued in May 2020
6. Resolution 2020-90, Approving the Agreement with Cybertime Network Communications for Citywide Looped Microwave Backbone System and Data Circuit to the Water Plant, and Provision of 10.0 Mbps Internet Feed to City Hall for Fiscal Year 2020-2021 for \$31,188.00
7. Resolution 2020-91, Approving the Purchase Order with CDW-G for the Purchase of Computers, Software, and Computer Accessories Not to Exceed \$90,000
8. Resolution 2020-96, Adopting an Amended Conflict of Interest Code Containing Revised Designated Positions and Disclosure Categories, and Repealing Resolution No. 2019-09
9. Ordinance 1565, an Ordinance of the City of Banning 1) Amending Chapters 5.33 of Title 5 of the Banning Municipal Code to Allow Cannabis Distributors to Operate in the City and to Amend the Process for Processing Cannabis Retailer Applications, 2) Amending Chapters 17.12, 17.53, and 17.54 of Title 17 of the Banning Municipal Code (Zoning Text Amendment (ZTA) 20-97501) to Include Provisions Regarding the Expiration of Cannabis Retailer Conditional Use Permits, to Allow Indoor Commercial Cultivation Facilities in the Business Park Zone, to Allow Cannabis Distribution Facilities to Operate in the Industrial Zone, and Making Additional Amendments to Regulations Pertaining to Commercial Cannabis Businesses, and 3) Making a Determination Pursuant to CEQA (**2nd Reading**)
10. Resolution 2020-98, a Resolution of the City Council of the City of Banning, Reaffirming and Making Express Findings and Determinations that Modifications to the 2019 California Residential and Fire Codes, as Adopted by the City of Banning)
11. Resolution 2020-70, Approving Nuisance Abatement Charges be Added to the Tax Rolls of Riverside County, California
12. Resolution 2020-94 Approving Final Tract Map Nos. 35966 and 35967 for the Purpose of Subdividing Property within the Atwell Development (Butterfield Specific Plan) for Financing and Conveyance Purposes; Authorizing Staff to Sign the Final Tract Map; and Releasing the Maps for Recordation
13. Resolution 2020-97, Authorizing the City Manager to Execute a Transportation Uniform Mitigation Fee (TUMF) Reimbursement Agreement with the Western Riverside Council of Governments (WRCOG) for up to \$1,000,000 in TUMF Funds for the Sun Lakes Boulevard Extension Project
14. Accept Easements from Banning Industrial, L.P. for Water Utility Purposes on Assessor's Parcel Numbers 532-130-001 and 532-130-002 for the Maintenance of the City Owned Water System

Public Comments

None

A motion was made by Councilmember Welch, seconded by Mayor Pro Tem Wallace to approve Consent Items 1-14. Electronic vote was taken as follows:

AYES:	Andrade, Happe, Pingree, Wallace & Welch
NOES:	None
ABSTAIN:	None
ABSENT:	None

Action: Approved Consent Items 1-14.

VII. PUBLIC HEARING(S)

1. Resolution 2020-92, Confirming the Levy and Collection of Assessments within the City of Banning's Landscape Maintenance District No. 1 for Fiscal Year 2020/2021

Public Works Director Art Vela presented the staff report for this item.

Public Hearing

None

A motion was made by Councilmember Welch, seconded by Councilmember Pingree to adopt Resolution 2020-92, 1) Confirming the Levy and Collection of Assessments within the City of Banning's Landscape Maintenance District (LMD) No. 1 for Fiscal Year 2020/2021 pursuant to the provisions of Part 2 of Division 15 of the California Streets and Highways Code. 2) Authorize and direct the City Clerk to file the diagram and assessment with the Riverside County Assessor/County Clerk-Recorder's Office. Electronic vote was taken as follows:

AYES:	Andrade, Happe, Pingree, Wallace & Welch
NOES:	None
ABSTAIN:	None
ABSENT:	None

Action: Adopted Resolution 2020-92.

VIII. ANNOUNCEMENTS AND REPORTS

CITY COUNCIL COMMITTEE REPORTS

Councilmember Welch had nothing to report.

Councilmember Pingree reported that he attended the Banning High School graduation parade on July 11th and it turned out very well. He also commented on the Animal Shelter.

Mayor Pro Tem Wallace reported that she was involved with the Banning High School graduation parade. She requested staff let her know what positions were approved for reclassification during COVID-19. She attended a Zoom meeting and advised that the City of Perris has done some neat things and would like to see Banning grow like they have. She advised a guest speaker from Southern California Gas Company advised they will be going to renewable energy and making solar affordable for residents. They are working with the public and advised they may contact the Public Affairs representative with any questions. She also attended the Mayor's Meeting and advised small cities don't receive as much money as the bigger cities and they are working to improve that. She attended the Mayor's Round Table and advised leaders need to adhere to state directives/guidelines. She read a prepared statement (Attachment 1). She also met with resident Gwen Cotton and read something she wrote and shared a story about how her husband, Ernest Cotton, was harassed by police while walking to work. Finally, she shared her concern regarding the Wells Fargo branch in Banning temporarily closing.

