

MINUTES

Regular meeting of the City Council of the City of Redlands held in the Council Chambers, Civic Center, 35 Cajon Street, on May 7, 2024 at 5:00 P.M.

Present: Eddie Tejeda, Mayor
Denise Davis, Council Member
Jenna Guzman-Lowery, Council Member
Mario Saucedo, Council Member

Absent: Paul Barich, Mayor Pro Tempore

Staff: Charles M. Duggan, Jr., City Manager; Yvette M. Abich Garcia, City Attorney; Jeanne Donaldson, City Clerk; Phillip Doolittle, City Treasurer; Janice McConnell, Assistant City Manager; Chris Boatman, Assistant City Manager; Carl Baker, Public Information Officer; Danielle Garcia, Management Services/Finance Director; Brian Desatnik, Development Services Director; John Harris, Municipal Utilities and Engineering Director; Rich Sessler, Fire Chief; Rachel Tolber, Police Chief; Tabitha Crocker, Facilities and Community Services Director; Robert Meteau, HR/Risk Management Director

Mayor Tejeda called the meeting to order and explained that comments could be presented in-person, via Zoom, via cell phone or landline. He offered the public an opportunity to provide comment on any item on the agenda for the closed session.

PUBLIC COMMENT

None forthcoming

CLOSED SESSION

Conference with legal counsel - Anticipated litigation pursuant to Government Code sections 54956.9(d)(2) and (e)(3):

City Attorney Garcia announced that a point has been reached where, in the opinion of the legislative body of the local agency on the advice of its legal counsel, based on existing facts and circumstances, there is a significant exposure to litigation against the local agency, based on the receipt of written communication dated April 17, 2024 from Dennis Wagner, legal counsel for Mark Winters, to City Attorney Yvette M. Abich Garcia threatening litigation (copy available for public inspection in City Clerk's Office).

RECONVENE CITY COUNCIL MEETING

The meeting reconvened at 6:00 P.M. with an invocation by Council Member Saucedo. The pledge of allegiance to the American flag was conducted by the Peer Mediators of McKinley Elementary School.

CLOSED SESSION REPORT

City Attorney Garcia announced that no reportable action was taken during the closed session.

PRESENTATIONS

Redlands Pet Adoption

Animal Services Supervisor Jodi Kroeger and Kennel Attendant Hailey Stuck introduced "Oreo", a four-year-old male Siberian Husky, who is available for adoption, along with thirty-five other dogs and sixteen cats at the Redlands Animal Shelter. Ms. Kroeger informed the Council there had been twenty-four dogs and eight cats adopted in April 2024.

SCE Student Scholarship Award Presentation

Mayor Tejada and Mark Cloud of Southern California Edison presented a Certificate of Recognition to Citrus Valley High School student Riley Houser for receiving a \$50,000 scholarship from Southern California Edison.

PUBLIC COMMENT

Serving the Homeless Population - Ed Torres, Board President of the Center for Spiritual Living, described their ongoing efforts to offer temporary shelter to women in need and, he thanked the City and Council Members for their support.

Arts in California Parks - Cultural Arts Commissioner Danielle Giudici Wallis was excited to share a new program called Arts in California Parks. The program supports artists, culture bearers, California Native American tribes, and communities in creating artwork, art installations and programming in state parks and local communities as catalysts for sustainable community connection, health, and well-being. She urged the City to move quickly as the application deadline was June 14, 2024. Ms. Wallis also reminded the Council of her suggestion to create an "Artist in Residency" program within the community.

Organic Food Waste - Anthony Dodd recommended the City allow residents to use compostable bags when processing their organic food waste to prevent adding more methane into the environment. Assistant City Manager Boatman clarified that the City will be reviewing the use of compostable bags and will determine how best to educate the public in the future.

Humane Treatment of the Homeless - Paul Peres raised concerns that the homeless population were not being treated humanely, and he thought this to be a violation of their civil rights, under the Fourth Amendment.

Zoom Callers - Barry Gall, Molly Conger and Albert voiced their perspectives regarding the Holocaust, reparations, and religious practices such as circumcision.

