



Wednesday, February 20, 2019
Minutes of the Regular Meeting of the City Council
of the City of Palm Springs

CALL TO ORDER:

A Regular Meeting of the Palm Springs City Council was called to order by Mayor Moon on Wednesday, February 20, 2019, at 6:10 p.m., in the Council Chamber, City Hall, located at 3200 E. Tahquitz Canyon Way, Palm Springs, California.

PLEDGE OF ALLEGIANCE:

Mayor Moon led the Pledge of Allegiance.

ROLL CALL:

Present: Councilmembers Christy Holstege, Lisa Middleton; Mayor Pro Tem Geoff Kors; and Mayor Robert Moon.

Absent: Councilmember J.R. Roberts.

City Staff

Present: David H. Ready, City Manager; Edward Z. Kotkin, City Attorney; Marcus Fuller, Assistant City Manager; and Anthony J. Mejia, City Clerk, were present at Roll Call. Other staff members presented reports or responded to questions as indicated in the minutes.

PRESENTATIONS:

Brian Grubber, presentation of the Fiscal Year 2017-18 Financial Audit by Lance, Soll, and Lunghard LLP, the City's independent auditors.

ACCEPTANCE OF THE AGENDA:

MOTION BY MAYOR PRO TEM KORS, SECOND BY COUNCILMEMBER HOLSTEGE, CARRIED 4-0, to add to the agenda an update on the storm damage based on the finding that the matter came to the attention after the posting of the agenda and there is a need for immediate action.

MOTION BY COUNCILMEMBER HOLSTEGE, SECOND BY MAYOR PRO TEM KORS, CARRIED 4-0, to remove Consent Calendar Item Nos. 1D, 1E, and 1K for separate discussion.

REPORT OF CLOSED SESSION:

The Regular Closed Session of the City Council of February 20, 2019, was called to order by Mayor Moon at 4:00 p.m., with all members present.

The meeting convened into Closed Session to discuss the following items as listed on the Closed Session Meeting Agenda:

CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION, Pursuant to Government Code Section 54956.9(d)(1):

4348 Lockwood Ave LLC et al v. City of Palm Springs
Case No. RIC1703102, Riverside Superior Court, Riverside Division

CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION, Pursuant to Government Code Section 54956.9(d)(2):

Number of Anticipated Cases: Seven (7)

CONFERENCE WITH LEGAL COUNSEL – INITIATION OF LITIGATION, Pursuant to Government Code Section 54956.9(d)(4):

Number of Cases: Five (5), including the following:

ENGIE Services US (predecessors Chevron Energy Solutions Company, a Division of Chevron USA, Inc., and OpTerra), regarding City of Palm Springs Municipal Cogeneration Plant

Hal Hays Construction, Inc., regarding City Project 15-05, City of Palm Springs Police Department Remodel

PUBLIC EMPLOYEE PERFORMANCE EVALUATION, Pursuant to Government Code Section 54957(b)(1):

City Attorney

CONFERENCE WITH REAL PROPERTY NEGOTIATORS, Pursuant to Government Code Section 54956.8

Property Address/Description: 980 E. Tahquitz Canyon Way, APN 508-056-010
Agency: City of Palm Springs
City Negotiator: David H. Ready, City Manager or Designee
Negotiating Parties: Palm Springs Unified School District, Sandra Lyon, Superintendent
Under Negotiation: Price and Terms of Payment (Lease)

CONFERENCE WITH LABOR NEGOTIATOR, Pursuant to Government Code Section 54957.6:

Agency Designated
Representatives: City Manager David Ready and Attorney Peter Brown
Employee Organizations: Palm Springs Police Management Association

City Attorney Kotkin reported that the City Council received briefings and provided direction to staff regarding the agendaized Closed Session Items, but did not take any additional reportable action; announced that he is resigning his position as City Attorney effective February 28, 2019.

PUBLIC TESTIMONY:

Norm King, speaking on Item A, urged the City Council to establish a Brown Act compliant body to review the recommendations in the CVRA Working Group's report.