Mayor Andrade reported there is a Mayor's Roundtable held twice per week. COVID-19 is discussed every week. She is trying to put something together to send the Governor regarding assistance for the City. Sandals Church will be doing drive-thru food distribution on Thursdays on Nicolet through the Farm to Family Food Box program. She congratulated Banning High School seniors on their graduation, shared a quote from Tommy Lasorda, and thanked the Girls Empowerment Club for the banner.

REPORT BY CITY ATTORNEY

None

REPORT BY CITY MANAGER

City Manager Doug Schulze reported on the following:

- Airport closure update – Rules Committee did not accept the amendment. Congressman Ruiz, the Mayor and the Tribe are working together to send a letter. Bullet points have been provided to Congressman Ruiz' office. He advised the closure opens economic development opportunities, redevelopment would support long term job opportunities, aid in the realignment of I-10 bypass, free up funds, benefit other nearby airports, good for taxpayers, as the general fund is subsidizing.
- Animal Control and the shelter have been a topic of discussion. Yesterday Chief Hamner and Art Vela met with the Morongo Police Chief to discuss animal control and potential partnership. Efforts are underway to raise funds.
- Pardee's Atwell project has had 101 net sales in the first 85 days. The Centerstone neighborhood opens in July and over 300 homes could be sold in the first year.
- Wells Fargo Banning branch is temporarily closing due to staffing issues.
- The demolition of the Banning Business Center is near completion. Site walkthrough with the receiver is coming up. He explained receivership final steps.
- Ramsey Street Village – monthly reports are provided during City Council meetings. The City has been very successful in obtaining grant funds (estimated \$280,000 to \$300,000). He will provide a more detailed report when finalized. Officer Sayeski provides a report regarding success with moving clients to permanent housing and job placements during June and the July report is expected soon. One resident has been notified there will be inspection in two weeks, and they must comply or face eviction.
- Reclassification of positions during COVID-19 – clarification needed.

REPORTS OF OFFICERS

1. Resolution 2020-78, Approving the Renewal of the Landscape Maintenance Contract for City Parks with Z&T Ventures, Inc. dba Service Scape of Alta Loma, California for Fiscal Year 2020/2021 in the not too exceed amount of \$49,095.20

Parks and Recreation Director Ralph Wright presented the staff report for this item.

Councilmember Pingree expressed concern with the quality of work, that he would like to see the contract go out for bid.

Mayor Pro Tem Wallace asked when the contractors are scheduled at each park.

Parks and Recreation Director Wright advised he will provide the Council with a schedule.

Public Comments

John Hagen recommended contracting with one company to maintain all City landscape instead of piecemealing.

Public Works Director explained that Richard Sanchez Park falls within Landscape Maintenance District No. 1 and that is a separate contract.

A motion was made by Councilmember Pingree, seconded by Mayor Pro Tem Pingree to adopt Resolution 2020-78: 1) Approving renewal of an Agreement with Z&T Ventures, Inc., dba Service Scape of Alta Loma, California in the amount “not to exceed” \$49,095.20 for the remainder of the available contract term through February 28, 2021. 2) Authorizing the Administrative Services Director to make necessary budget adjustments, appropriations and transfers related to the Agreement. 3) Authorizing the City Manager to execute the Amendment No. 3 to the Agreement with Z & T Ventures, Inc. dba Service Scape of Alta Loma, California for the remainder of available contract term, through February 2021; with the understanding that the contract will go out to bid upon expiration and a work schedule showing when the contractor will be at the parks is provided to the City Council. Electronic vote was taken as follows:

AYES:	Andrade, Happe, Pingree, Wallace & Welch
NOES:	None
ABSTAIN:	None
ABSENT:	None

Action: **Adopted Resolution 2020-78, with the understanding that the contract will go out to bid upon expiration and a work schedule showing when the contractor will be at the parks is provided to the City Council.**

2. Banning Electric Utility (BEU) - Economic Development Policy and Adoption of Resolution 2020-68 Approving that Policy

Electric Utility Director Tom Miller presented the staff report for this item along with a PowerPoint presentation (Attachment 2).