A brief recess was called at 6:35 p.m. for the Mayor to confer with City Attorney Garcia. Upon their return at 6:38 p.m., Mayor Tejada called on Albert to finish his remarks and address the Council. Albert did not choose to add any additional comments and left the Zoom call after being called on several times to finish his public comments.

Controversial Language - Jennifer Maravillas and Michael Paisner condemned the previous zoom

callers and categorized their comments as hate speech, which in their opinion, was simply not acceptable.

CONSENT CALENDAR

Minutes

On motion of Council Member Jenna Guzman-Lowery, seconded by Council Member Denise Davis, the City Council unanimously approved, by roll call vote, the regular meeting minutes of the April 16, 2024 City Council meeting.

Vote: 4 - 0 Passed

Proclamation Asian American Pacific Islander Heritage Month

Mayor Tejeda read from a proclamation declaring May 2024, as Asian American Pacific Islander Heritage Month.

On motion of Mayor Eddie Tejeda, seconded by Council Member Denise Davis, the City Council unanimously authorized, by roll call vote, the issuance of a proclamation declaring May 2024, as Asian American Pacific Islander Heritage Month.

Vote: 4 - 0 Passed

Airport Advisory Board Appointments

On motion of Council Member Jenna Guzman-Lowery, seconded by Council Member Denise Davis, the City Council unanimously appointed, by roll call vote, Richard Jones and Michael Allen to each serve four-year terms on the Airport Advisory Board ending May 1, 2028.

Vote: 4 - 0 Passed

Resolution No. 8575 Time Extension Tentative Parcel Map No. 20175 & CRA No. 911

On motion of Council Member Jenna Guzman-Lowery, seconded by Council Member Denise Davis, the City Council unanimously adopted, by roll call vote, Resolution No. 8575 to approve a one-year Extension of Time for Tentative Parcel Map No. 20175 and Commission Review & Approval No. 911.

Vote: 4 - 0 Passed

Resolution No. 8585 Destruction of Public Records

On motion of Council Member Jenna Guzman-Lowery, seconded by Council Member Denise Davis, the City Council unanimously adopted, by roll call vote, Resolution No. 8585, authorizing the destruction of certain public records from Revenue Division.

Vote: 4 - 0 Passed

Reject Bids for Water and Wastewater Laboratory Services

On motion of Council Member Jenna Guzman-Lowery, seconded by Council Member Denise Davis, the City Council unanimously rejected, by roll call vote, all bids received for Water and Wastewater Laboratory Services and directed staff to solicit new bids. All consultant proposals failed to acknowledge the addendums and/or did not meet the specific requirements outlined in the bid.

Vote: 4 - 0 Passed

Maintenance & Repair Fire Department Emergency Radios

Fire Chief Sessler presented the need for an Informational Technology Service Contract with the County of San Bernardino Information Technology Department to maintain and repair the 800 MHz emergency radios used by the Fire Department. As public comment, Bruce Laycook said the City had recently approved the purchase of new radios, and he wondered how those new radios fit in with the maintenance contract. Chief explained that the newly purchased radios were scheduled to arrive in a few months. Furthermore, in past years, the cost for services provided by the County had been included in the CONFIRE JPA membership contract. However, in October 2023, CONFIRE elected to no longer manage the services provided by the County of San Bernardino.

On motion of Mayor Eddie Tejeda, seconded by Council Member Jenna Guzman-Lowery, the City Council unanimously approved, by roll call vote, the Information Technology Service Contract with the San Bernardino County Information Technology Department for maintenance and repair services of Fire Department emergency radios.

Vote: 4 - 0 Passed

Resolution No. 8582 Emergency Paramedic Services Special Tax

Fire Chief introduced Resolution No. 8582 establishing the rate for the voter-approved special tax for emergency paramedic services for Fiscal Year 2024-2025. Ordinance No. 1900, approved by the voters in 1985, authorizes the City Council of the City of Redlands to establish a rate for the special tax assessment necessary to fund anticipated paramedic expenses, provided the special tax rate does not exceed the maximum allowance limits as set forth in Ordinance No. 1900. The Ordinance permits the continuation of the tax on each improved parcel of property, each residential unit in a multiple dwelling, or each of the mobile home sites in the City of Redlands. The San Bernardino County Auditor-Controller/Treasure/Tax Collector requires that this resolution be approved prior to August 10, 2024, in order to apply this special assessment to the tax rolls for Fiscal Year 2024-2025. As public comment, Dennis Bell said the City should be more transparent about reporting the actual costs for paramedic emergency services and how much of the General Fund was being used to pay for the program.