Alexis Ortega and Kathy Weremuik, speaking on Item A, voiced support for the recommendations of the CVRA Working Group.

Grace Garner, speaking on Item A, spoke in support of the CVRA Working Group's report.

Stephen Moses, speaking on Item A, stressed the importance of increasing compensation for the City Council.

Robert Findley, speaking on Item A, opined that increasing compensation for City Council will not help attract working individuals, pointing out that they would need to resign from the regular jobs.

Ed McBride, Chair of the Library Board, speaking on Item 1A, summarized the activities of Library Board of Trustees.

Jim Stuart, speaking on Item 1E, urged the City Council to renew the agreement with the Drug Enforcement Agency.

Hank Bates, speaking on Item 3B, voiced support for the moratorium on cannabis-related businesses in specified areas.

Steven Wijatyle, speaking on Item 3B, expressed opposition to the proposed moratorium, noting that it will have negative consequences for his application to operate a cannabis-related business.

Julie Canby, speaking on Item 3B, conveyed opposition to the proposed moratorium.

Shane Canby, speaking on Item 3B, expressed opposition to the proposed moratorium.

Dieter Crawford, speaking on Item 3B, voiced support for the proposed moratorium, citing concerns related to the oversaturation of cannabis-related businesses adjacent to residential areas.

Joy Brown Meredith, speaking on Items 3B and 5A, expressed support for the proposed moratorium and reduction in taxes on cannabis-related businesses, pointing out that the City should ensure that end user customers see the benefit of the tax reduction.

Rick Pantele, speaking on Item 3B and 5A, spoke on the importance of odor control in relation to cannabis-related businesses and voiced support for the tax reduction.

Peter Maietta, speaking on Item 5A, recommended that the City Council conduct an impact study on City services as a result of reducing taxes for cannabis-related businesses.

James Valesquez, speaking on Item 5A, expressed gratitude to the City Council for its consideration of reducing taxes on cannabis-related businesses.

Carl Baker, speaking on Item 5A, voiced support for reducing taxes for cannabis-related businesses.

Simone Sandoval, speaking on Item 5A, voiced support for reducing taxes for cannabis-related businesses.

CITY COUNCIL, SUBCOMMITTEE, AND CITY MANAGER'S COMMENTS AND REPORTS:

Director of Library Services Kays announced the availability of a free online high school diploma program offered through the Library.

Councilmember Middleton provided an update on recent meetings and events; advised that the Coachella Valley Association of Governments Transportation Committee is supporting efforts to allow cities more flexibility in regulating local speed limits.

Mayor Pro Tem Kors announced that a campaign to promote local small businesses entitled “Uniquely Palm Springs” launched over the past week; requested that consideration of amending the Salton Sea Resolution and discussion of the Community Block Development Grant process be agendized for the next City Council meeting; requested that establishment of construction fencing standards be agendized for City Council consideration.

Councilmember Holstege provided a status report on homelessness issues; encouraged residents to participate in the Black History Parade and Street Fair on February 23, 2019; provided an update on recent meetings and events.

1. CONSENT CALENDAR:

MOTION BY MAYOR PRO TEM KORS, SECOND BY COUNCILMEMBER MIDDLETON, CARRIED 4-0, to approve the Consent Calendar, with the removal of Consent Calendar Item Nos. 1D, 1E, and 1K for separate discussion.

A. PALM SPRINGS BOARD OF LIBRARY TRUSTEES ANNUAL REPORT FOR FISCAL YEAR 2017-18

MOTION BY MAYOR PRO TEM KORS, SECOND BY COUNCILMEMBER MIDDLETON, CARRIED 4-0, to receive and file the Palm Springs Board of Library Trustees Annual Report for Fiscal Year 2017-18.