Public Comments

None

A motion was made by Mayor Pro Tem Wallace, seconded by Councilmember Happe to adopt Resolution 2020-68, approving “Electric Utility Involvement in Economic Development” Policy (“Policy”). 2) Direct the City Manager, the Electric Utility Director, and key staff to engage in economic development programs and activities in accordance with the Policy. 3) Direct the City Clerk to include the Policy in the City’s and Banning Electric Utility’s records and administrative policies. Electronic vote was taken as follows:

AYES:	Andrade, Happe, Pingree, Wallace & Welch
NOES:	None
ABSTAIN:	None
ABSENT:	None

Action: Adopted Resolution 2020-68.

3. Resolution 2020-93, Approving the Agreement for Purchase and Sale and Escrow Instructions Between the City of Banning, as Buyer, and Shi Pingdong, as Seller, for Real Property located at 447 E. Ramsey Street (APN: 541-150-004)

Electric Utility Director Tom Miller presented a PowerPoint presentation (Attachment 3) for this item and introduced the City’s new Economic Development Manager James Wurtz who presented the staff report for this item.

City Manager Doug Schulze explained that one of the goals the City Council provided him earlier this year was the clean-up of the Ramsey Street corridor, and this would help with that.

Public Comments

None

A motion was made by Councilmember Happe, seconded by Councilmember Pingree to adopt Resolution 2020-93, authorizing the City of Banning to purchase real property located at 447 E. Ramsey Banning CA, 92220 (APN No. 541-150-004), using Banning’s Electric Utility Enterprise Funds, for the purpose of achieving economic development goals, as set forth in the City’s “Electric Utility Involvement in Economic Development” policy.. Electronic vote was taken as follows:

AYES:	Andrade, Happe, Pingree, Wallace & Welch
NOES:	None
ABSTAIN:	None
ABSENT:	None

Action: Adopted Resolution 2020-93.

4. Waiver of Permit Fees for Banning Animal Shelter

City Manager Doug Schulze presented the staff report for this item.

Public Comments

None

A motion was made by Mayor Andrade, seconded by Mayor Pro Tem Wallace to authorize the waiver of all permit fees related to improvements and repairs of the City of Banning Animal Shelter and direct the City Manager to prepare a resolution for City Council consideration at the August 25, 2020 meeting. Electronic vote was taken as follows:

AYES:	Andrade, Happe, Pingree, Wallace & Welch
NOES:	None
ABSTAIN:	None
ABSENT:	None

Action: **Authorized the waiver of all permit fees related to improvements and repairs of the City of Banning Animal Shelter and directed the City Manager to prepare a resolution for City Council consideration at the August 25, 2020 meeting.**

IX. DISCUSSION ITEM

1. Resolution 2020-95 Providing for the Submission of a Ballot Argument by Councilmembers in Favor of the Cannabis Distribution Tax Measure Pursuant to Elections Code Section 9282

City Attorney Kevin Ennis presented the staff report for this item.

Public Comments

None

There was a consensus of the Council that all would sign the Ballot Argument in favor of the Measure.

A motion was made by Councilmember Welch, seconded by Councilmember Pingree to 1) Designate Mayor Andrade and Councilmember Happe to draft and all of the Council to sign and submit the ballot argument in favor of the Measure; and 2) Adopt Resolution 2020-95, providing for the submission of a Ballot Argument by Council Members in Favor of the Cannabis Distribution Tax Measure

pursuant to Elections Code Section 9282 (including the selection of alternative A for Sections 3 to that Resolution). Electronic vote was taken as follows:

AYES: Andrade, Happe, Pingree, Wallace & Welch
NOES: None
ABSTAIN: None
ABSENT: None

Action: Designated Mayor Andrade and Councilmember Happe to draft and all Council Members to sign and submit the ballot argument in favor of the Measure and adopted Resolution 2020-95.

X. ITEMS FOR FUTURE AGENDAS

Mayor Andrade requested the following future agenda items:

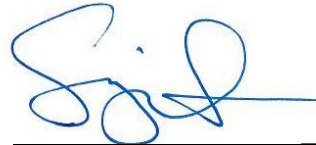
1. Terms of Commissioners
2. Attendance Requirements for Commissioners

XI. ADJOURNMENT

By consensus, the meeting was adjourned at 7:25 P.M.