On motion of Mayor Eddie Tejeda, seconded by Council Member Mario Saucedo, the City Council unanimously adopted, by roll call vote, Resolution No. 8582 establishing the rate for the voter-approved special tax for emergency paramedic services for Fiscal Year 2024-2025.

Vote: 4 - 0 Passed

Redlands Firefighter's Car Show Event

Facilities and Community Services Director Crocker described the request to hold the Redlands Firefighter's Car show event hosted by the Redlands Professional Firefighters Association on May 26, 2024, at Ed Hales Park and along East State Street and Citrus Avenue. As public comment, Dennis Bell asked why the City was redacting information related to a groups' non-profit ID status.

On motion of Mayor Eddie Tejeda, seconded by Council Member Jenna Guzman-Lowery, the City Council unanimously determined, by roll call vote, that the Redlands Firefighter's Car Show event to be held on May 26, 2024, at Ed Hales Park and along East State Street and Citrus Avenue is categorically exempt from environmental review pursuant to Section 15301 of the State's guidelines implementing the California Environmental Quality Act; authorized the temporary closures associated with the event from 3:00 a.m. to 7:00 p.m.; approved the expenditure of city resources and in-kind support in the amount of \$9,598.00; and authorized the sale and consumption of alcoholic beverages during the Redlands Firefighter's Car Show event.

Vote: 4 - 0 Passed

Adopt Resolution No. 8542 Annual SLD and LMD Assessments

On motion of Council Member Jenna Guzman-Lowery, seconded by Council Member Denise Davis, the City Council unanimously determined, by roll call vote, that the adoption of Resolution No. 8542 is exempt from environmental review pursuant to the general rule of the California Environment Quality Act (CEQA) guidelines, and adopted Resolution No. 8542, rescinding Resolution No. 8434, and initiating proceedings to continue levying assessments, appointing an assessment engineer, and ordering the preparation of the Engineer's Reports for Street Lighting District No. 1 and Landscape Maintenance District No.1.

Vote: 4 - 0 Passed

Facility Use Agreement University of Redlands

On motion of Council Member Jenna Guzman-Lowery, seconded by Council Member Denise Davis, the City Council unanimously determined, by roll call vote, that approval of the Facility Use Agreement with the University of Redlands is exempt from environmental review in accordance with California Environmental Quality Act Guidelines Section 15061 (b)(3); and approved the Facility Use Agreement with the University of Redlands for use of classrooms at the Redlands Community Center, and Smiley Library to provide K - 12 tutoring at no cost.

Vote: 4 - 0 Passed

LLUBHI Stand-Up to Stigma 5K Event

On motion of Council Member Mario Saucedo, seconded by Council Member Denise Davis, the City Council unanimously approved, by roll call vote, the request for in-kind support in the amount of \$900.00 related to the Loma Linda University Behavioral Health Institute Stand-Up to Stigma 5K to be held on Sunday, May 19, 2024; and approved the temporary street closures related to the event.

Vote: 4 - 0 Passed

Redlands Festival of Arts Event

On motion of Council Member Jenna Guzman-Lowery, seconded by Council Member Denise Davis, the City Council unanimously agreed, by roll call vote, that approval of the Redlands Festival of Arts event is categorically exempt from environmental review pursuant to Section 15061 (b)(3) of the state's guidelines implementing the California Environmental Quality Act; approved the request by the Redlands Arts Festival, Inc. to hold the Redlands Festival of Arts event on May 25 and May 26, 2024; authorized the sale and consumption of alcoholic beverages during the event; approved the street closures related to the event and the expenditure of City resources and in-kind support in the amount of \$5,407.