B. APPROVAL OF PAYROLL WARRANTS, CLAIMS AND DEMANDS

MOTION BY MAYOR PRO TEM KORS, SECOND BY COUNCILMEMBER MIDDLETON, CARRIED 4-0, to:

1. Adopt Resolution No. 24563 entitled "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALM SPRINGS, CALIFORNIA, APPROVING PAYMENT OF PAYROLL WARRANTS FOR THE PERIOD ENDED 12-01-2018 BY WARRANTS NUMBERED 420523, 420536 THROUGH 420554 TOTALING \$59,591.37, LIABILITY CHECKS NUMBERED 1103089 THROUGH 1103107 TOTALING \$76,900.69, FOUR WIRE TRANSFERS FOR \$88,156.26, AND TEN ELECTRONIC ACH DEBITS OF \$2,034,118.54 IN THE AGGREGATE AMOUNT OF \$2,258,766.86, DRAWN ON BANK OF AMERICA."
2. Adopt Resolution No. 24564 entitled "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALM SPRINGS, CALIFORNIA, APPROVING PAYMENT OF CLAIMS AND DEMANDS BY WARRANTS NUMBERED 1103108 THROUGH 1103191 IN THE AGGREGATE AMOUNT OF \$2,648,145.90, DRAWN ON BANK OF AMERICA."
3. Adopt Resolution No. 24565 entitled "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALM SPRINGS, CALIFORNIA, APPROVING PAYMENT OF CLAIMS AND DEMANDS BY WARRANTS NUMBERED 1103192 THROUGH 1103349 IN THE AGGREGATE AMOUNT OF \$978,760.21, DRAWN ON BANK OF AMERICA."
4. Adopt Resolution No. 24566 entitled "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALM SPRINGS, CALIFORNIA, APPROVING PAYMENT OF PAYROLL WARRANTS FOR THE PERIOD ENDED 12-15-2018 BY WARRANTS NUMBERED 420555 THROUGH 420568 TOTALING \$58,077.37, LIABILITY CHECKS NUMBERED 1103350 THROUGH 1103368 TOTALING \$71,427.93, FOUR WIRE TRANSFERS FOR \$59,042.04, AND TEN ELECTRONIC ACH DEBITS OF \$1,662,447.03 IN THE AGGREGATE AMOUNT OF \$1,850,994.37, DRAWN ON BANK OF AMERICA."
5. Adopt Resolution No. 24567 entitled "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALM SPRINGS, CALIFORNIA, APPROVING PAYMENT OF CLAIMS AND DEMANDS BY WARRANTS NUMBERED 1103369 THROUGH 1103473 IN THE AGGREGATE AMOUNT OF \$1,203,583.06, DRAWN ON BANK OF AMERICA."
6. Adopt Resolution No. 24568 entitled "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALM SPRINGS, CALIFORNIA, APPROVING PAYMENT OF CLAIMS AND DEMANDS BY WARRANTS NUMBERED 1103474 THROUGH 1103530 IN THE AGGREGATE AMOUNT OF \$2,042,665.46, DRAWN ON BANK OF AMERICA."

C. STAFF AUTHORIZED AGREEMENTS AND PURCHASE ORDERS FOR THE MONTH OF JANUARY 2019

MOTION BY MAYOR PRO TEM KORS, SECOND BY COUNCILMEMBER MIDDLETON, CARRIED 4-0, to receive and file the report of Staff Authorized Agreements and Purchase Orders for the period of January 1 through January 31, 2019.

D. ACCEPTANCE OF DONATION FROM THE AGUA CALIENTE BAND OF CAHUILLA INDIANS IN THE AMOUNT OF \$25,000 FOR THE PALM SPRINGS POLICE EXPLORERS

This item was excluded from the Consent Calendar. Please refer to Page 9 of these minutes for a summary of that action.

E. RENEW AGREEMENT WITH DRUG ENFORCEMENT AGENCY TO PARTICIPATE IN TASK FORCE

This item was excluded from the Consent Calendar. Please refer to Page 9 of these minutes for a summary of that action.

F. ACCEPTANCE OF THE WASTEWATER TREATMENT PLANT UPGRADE PROJECT, CP 15-14

MOTION BY MAYOR PRO TEM KORS, SECOND BY COUNCILMEMBER MIDDLETON, CARRIED 4-0, to:

1. Accept the public works improvement identified for the Palm Springs Wastewater Treatment Plant Upgrade Project, CP 15-14, as completed in accordance with the plans and specifications. A6915.
2. Authorize the City Engineer to execute and file for recordation with the Riverside County Recorder a Notice of Completion for the Palm Spring Wastewater Treatment Plant Upgrade Project, CP 15-14.