**Next Meeting: Special Meeting, Tuesday, July 28, 2020, 5:00 P.M.
Regular Meeting, Tuesday, August 25, 2020, 5:00 P.M.**

Minutes Prepared by:



Sonja De La Fuente, Deputy City Clerk

***The entire discussion of this meeting may be viewed here:
<https://banninglive.viebit.com/player.php?hash=CrJ5chQwvql1>. Any related documents maybe viewed here:
<https://banningca.gov/ArchiveCenter/ViewFile/Item/2330> or by purchasing a CD or DVD in the amount of \$7.00 at Banning City Hall located at 99 E. Ramsey Street.***

ATTACHMENT 1

Mayor Andrade asked me to represent her and our city on July 9th at the mayors round table discussion. COVID 19 is prevalent topic of discussion and different ways to keep our communities safe. We can agree to disagree on this issue but as leaders we need to set an example and adhere to the governor and the county's order. To date there are 30 counties being monitored and riverside county continues to rise in positive cases. We have been informed of the following:

All counties must close indoor operations moving as many as possible to outside operation.

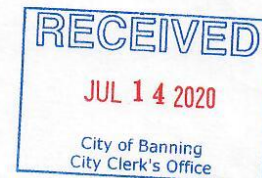
Restaurants, Movie theaters Family entertainment centers, Museums, Bars must close all operations, as well as Fitness centers, Places of worship, Hair salons, Barber shops and Indoor malls.

Please continue to wear a mask and practice social distancing. Limit your interactions with people outside your household but if you must do so take it outside and keep it at a minimum.

As your mayor Pro Tem and your city leader I will do my part in keeping this community safe and encourage my fellow council members to follow suit.

Thank you

Colleen Wallace



ATTACHMENT 2



City Council Meeting

July 14, 2020

Banning Electric Utility
Electric Utility Involvement in Economic Development



Recommendation:

- Discussion and possible adoption:
 - Resolution 2020-068
 - City of Banning
 - Banning Electric Utility Policy
 - Electric Utility Involvement in Economic Development
 - Direct and authorize the city manager, electric utility director, and designees to leverage BEU revenues to design, execute, and monitor economic development programs and activities in accordance to the Policy
 - In any future rate setting process or cost of service analysis, staff is directed to take into account the economic development programs and activities authorized by the Policy and to consider the impact of such programs and activities on rates



Purpose and Objective



- BEU has an obligation to serve load of end-use customers in our assigned area of service.....
-at the lowest possible cost using sound business practices
- (Purpose) Leverage BEU resources to design, execute, and utilize economic development programs
- Specifically, attract, retain, and expand local business customers
- (Objective) To improve system load factor (system efficiency), diversify load, and maximize system utilization (increase density of load)
- Allowing fix costs to be distributed among a greater number of customers
- The policy directs the City Manager and BEU Director to engage in economic development activities

Required Objectives and Elements



- Present a BUDGET for economic development programs and activities for City Council's review, approval, and adoption
- MUST provide a specific and direct benefit to ratepayers
- SHALL NOT exceed the reasonable costs and unduly burden ratepayers
- EXHIBIT fairness in specific rates in the apportionment of total costs of service among the different ratepayers (Bonbright Principle, 1961)
- REQUIRE the disposition of proceeds to be returned to BEU in order to perpetuate economic development activities

**"SMART" Goals:
Specific,
Measurable,
Achievable,
Relevant and Timely**



- To improve or increase system load factor, currently at 37%
- To improve and promote load diversification, currently 85% residential (not including the additions of the Atwell subdivision)
- To improve system utilization
 - Take advantage of in-fill lots
 - Improve sales in certain system distribution districts (such as Sunset Substation currently at 5% utilization)

Guidelines: Projects *should*

- Benefit the strategic goals of BEU set by City Council
- Be consistent with BEU business and resource plans
- Have a high probability of success (lower risk)
- Promote safety
- Be environmentally friendly
 - Carbon-free
 - Renewable
 - Sustainable
- Demonstrate a wise use of energy and promote an increased standard of living



Economic Development Activities: (including but not limited to)

- Community marketing and Development
- Technical assistance and transfer of technology
- Market research
- Site and Workforce inventories
- Industrial and commercial expansion and relocation assistance
- Business retention and recruitment
- Gap financing for eligible projects
- Partner with Enterprise, economic incentive areas, Opportunity, Federal or other recognized geographical areas for the purpose community improvement
- Acquire and dispose property as long as funds stay within BEU
- Provide incentives within development zones
- Provide rate discounts or custom rates
- Provide custom line extension arrangements
- Focus on commercial, industrial, and key accounts
- System redundancy and resilience services
- Rebates, grants, low-interest loans, and in-kind services
- Fee waivers



Past Economic Development Activities: Rate Discounts



- San Geronio Hospital
- Albertson's Grocery Store
- Brands on Sale



City Council Action:

- Adopt policy
- Adopt policy with changes
- Defer action and provide staff direction



ATTACHMENT 3

Candidate Economic Development Opportunity



“SMART” Goals:

- The downtown underground project was a very expensive project for BEU
- Any energy sales from this opportunity will benefit existing ratepayers

James Wurtz
Economic Development Manager