Vote: 4 - 0 Passed

COMMUNICATIONS

2024 SCAG Conference Report

Council Members Davis and Saucedo each provided reports relating to their attendance at the 2024 Regional Conference of the Southern California Association of Governments (SCAG) and General Assembly held May 2-3, 2024, at the JW Marriott Desert Springs Resort & Spa in Palm Desert, California. The conference brings together local and regional leaders to share and learn from each other on the future of mobility, housing and communities, the environment and the economy. They highlighted their top experiences and were grateful for the opportunity to represent the City.

State Water Project Tour Report

Council Member Saucedo provided a report relating to his attendance at the 2024 State Water Project Tour in Sacramento from April 5-7, jointly hosted by East Valley Water District and Yucaipa Valley Water District. He and Municipal Utility and Engineering Director Harris were part of a caravan that traveled to various sites throughout the state, including reservoirs, a stop along the aqueduct, and pumping and recharging stations. He found their excursion to be extremely informative.

Letter of Support for State Senator Ochoa Bogh's Grant Funding for Local Growers

Council Member Saucedo was pleased to present State Senator Rosalicie Ochoa Bogh's March 1, 2024, letter requesting \$45 million in grant funding to assist growers. He pointed out the City of Redlands and its local growers have been directly impacted by the presence of the Oriental Fruit Fly (OFF) and as a result of the OFF's presence, significant portions of the City have been placed in quarantine and growers have had an almost total loss of their crop this year. The \$45 million state appropriation would be available in the form of grants to growers within the quarantine areas who have significant crop loss and are not eligible for crop insurance to cover their losses. He

urged his colleagues to support the grant funding request. Council Members expressed their full support.

On motion of Council Member Mario Saucedo, seconded by Council Member Jenna Guzman-Lowery, the City Council unanimously authorized, by roll call vote, Mayor Tejeda to sign a letter of support for State Senator Ochoa Bogh's \$45 million grant funding request for local growers.

Vote: 4 - 0 Passed

PUBLIC HEARINGS

Madera at Citrus Trail Specific Plan Development

Mayor Tejeda declared the meeting open as a public hearing and called on Ryan Murphy of Development Services for a report to consider several applications for the Madera at Citrus Trail Specific Plan residential project, consisting of 9.01 acres of land located at the northwest corner of Colton Avenue and Wabash Avenue, in the Single Family Residential (R-1) Zoning District. Applications included, Mitigated Negative Declaration and Socio-Economic Cost/Benefit Study; Land Conversion - request to approve the conversion of agricultural land to residential land; request to amend the General Plan land use designation of 9.01 acres from Low Density Residential to Medium Density Residential; request to adopt the Madera at Citrus Trail Specific Plan No. 66; Tentative Tract Map No. 20571 and Commission Review & Approval No. 965, to subdivide 9.01 acres for residential development and condominium purposes, as well as site plan approval and architectural design review to construct a total of 102 single-family detached motorcourt homes up to two stories high within the proposed Madera at Citrus Trail Specific Plan. The Applicant, Vanita Soni Puri, presented additional details of the project.

As public comment, Mark Mudge, a resident who lives near the site, thought the development was much too dense, was concerned that the project would bring down property values in the surrounding area, and he urged the Council to place conditions that would disallow owners from renting or leasing their properties. A zoom caller and Bobby Garrity supported the project and were pleased to see the higher density within the Specific Plan and strongly pointed out the City was in a housing crisis and in need of more homes. Bruce Laycook appreciated the medium density plan but voiced concerns that the in lieu fee does not address the immediate need and lack of inventory for affordable housing. Valerie Taber opposed the project, thought the plans were much too dense, and she was concerned these units were not truly affordable homes and would likely be out of reach of many young adults.

Development Services Director Desatnik briefly mentioned that the inclusionary in lieu fees may not make an immediate impact but will be put to good use in the near future, as there was a project coming soon which will offer low income and very low income units. Council Members Guzman-Lowery and Davis thanked staff and were glad to hear about a future project that will offer more affordable units and a denser living community. The applicant addressed Council Member questions regarding parking and storage and garage space. With no further discussion, Mayor Tejeda closed the public hearing.