G. ACCEPTANCE OF BID (IFB) 19-01 FOR PURCHASE OF EMULSIFIED SURFACE SEALANT TO MAINTAIN AIRPORT PAVEMENTS

MOTION BY MAYOR PRO TEM KORS, SECOND BY COUNCILMEMBER MIDDLETON, CARRIED 4-0, to:

1. Approve the purchase of 10,800 gallons of emulsified surface sealant, as specified in Invitation for Bid (IFB) 19-01, from Granite Construction Company of Indio, California, in the amount of \$112,791.00.
2. Authorize City Manager to execute all necessary documents.

H. ACCEPTANCE OF THE PALM SPRINGS CONVENTION CENTER PARKING LOT (PHASE 2), CP 17-14

MOTION BY MAYOR PRO TEM KORS, SECOND BY COUNCILMEMBER MIDDLETON, CARRIED 4-0, to:

1. Accept the public works improvement identified for the Palm Springs Convention Center Parking Lot (Phase 2), CP 17-14, as completed in accordance with the plans and specifications. A7138.
2. Authorize the City Engineer to execute and file for recordation with the Riverside County Recorder a Notice of Completion for the Palm Springs Convention Center Parking Lot (Phase 2), CP 17-14.

I. REPORT OF EMERGENCY REPAIRS TO UNDERGROUND POTABLE WATER LINES AND VALVES AT PALM SPRINGS INTERNATIONAL AIRPORT PURSUANT TO PALM SPRINGS MUNICIPAL CODE SECTION 7.04.040

MOTION BY MAYOR PRO TEM KORS, SECOND BY COUNCILMEMBER MIDDLETON, CARRIED 4-0, to receive and file the report of emergency repairs to the airport plumbing system with a final cost of \$39,771.93.

J. SECOND READING AND ADOPTION OF ORDINANCE NO. 1977 OF THE CITY OF PALM SPRINGS, CALIFORNIA, ESTABLISHING GENERAL STANDARDS FOR MIXED-USE DEVELOPMENT AND ALLOWING UP TO 70 DWELLING UNITS PER ACRE IN THE DOWNTOWN CENTRAL CORE AREA AS PERMITTED BY THE CITY OF PALM SPRINGS GENERAL PLAN, CASE 5.1465 ZTA

MOTION BY MAYOR PRO TEM KORS, SECOND BY COUNCILMEMBER MIDDLETON, CARRIED 4-0, to adopt Ordinance No. 1977 entitled "AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PALM SPRINGS, CALIFORNIA, ADOPTING AN AMENDMENT TO THE PALM SPRINGS ZONING CODE RELATING TO MIXED-USE DEVELOPMENT IN THE CBD (CENTRAL BUSINESS DISTRICT), C-1 (RETAIL BUSINESS) AND C-2 (GENERAL BUSINESS) ZONES, CASE 5.1465 ZTA."

K. SECOND READING AND ADOPTION OF ORDINANCE NO. 1978 OF THE CITY OF PALM SPRINGS, CALIFORNIA, ADOPTING AMENDMENTS TO THE PALM SPRINGS ZONING CODE RELATING TO REGULATIONS FOR PLANNED DEVELOPMENT DISTRICTS, CASE 5.1439 ZTA

This item was excluded from the Consent Calendar. Please refer to Page 9 of these minutes for a summary of that action.

L. SECOND READING AND ADOPTION OF ORDINANCE NO. 1979, AMENDING THE PALM SPRINGS ZONING CODE TO ESTABLISH THE R-1-E ZONE, A NEW SMALL-LOT SINGLE-FAMILY RESIDENTIAL ZONE, CASE 5.1398 ZTA

MOTION BY MAYOR PRO TEM KORS, SECOND BY COUNCILMEMBER MIDDLETON, CARRIED 4-0, to adopt Ordinance No. 1979 entitled "AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PALM SPRINGS, CALIFORNIA, AMENDING THE PALM SPRINGS ZONING CODE TO ESTABLISH THE R-1-E ZONE, A NEW SMALL-LOT SINGLE-FAMILY RESIDENTIAL ZONE, CASE 5.1398 ZTA."

