

**MINUTES
CITY COUNCIL REGULAR MEETING
AUGUST 14, 2018**

CALL TO ORDER

The regular meeting of the City Council of the City of Highland was called to order at 6:00 p.m. by Mayor McCallon at the Donahue Council Chambers, 27215 Base Line, Highland, California.

The invocation was given by Pastor Willie Hicks, Harvest Care Church, and the Pledge of Allegiance was led by Mayor Pro Tem Chavez.

ROLL CALL

Present: Chavez, Lilburn, McCallon, Solano, Timmer
Absent: None

REPORT FROM CLOSED SESSION

No meeting.

SPECIAL PRESENTATIONS

Police Captain Fisk introduced Lieutenant Pat O'Brien.

PUBLIC COMMENT

Nellie Hanson spoke in regards to cars being parked in front of her home and how she is unable to receive her trash services or have her street swept.

Bobbie Cox spoke in regards to cars being parked in front of her home and how she is also unable to receive her trash services or have her mail delivered.

Salvador Altamirano spoke in regards to the high costs of installing underground utility lines and how the fees are preventing the development of properties.

CITY COUNCIL CONSENT CALENDAR

A MOTION was made by Council Member Timmer, seconded by Council Member Lilburn, to approve the consent calendar as submitted with Council Member Lilburn abstaining from Item #10. Motion carried on a roll call vote, 5-0.

1. Waive the Reading of All Ordinances
Waived the reading of all Ordinances in their entirety and read by title only.
2. Minutes – June 12, 2018 City Council Special Meeting
Approved the Minutes as submitted.
3. Minutes – June 12, 2018 City Council Regular Meeting
Approved the Minutes as submitted.
4. Minutes – June 26, 2018 City Council Special Meeting
Approved the Minutes as submitted.
5. Minutes – June 26, 2018 City Council Regular Meeting
Approved the Minutes as submitted.
6. Warrant Register
Approved Warrant Register No. 669 for August 14, 2018, in the amount of \$3,592,285.04 and Payroll of \$338,658.77.
7. Treasurer’s Report for June 2018
Received and filed Treasurer’s Report for June 2018.
8. Declaration of Three (3) Vacant Seats on the Public Nuisance Hearing Board
 1. Declared three (3) seats vacant on the Public Nuisance Hearing Board; and
 2. Directed the City Clerk to advertise the vacancies on the Public Nuisance Hearing Board.
9. Grant of Easements/Ralph L. Bartlett, Sharon Bartlett, Henry J. Bartlett, Pamela A. Bartlett – 3rd Street Sidewalk (North Side West of Central Avenue)
 1. Accepted the Grant of Easements from Ralph L. Bartlett and Sharon Bartlett, and Henry J. Bartlett and Pamela A. Bartlett; and
 2. Directed the City Clerk to record the Grant of Easements.
10. Community Development Block Grant (CDBG) Subrecipient Contract between the City of Highland and Highland District Council on Aging, Inc., to provide for Senior Services, Transportation Services and Senior Visitation to Low- and Moderate-Income Seniors
Approved the contract and authorized execution by the Community Development Director.

11. Supplement No. 2 for Environmental and Engineering Services Professional Services Agreement with KOA Corporation for the Highland/Redlands Regional Connector Project (Project No. str15002)
 1. Approved Supplement No. 2 to the Professional Services Agreement with KOA Corporation to provide additional environmental and engineering services for the Highland/Redlands Regional Connector Project; and
 2. Authorized the City Manager to approve contract amendments up to 10% of the contract amount.

12. Traffic Signal Monitoring Services/Albert Grover & Associates
 1. Approved proposal from Albert Grove & Associates (AGA) to provide traffic signal monitoring services; and
 2. Authorized the City Manager to approve contract amendments up to 10% of the contract amount.

13. Repeal of the Harmony Zone Change, Specific Plan and Development Agreement

Conducted a Second Reading of Ordinance No. 426 repealing the Harmony Zone Change, Specific Plan and Development Agreement

ORDINANCE NO. 426

AN ORDINANCE OF THE CITY OF HIGHLAND, CALIFORNIA: (1) REPEALING ORDINANCE NO. 408; (2) RECONSIDERING AND REPEALING, IN ACCORDANCE WITH ELECTIONS CODE SECTION 9241, ORDINANCE NO. 409; AND (3) RECONSIDERING AND REPEALING, IN ACCORDANCE WITH ELECTIONS CODE SECTION 9241, ORDINANCE NO. 410

CITY COUNCIL PUBLIC HEARING

14. Public Hearing and Consideration of the Adjustment in the Residential and Commercial Refuse Collection Rates and Annual Property Tax Roll Billing in Accordance with the Current Franchise Agreement dated August 1, 2018

Mayor McCallon opened the public hearing.