On motion of Council Member Mario Saucedo, seconded by Council Member Denise Davis, the City Council unanimously adopted, by roll call vote, Resolution Nos. 8576, 8578, 8579, and 8580 to approve the Madera at Citrus Trail Specific Plan residential project; and adopted Resolution No.

8577 to approve the Measure U findings for the Madera at Citrus Trail Specific Plan residential project, for 9.01 acres of land located at the northwest corner of Colton Avenue and Wabash Avenue (APN: 0168-291-02-0000) in the Single Family Residential (R-1) Zoning District by Applicant Vanita Soni Puri. Voting met the required 3/5 and 4/5 vote approval, based on Measure "U" requirements.

Vote: 4 - 0 Passed

Ordinance No. 2963 Freeway-Orientated Signs and Sign Conditional Use Permit No. 28

Mayor Tejeda opened the public hearing and called on Planning Manager Brian Foote to review Ordinance No. 2963, amending Title 15, Section 15.36.420 related to freeway-orientated signs and to review the Sign Conditional Use Permit No. 28 to construct a freeway-orientated sign for a motorist-serving business (drive-through restaurant) with an overall sign face exceeding 120 square-feet. The proposed sign for the future home of In N Out Burger, is 95 feet high with a sign face consisting of 197.1 square-feet. The project site is located at the southwest corner of West Lugonia Avenue and Citrus Plaza Drive, on the west side of the Interstate 210 freeway, within the General Commercial (EV/CG) District of the East Valley Corridor Specific Plan. Based on the results of a flag test, a sign height of 95' was determined to be necessary to clearly view the flag during the test.

Development Manager Michelle Bennett, of In N Out, defended the rationale for the sign height of 95' and pointed out that since the flag test was conducted over a year ago, the surrounding trees have only continued to grow and obscure the view. She added that almost every one of the chain's stores included a tall sign such as the one proposed for Redlands.

As public comment, Michael Paisner, Anthony Dodd and Danielle Giudici Wallis were opposed to such a tall sign that they considered to be obtrusive and out of place within the community. It was suggested In N Out could obtain a sign situated on the freeway announcing that one of their stores was located at the next off-ramp. Andy Hoder thought the sign to be unnecessary because the stores already had tremendous brand recognition, and he was worried about what might happen in the event of an earthquake. With no further discussion, Mayor Tejeda closed the public hearing. Council Members Davis and Guzman-Lowery were concerned about the aesthetics of such a tall sign. Overall though, the Council was excited to see the store come to Redlands.

On motion of Council Member Mario Saucedo, seconded by Mayor Eddie Tejeda, the City Council unanimously introduced, by roll call vote, Ordinance No. 2963 and find that the Ordinance is exempt from environmental review in accordance with Section 15061(b)(3) of the California Environmental Quality Act Guidelines; and approved Resolution No. 8581 to approve Sign Conditional Use Permit No. 28 for a freeway-oriented sign.

Vote: 3 - 1 Passed

Ordinance No. 2966 Undergrounding Utilities

Mayor Tejeda declared the meeting open as a public hearing. Development Services Director Desatnik provided details on Ordinance No. 2966 amending Redlands Municipal Code (RMC) Chapter 17.17 to modify the criteria and findings pertaining to the requirement for undergrounding utilities that are applicable to subdivisions and development projects. Generally,

the required improvements for a particular project site are constructed by the developer when a subdivision has been approved in accordance with the Subdivision Map Act or when a new development project is being constructed.

Some development applications for existing developed properties or when no construction is proposed are also frequently subject to the City's undergrounding requirements, even though no substantial construction is involved. RMC does provide for a developer to request a waiver of the undergrounding requirement, and those requests are considered on a case-by-case basis. In those approved exceptions, when the undergrounding requirement has been waived, the developer must still pay a fee to the City that is an equivalent amount (an “in-lieu fee”).