M. SECOND READING AND ADOPTION OF ORDINANCE NO. 1980, AMENDING THE PALM SPRINGS MUNICIPAL CODE MODIFYING PROVISIONS RELATED TO THE ADMINISTRATIVE APPEALS BOARD AND PROVIDING FOR ALTERNATE BOARD MEMBERS

MOTION BY MAYOR PRO TEM KORS, SECOND BY COUNCILMEMBER MIDDLETON, CARRIED 4-0, to adopt Ordinance No. 1980 entitled "AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PALM SPRINGS, CALIFORNIA, AMENDING SECTIONS 2.50.030, 2.50.040, AND 2.50.060 OF THE PALM SPRINGS MUNICIPAL CODE MODIFYING PROVISIONS RELATED TO THE ADMINISTRATIVE APPEALS BOARD AND PROVIDING FOR ALTERNATE BOARD MEMBERS."

N. APPROVE A SOLE SOURCE AGREEMENT WITH ENVIRONMENTAL SYSTEMS RESEARCH INSTITUTE (ESRI) FOR ENTERPRISE GIS SOFTWARE

MOTION BY MAYOR PRO TEM KORS, SECOND BY COUNCILMEMBER MIDDLETON, CARRIED 4-0, to:

1. Approve a three-year sole source agreement with ESRI in the amount of \$35,000 per year not to exceed \$105,000 over the three year contract period.
2. Authorize the City Manager to execute all necessary documents.

O. APPROVAL OF MINUTES

MOTION BY MAYOR PRO TEM KORS, SECOND BY COUNCILMEMBER MIDDLETON, CARRIED 4-0, to approve the City Council Meeting Minutes of April 18 and April 19, 2019.

EXCLUDED CONSENT CALENDAR:**D. ACCEPTANCE OF DONATION FROM THE AGUA CALIENTE BAND OF CAHUILLA INDIANS IN THE AMOUNT OF \$25,000 FOR THE PALM SPRINGS POLICE EXPLORERS**

The City Council expressed gratitude to the Agua Caliente Band of Cahuilla Indians for their donation.

MOTION BY COUNCILMEMBER MIDDLETON, SECOND BY MAYOR PRO TEM KORS, CARRIED 4-0, to:

1. Approve the acceptance of a donation award from the Agua Caliente Band of Cahuilla Indians in the amount of \$25,000.
2. Authorize the City Manager to execute all necessary documents.

E. RENEW AGREEMENT WITH DRUG ENFORCEMENT AGENCY TO PARTICIPATE IN TASK FORCE

In response to City Council inquiry, Police Chief Reyes advised that the City's non-discrimination contract provisions and Sanctuary City status will not impede the City's participation in the subject task force.

MOTION BY COUNCILMEMBER MIDDLETON, SECOND BY COUNCILMEMBER HOLSTEGE, CARRIED 4-0, to:

1. Renew an agreement with the Drug Enforcement Agency through September 30, 2019. A5711.
2. Authorize the City Manager to execute all necessary documents.

K. SECOND READING AND ADOPTION OF ORDINANCE NO. 1978 OF THE CITY OF PALM SPRINGS, CALIFORNIA, ADOPTING AMENDMENTS TO THE PALM SPRINGS ZONING CODE RELATING TO REGULATIONS FOR PLANNED DEVELOPMENT DISTRICTS, CASE 5.1439 ZTA

Following discussion, MOTION BY MAYOR PRO TEM KORS, SECOND BY COUNCILMEMBER HOLSTEGE, CARRIED 4-0, to adopt Ordinance No. 1978 entitled "AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PALM SPRINGS, CALIFORNIA, ADOPTING AMENDMENTS TO PALM SPRINGS ZONING CODE (PSZC) SECTIONS 91.00.10, 93.05.00, AND 94.03.00 RELATING TO REGULATIONS FOR PLANNED DEVELOPMENT DISTRICTS, CASE 5.1439 ZTA," as amended to strike "documented public safety issues" in relation to controlled access.

ITEM CONTINUED FROM THE LAST CITY COUNCIL MEETING:**A1. UPDATE ON DAMAGE FROM THE STORM AND FLOODING OCCURRING ON FEBRUARY 14, 2019**

City Manager Ready narrated a photo presentation and responded to City Council inquiries.

Nancy Stuart, Chair of the Mount San Jacinto Winter Park Authority, provided an update on the damage to the Palm Springs aerial tramway, noting that the tramway will be closed until repairs are completed.

In response to City Council inquiry, Assistant City Manager Fuller advised that the City did acquire federal funding for a bridge structure at Palm Canyon and Bogart Trail, noting that the project has been delayed due to right-of-way acquisition and litigation; noted that the City possessed funding for a bridge connecting to Araby Cove, but it was halted due to local residents opposition to the bridge.

City Manager Ready advised that the City has a public safety easement on Rim Road, connecting to Araby Cove, but that it is uncertain whether the foundation could support a ladder fire truck; stated that the City offered to make improvements to Rim Road, but that the property owner declined; advised that the City has fire utility vehicles that could respond during an emergency.

Assistant City Manager Fuller advised that the City Council and community need to express strong support for a bridge connecting to Araby Cove before the City pursues state and federal funding. The City Council requested that discussion of pursuing grant funding for the subject bridge be agendaized for a future City Council meeting.

Councilmember Middleton spoke on the importance of maintaining vehicular access on Indian Canyon Drive, noting that paramedics from Desert Hot Springs are negatively impacted during road closures.

The City Council requested that staff work with Spectrum Cable, cell service providers, and the Animal Shelter to improve emergency reliability.

A. DISCUSSION OF THE CALIFORNIA VOTING RIGHTS ACT (CVRA) COMMUNITY WORKING GROUP'S RECOMMENDATIONS

City Clerk Mejia presented the staff report and responded to City Council inquiries.

Councilmember Holstege opined that additional information is needed on comparable cities and best practices in relation to each of the recommendations; suggested that a diversity and inclusivity consultant review the recommendations and provide an opinion on their impacts as a holistic approach toward embracing diversity; suggested that staff provide recommendations and analysis on the impacts of the CVRA Working Group's recommendations.

Mayor Moon pointed out that individual Councilmembers will likely be contacted less often and will receive fewer requests for appearances under the new District system; suggested that the City Council explore imposing term limits.

The City Council requested that staff host two City Council Candidate Forums to be held at the Demuth Community Center and James O. Jessie Unity Center.

By consensus, the City Council requested that staff schedule a Study Session, with the CVRA Working Group, with the additional information requested and the full City Council in attendance.

2. PUBLIC HEARINGS:

A. REQUEST BY THE CITY OF PALM SPRINGS FOR A ZONE TEXT AMENDMENT TO AMEND PALM SPRINGS ZONING CODE SECTIONS 91.00.10, 92.01.01, AND 93.23.14 RELATING TO ACCESSORY SECOND UNITS IN RESIDENTIAL ZONES, CASE 5.1447 ZTA

Director of Planning Services Fagg narrated a PowerPoint presentation and responded to City Council inquiries.

Mayor Moon opened the Public Hearing.

Jim Franklin, representing the Palm Springs Regional Association of Realtors, voiced support for the proposed ordinance.

There being no others desiring to speak, Mayor Moon closed the Public Hearing.

Following discussion, MOTION BY MAYOR PRO TEM KORS, SECOND BY COUNCILMEMBER HOLSTEGE, CARRIED 4-0, to introduce Ordinance No. 1981 entitled "AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PALM SPRINGS, CALIFORNIA, AMENDING PALM SPRINGS ZONE CODE SECTIONS 91.00.10, 92.01.01, AND 93.23.14 RELATING TO ACCESSORY SECOND UNITS IN RESIDENTIAL ZONES (CASE 5.1447 ZTA)," with the following direction:

- a. Eliminate the requirement for separate utility meters between the units;
- b. Allow concurrent long-term rentals of the main unit and secondary unit;
- c. Eliminate the requirement for agreement recordation with the County; and
- d. Add availability of on-street parking to the criteria for granting a parking waiver.