The elements of the proposed code amendment would adjust and clarify the following criteria: 1) Findings (i.e., the facts for determining when to waive the undergrounding requirement and allow payment of an in-lieu fee); and 2) Method of calculating the amount of an “in-lieu fee” when undergrounding will not be required of a project. The applicant or developer must still pay to the City an amount that is equivalent to the cost of the developer performing the work themselves as part of their private development project. A new in-lieu fee will be proposed at a future date pertaining to the undergrounding of utilities and is envisioned as a flat-rate fee that would be calculated on a per-linear-foot basis of street frontage for the project site.

As public comment, Michael Paisner was pleased the City was moving towards the undergrounding of overhead lines but was concerned about increasing the in lieu fees, which ultimately could increase housing prices. Bobby Garrity supported lower housing costs, asked the City to maintain lower in lieu fees and was happy to see the fee would be calculated on a per-linear foot basis of street frontage. Bruce Laycook supported the ordinance and appreciated the exemptions for affordable housing projects. With no further comments, Mayor Tejeda closed the public hearing.

On motion of Council Member Mario Saucedo, seconded by Council Member Jenna Guzman-Lowery, the City Council unanimously introduced, by roll call vote, Ordinance No. 2966 amending Redlands Municipal Code Chapter 17.17 (Improvements) of Title 17 (Subdivision Regulations) to modify the criteria and findings pertaining to the requirement for undergrounding utilities that are applicable to subdivisions and development projects; and found that the Ordinance is exempt from environmental review under the California Environmental Quality Act (“CEQA”) pursuant to Section 15061(b)(3) of the State’s Guidelines implementing CEQA.

Vote: 4 - 0 Passed

Ordinance No. 2967 Amending Ordinance No. 2961 Agritourism

Mayor Tejeda declared the meeting open as a public hearing and called on Planning Manager Brian Foote for a report on Ordinance No. 2967 amending Ordinance No. 2961 Chapter 18.20 of the Redlands Municipal Code pertaining to agricultural tourism and related uses within the A-1, Agricultural zone of the City of Redlands. On April 16, 2024, the City Council adopted Ordinance No. 2961 to allow agricultural tourism and related land uses within the A-1, Agricultural zoning district. At the initial public hearing on April 2, 2024, several requests for revisions were presented to the City Council regarding the level of discretionary review to be required for specified land uses. The applicant's representative, Anna Knight, urged the Council to include four uses to

be classified under the administrative review processes, rather than under the Conditional Use Permit processes. These items included: farm stays, educational farm camp (no motor vehicles/trailers), retail self-pick onsite by customers, and tours, day classes and farm experience excursions. The City Council adopted the proposed Ordinance No. 2961 without any revisions at that time and directed staff to continue to work with the applicant to evaluate potential revisions that had been requested.

The main elements of the proposed code amendment are the following: 1) Specify certain uses that may be allowable subject to approval of an Administrative Use Permit; 2) Slightly modify the list of uses that are subject to approval of a Conditional Use Permit. No changes are necessary to the previously adopted development standards, performance standards, or sign regulations that will pertain to agritourism uses.

As public comment, Anna Knight expressed her appreciation of staff's responsiveness and efforts to bring these amendments back to Council so quickly. John Smith, a property owner on Olive Avenue, wondered if this ordinance applied to his groves. Dennis Bell said this was a great idea, but he did wonder how many growers were situated outside the City. Andy Hoder described the devastation that some farmers have faced this year, so he saw this as an excellent opportunity for growers to create new revenue sources to sustain them through this difficult time. With no further comments, the public hearing was closed. Mayor Tejeda thanked Anna Knight for her enthusiasm and persistence in pushing for these changes that will benefit the whole community.

On motion of Mayor Eddie Tejeda, seconded by Council Member Jenna Guzman-Lowery, the City Council unanimously introduced, by roll call vote, Ordinance No. 2967 pertaining to agricultural tourism and related uses within the A-1, Agricultural zone of the City of Redlands (Chapter 18.20 of the Redlands Municipal Code); and found that the Ordinance is exempt from environmental review under the California Environmental Quality Act ("CEQA") pursuant to Section 15061(b)(3) of the State's Guidelines implementing CEQA.