3. LEGISLATIVE:**A. ADOPTION OF AN ORDINANCE TO AMEND THE PALM SPRINGS MUNICIPAL CODE TO CHANGE GENERAL MUNICIPAL ELECTION DATES TO COINCIDE WITH STATEWIDE GENERAL ELECTIONS IN NOVEMBER OF EVEN-NUMBERED YEARS**

City Clerk Mejia presented the staff report.

Following discussion, MOTION BY COUNCILMEMBER MIDDLETON, SECOND BY MAYOR PRO TEM KORS, CARRIED 4-0, to adopt Ordinance No. 1982 entitled “AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PALM SPRINGS, CALIFORNIA, AMENDING PALM SPRINGS MUNICIPAL CODE SECTION 2.02.010 “GENERAL MUNICIPAL ELECTIONS” RELATING TO CHANGING THE GENERAL MUNICIPAL ELECTION DATE TO THE FIRST TUESDAY AFTER THE FIRST MONDAY IN NOVEMBER OF EACH EVEN-NUMBERED YEAR, COMMENCING WITH THE GENERAL MUNICIPAL ELECTION OF NOVEMBER 2020, IN ORDER TO COMPLY WITH SENATE BILL 415.”

B. INTERIM URGENCY ORDINANCE ADOPTING A TEMPORARY MORATORIUM ON CITY APPROVAL OF NEW APPLICATIONS FOR PERMITS TO ENGAGE IN CANNABIS BUSINESS AND ACTIVITY IN PORTIONS OF THE DESERT HIGHLAND GATEWAY ESTATES AND DEMUTH PARK NEIGHBORHOODS OF THE CITY, FOR CONSIDERATION OF APPROPRIATE AMENDMENTS TO THE GENERAL PLAN, MUNICIPAL CODE AND ZONING CODE IN ACCORDANCE WITH GOVERNMENT CODE SECTION 65858

City Attorney Kotkin presented the staff report and responded to City Council inquiries.

Following discussion, MOTION BY MAYOR PRO TEM KORS, SECOND BY COUNCILMEMBER HOLSTEGE, CARRIED 4-0, to adopt Ordinance No. 1983 entitled “AN INTERIM URGENCY ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PALM SPRINGS, CALIFORNIA, ADOPTING A TEMPORARY MORATORIUM ON CITY APPROVAL OF NEW APPLICATIONS FOR PERMITS TO ENGAGE IN CANNABIS BUSINESS AND ACTIVITY IN PORTIONS OF THE DESERT HIGHLAND GATEWAY ESTATES AND DEMUTH PARK NEIGHBORHOODS OF THE CITY, FOR CONSIDERATION OF APPROPRIATE AMENDMENTS TO THE GENERAL PLAN, MUNICIPAL CODE AND ZONING CODE IN ACCORDANCE WITH GOVERNMENT CODE SECTIONS 65858.”

4. UNFINISHED BUSINESS: None.

5. NEW BUSINESS:**A. PROPOSED RESOLUTION REDUCING THE CANNABIS BUSINESS ACTIVITY TAX RATE ON MANUFACTURING TO TWO PERCENT (2%), AND SUSPENDING THE TAX ON TRANSPORTATION AND DISTRIBUTION FACILITIES, AND TESTING FACILITIES**

Mayor Pro Tem Kors presented the City Council Subcommittee's report and responded to City Council inquiries.

In response to City Council inquiry, Finance Director Pauley noted that the cannabis audit fees will not be impacted by the reduction in taxes.

Mayor Moon voiced opposition to the proposal, noting that he does not support additional manufacturing and distribution facilities in Palm Springs.