Vote: 4 - 0 Passed

NEW BUSINESS

Resolution No. 8584 Interfund Loan

Management Services/Finance Director Garcia explained the need for Resolution No. 8584 to authorize forgiveness of the Interfund Loan between the Public Facilities Fund and the General Fund. The total amount outstanding as of June 30, 2023 was \$7,690,541 owed to the General Fund from the Public Facilities Fund. As the fund has been attempting to repay this loan for several years and has not made significant progress, staff recommended it was appropriate to forgive the loan.

On motion of Council Member Jenna Guzman-Lowery, seconded by Council Member Denise Davis, the City Council unanimously adopted, by roll call vote, Resolution No. 8584 authorizing forgiveness of the Interfund Loan between the Public Facilities Fund and the General Fund.

Vote: 4 - 0 Passed

Ordinance Nos. 2964 and 2965 Proposing Water & Wastewater Rate Increases

Municipal Utilities and Engineering Director Harris briefly provided an overview of the request to consider implementation of water and wastewater rate increases. He welcomed John James, Chairman of the Utilities Advisory Commission (UAC), who discussed the role of the UAC, described the Committee's Mission Statement and goals and detailed the study and analysis regarding wastewater, potable water and non-potable water rates. The rate recommendation process began by introducing the UAC to the Municipal Utilities and Engineering Department (MUED) structure, water and wastewater utilities, and 6-year Capital Improvement Program (CIP). The UAC reviewed historic and projected operating, maintenance, and CIP costs necessary to provide high-quality services for Redlands' utility customers. Financial Consultants, Raftelis, presented a financial analysis including multi-year revenue projections, target reserve balances, and annual labor and material cost escalations. Several rate scenarios were modeled and considered by the UAC.

He summarized the UAC recommendations and offered specific examples of what an average utility user's bill might look like with the revenue adjustments.

Wastewater

10% increase in FY 24/25

10% increase in FY 25/26

Issuance of \$45MM in debt to capital project costs

Revenue adjustment will cover SRF debt service

Potable Water

2% increase in FY 24/25

2% increase in FY 25/26

Will retain Capital Investment needed for continued reliable water delivery service

Will retain reserve balances at recommended target level

Non-Potable Water

0% increase in FY 24/25

0% increase in FY 25/26

Retains reserve balances to allow for future expansion of non-potable system

These increases will be applied to customer classifications proportionally based on the demands placed on each utility, and will generate the additional revenue necessary to continue providing water and wastewater utility services for all Redlands customers. Resolution No. 8583 provides notice of intent to increase water and wastewater rates.

As public comment, Andy Hoder said the wastewater treatment plant (WWTP) had been in serious disrepair for some time, and he urged the Council to properly fund and maintain these vital infrastructure facilities in order to avoid disastrous consequences in the future. Council Members and staff discussed various topics such as funding sources, the collapse of the WWTP a few years ago and the importance of educating the public.

Recommended Timeline

Resolution of Intent/Ordinance Introduction May 7, 2024

Proposition 218 Notices Mailed May 10, 2024

On motion of Mayor Eddie Tejeda, seconded by Council Member Jenna Guzman-Lowery, the City Council unanimously introduced, by roll call vote, Ordinance No. 2964 and Ordinance No. 2965 and that consideration of the proposed water and wastewater rate increases are exempt from environmental review pursuant to Section 15061(b)(3) of the State's guidelines implementing the California Environmental Quality Act; adopted Resolution No. 8583 providing Notice of Intent to increase water and wastewater rates; and directed staff to issue the required Proposition 218 notice for a public hearing.

Vote: 4 - 0 Passed

Agreement Construction Coordination for New Groundwater Production Well

Municipal Utilities and Engineering Director Harris reviewed the Professional Services Agreement with Richard C. Slade & Associates, LLC to design and provide construction coordination/support services for a new groundwater production well for an amount not-to-exceed \$290,000.

On motion of Council Member Mario Saucedo, seconded by Mayor Eddie Tejeda, the City Council unanimously determined, by roll call vote, that approval of a Professional Services Agreement with Richard C. Slade & Associates, LLC to design and provide construction coordination/support services for a new groundwater production well is exempt from environmental review pursuant to Section 15061(b)(3) of the State's guidelines implementing the California Environmental Quality Act; and approved a Professional Services Agreement for an amount not-to-exceed \$290,000.

Vote: 4 - 0 Passed

Resolution No. 8594 Grant Funds Acceptance & MOU with RHMA & Promissory Note Council Members agreed to consider and discuss this matter as the first item under New Business.

A.K. Smiley Library Director McCue provided background of Resolution No. 8594 approving acceptance of Grant Funds from the California Natural Resources Agency (CNRA), and he described the associated documents, including the Grant Project Information Package, the Grant Agreement between the City of Redlands and CNRA, a corresponding additional appropriation in the amount of \$2 million, the Memorandum of Understanding (MOU) with the Redlands Historical Museum Association (RHMA), and the promissory note with the RHMA.

In the spring of 2023, the City collaborated with the RHMA to apply for a \$2 million state grant from the California Natural Resources Agency (CNRA) to be used for the construction of the MOR. In October 2023, the City and the RHMA were informed by California assembly majority leader emeritus Eloise Gomez Reyes that the City's application had been approved by the Legislature. In order to release the promised funds to the City of Redlands, the CNRA in January 2024 directed the City to complete a Project Information Form, a Memorandum of Understanding between the RHMA and the City, a Resolution approving the acceptance of grant funds for the Museum of Redlands, as well as a Grant Agreement between the City and the CNRA. City Council approval of all of these documents is required to move the project forward.

To facilitate the completion of construction, the City and the RHMA have negotiated a promissory note, which will advance the \$2 million grant funds from the City to the RHMA. These funds will be reimbursed to the City through the CNRA grant, either through an advance from the CRNA or as RHMA's construction invoices are forwarded through the City to the state during the construction process. The promised \$2 million grant from the CNRA, combined with \$3.3 million in contributions from donors large and small, and finally the recent \$1 million City loan approved by the City Council at the March 5, 2024 Council meeting, will enable the RHMA to begin the final phase of construction of the Museum of Redlands. Construction is scheduled to be completed by December 2024.

As public comment, Steve Stockton, RHMA President, complimented City staff for their tremendous efforts to bring this matter before the Council tonight. Dennis Bell pushed for transparency and urged the Council to be open about how much the Museum will ultimately cost the City.

On motion of Council Member Mario Saucedo, seconded by Council Member Jenna Guzman-Lowery, the City Council unanimously adopted, by roll call vote, Resolution No. 8594, approving acceptance of the grant funds from the California Natural Resources Agency (CNRA) in connection with the Museum of Redlands Project; approved the Grant Project Information Package; approved the Grant Agreement between the City of Redlands and the CNRA for the \$2 Million Dollar Grant for the completion of the Museum of Redlands Project; approved an additional appropriation for the same; and approved the Memorandum of Understanding with the Redlands Historical Museum Association to advance the \$2 Million dollar grant proceeds to the Redlands Historical Museum Association for the completion of the Museum of Redlands Project. Resolution No. 8594 authorizes the City Manager to conduct all negotiations, execute and submit all documents including, but not limited to the Project Information Form, agreements, payment requests, and so on, which may be necessary for the completion of the project.

Vote: 4 - 0 Passed

COUNCIL MEMBER ANNOUNCEMENTS AND ACTIVITIES

Mayor Tejada offered his perspective about listening to comments that some might consider offensive. He admitted it can be difficult to hear speakers voice different opinions, but he reminded us that this nation protects everyone's right to free speech under the full protection of the law.

Council Member Saucedo attended the National Crime Victims' Rights Memorial event with Chief Tolber, the San Bernardino Valley Water Foundation Summit, welcomed Toastmasters International to the City, and on May 4 participated in a community neighborhood meeting at Riverview and Church Street related to the Santa Ana River Trail bluff.

ADJOURNMENT

There being no further action required the meeting adjourned at 9:25 P.M. The next regular meeting of the City of Redlands City Council will be held on May 21, 2024.

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