MOTION BY MAYOR PRO TEM KORS, SECOND BY COUNCILMEMBER HOLSTEGE, CARRIED 3-1 (MAYOR MOON VOTING NO), to:

1. Adopt Resolution No. 24569 entitled "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALM SPRINGS, CALIFORNIA, REDUCING THE CANNABIS BUSINESS ACTIVITY TAX RATE ON MANUFACTURING TO TWO PERCENT (2%), AND SUSPENDING THE TAX ON TRANSPORTATION AND DISTRIBUTION FACILITIES, AND TESTING FACILITIES."
2. Authorize the City Manager to execute all documents consistent with this Resolution.

B. TERMINATION OF CONTRACTOR'S RIGHT TO PERFORM CONTRACT FOR DEFAULT WITH HAL HAYS CONSTRUCTION, INC., FOR THE POLICE DEPARTMENT REMODEL REBID, CP 14-05

Assistant City Manager Fuller presented the staff report and responded to City Council inquiries.

MOTION BY COUNCILMEMBER HOLSTEGE, SECOND BY MAYOR PRO TEM KORS, CARRIED 4-0, to:

1. Adopt Resolution No. 24570 entitled "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALM SPRINGS, FINDING THAT HAL HAYS CONSTRUCTION, INC., A CALIFORNIA CORPORATION, IS IN DEFAULT OF THAT CERTAIN CONSTRUCTION CONTRACT (AGREEMENT NO. 7038) RELATED TO THE POLICE DEPARTMENT REMODEL REBID, CITY PROJECT NO. 14-05; AUTHORIZING ISSUANCE OF A NOTICE OF TERMINATION OF CONTRACTOR'S PERFORMANCE TO CONTRACTOR AND SURETY IN ACCORDANCE WITH SECTION 6-4 "DEFAULT BY THE CONTRACTOR" OF THE SPECIAL PROVISIONS; AND IN THE EVENT OF A SURETY DEFAULT, DECLARING A LOCAL EMERGENCY PURSUANT TO SECTION 20168 OF THE CALIFORNIA PUBLIC CONTRACT CODE, PALM SPRINGS MUNICIPAL CODE SECTION 7.04.040, AND CITY CHARTER SECTION 300; AND AUTHORIZING THE CITY MANAGER TO AWARD REPLACEMENT CONSTRUCTION CONTRACTS WITHOUT COMPETITIVE SOLICITATION FOR BIDS PURSUANT TO SECTION 22050 OF THE CALIFORNIA PUBLIC CONTRACT CODE, AS NECESSARY TO IMMEDIATELY AND EXPEDITIOUSLY COMPLETE WORK AT THE PALM SPRINGS POLICE STATION." A7038.
2. Approve Amendment No. 6 in the amount of \$60,000 to the Consulting Services Agreement with Urrutia Architects for a revised total contract amount of \$258,455 for extended construction phase services related to the Police Department Remodel Rebid, CP 14-05. A6465.
3. Authorize the City Manager to execute all necessary documents.

C. ADOPTION OF A RESOLUTION ESTABLISHING PROCEDURES FOR THE SELECTION OF A MAYOR AND MAYOR PRO TEM

This item was deferred to a future City Council meeting.

D. UPDATE ON DESERT COMMUNITY ENERGY RENEWABLE PRODUCT OPTIONS - REPORT FROM CVAG DESERT COMMUNITY ENERGY BOARD CITY APPOINTEE

This item was deferred to a future City Council meeting.

PUBLIC COMMENT:

Allen Worthy, urged the City Council to settle his claim against the City.

CITY COUNCIL AND CITY MANAGER REQUESTS AND UPCOMING AGENDA DEVELOPMENT:

City Manager Ready noted that staff will schedule a Goal Setting Session in the March/April 2019 timeframe.

Mayor Pro Tem Kors requested that the Desert Community Energy discussion item be agendized for the City Council meeting of March 6, 2019; requested that staff determine if the Convention Center Operations Agreement needs another extension; requested that staff agendize renewal of the tenant protection ordinance prior to its sunset in April 2019.

ADJOURNMENT:

The City Council adjourned at 11:25 p.m.

Respectfully submitted,


Anthony J. Mejia, MMC
City Clerk

APPROVED BY CITY COUNCIL: 06/05/2019