Public Services Manager Morgan stated tonight before you is two items for this protest hearing. One is an adjustment in the rates for solid waste, and the other item is a change in the billing format for solid waste fees to a tax roll billing system. For the rate increase, the proposed rate increase is based on the allowable increases per the solid waste franchise agreement. The current agreement and the previous agreement, the new agreement was just adopted as you know last June, but the increases are not new increases. The rates may only be amended by resolution of the City Council and require a 45-day written notice per Prop. 218 to all tax payers regardless of the billing method. The last rate increase that was implemented by the City was on September 1, 2016. The legally required Prop. 218 public notice, which is attached to your staff report as number two, was mailed to all rate payers on June 29, 2018, in compliance with

the required 45-day notice. The component of the rate increases are a CPI increase, a street sweeping component reduction, a disposal increase which is the land fill fees that we pay to the County, which correlates to an increase in the franchise fees and a pavement management fee. The proposed rate adjustment will result in a \$1.32 per month increase for basic residential service to increase the rate to \$25.23 per month; the senior rate will increase \$1.05 for a total rate of \$20.18 a month. The proposal will also increase the commercial rates. The most common commercial rate in the city is a three yard dumpster, picked up once a week, which will increase to \$210.34. As part of its analysis, staff conducted a refuse rate survey. The proposed rate, the new proposed rate, for basic residential service is approximately .96 cents per month lower than the average survey rate of \$26.19. The cities that were surveyed were the San Bernardino County cities, not the high desert cities. In terms of the commercial three cubic yard dumpster, at once a week pick-up, the proposed rate is \$33.41 above the average surveyed rate. This has been primarily historically higher for our city because of the lower commercial accounts. There have been protests received for this rate increase. As of close of business, the protest amount that was received was .23% of the total rate payers, so not even a 1% protest received. She is not sure if the City Clerk received anymore after that calculation. She will go onto the property tax roll billing change. On November 9, 1993, the City Council approved Ordinance 166 which amended Chapter 8.12.120 of the Highland Municipal Code. At that time the Council put in the new ordinance, into the municipal code, that if the Council chose to collect solid waste fees on the county tax roll it may. It never did but this is when we have done it but it's been on the municipal code book since 1993. Currently residential refuse service fees are billed once every two months for a total of six billings. Tax roll billing would be on an annual basis with two required payment installments in December and in April as is the County norm. This initial year, the annual amount only includes ten months of service fees due to the July and August billing that has already been billed. So customers have already received that bill. If the rate payer decides to pay their property tax bill in two installments, when they pay the first installment prior to December 10, they are paying one half of their annual bill which is five months of service, September through January. When the second installment is made prior to April 10, it pays the remaining five months of service, February through June. In the case of a property sale during the tax year, the escrow process will prorate the split of the responsibility between seller and buyer as is the norm for other assessments on a tax bill. In the case of a long term vacant home, the owner will still apply for existing exemption permit program. Staff will verify the vacancy and will determine if at the time the tax bill can be amended or if the property owner is due a refund. It's all due to timing of when the request is made. Tax roll billing does not alleviate Burrtec from performance, nor will staff discontinue investigating any and all service issues or complaints. Tax roll billing is not new. There are two cities in San Bernardino County and seven cities in Riverside County who place their solid waste fees on the property tax roll. This change was initiated at the request of Burrtec during franchise negotiations. The City asked for many new benefits to our residents such as the funding of a code compliance officer to deal with scavenging and

mandate compliance problems with solid waste which the state requires. We also asked for Burrtec to take on the responsibility of illegal trash dumping and illegal dumping items in the public right-of-way which relieves maintenance of that responsibility. This was something that was initiated during franchise negotiations. This action was brought before you today because of the legal requirement of the Prop. 218 hearing. It could not be addressed during the time of the approval of the franchise agreement.

Council Member Lilburn stated in the staff report she did not see the ten benefits, the bullet points that were highlighted.

Public Services Manager Morgan stated the staff report complies with the legal requirements of the notice. She does have those and can say exactly what they are. The City staff, what we negotiated, was funding of the code compliance staff position in the Public Services Division for the length of the term of the agreement, provide right-of-way clean up services at no cost to the City, participate on the Quality of Life Task Force, implement a pavement management fee component and rate structure, provide ten on-call response street sweeping events annually at no cost to the City, provide street sweeping records requirements per storm water requirements, provide new diversion program proposal within 60 days requirements, provide construction and demolition web based tracking program to assist our developers and faster permit issuance, implement an overflowing bin program in the commercial sector, provide an emergency collection service plan to deal with natural disasters, implement a new customer packet distribution, implement a bulky item diversion program to comply with recycling mandates, provide e-waste collection at City facilities at no charge, and then they must request an annual rate adjustment submittal no later than March 1 of the year or they waive the request.

Anthony Serrano spoke in opposition of this item.

Nellie Hanson spoke in opposition of this item.

Leroy Martinez spoke in opposition of this item.

Louis Schnepf spoke in opposition of this item.

Florence Northrup spoke in opposition of this item.

Steve Walcher spoke in opposition of this item.

Tom Coy spoke in opposition of this item.

Chris Christiansen spoke in opposition of this item.

Michael Notarus spoke in opposition of this item.

Lupe Gonzales spoke in opposition of this item.

Norma Richards spoke in opposition of this item.

John Muratet spoke in opposition of this item.

Jody Scott spoke in opposition of this item.

Mark Falcone spoke in opposition of this item.

Frank Adomitis spoke in opposition of this item.

Jerry Martin spoke in opposition of this item.

Mike Arreguin, Vice President of Burrtec Waste Industries, stated he has not had a chance to rebut any of the issues that have been brought up, misstated or unjustified in both the meeting of the 26th and today. He does feel staff and Council have done a thorough job negotiating on behalf of the community with regard to the tradeoffs that Burrtec has received with regard to our contract extension, tax roll billing and various services that we have offered to the City to the tune of over \$300,000 a year. There have been questions that have come out with regards to its legality and believe him they have twelve communities that have gone through this process for many years. San Bernardino County for one of them and it is a totally legal process. It gives the City the right to contract for solid waste services; it gives the City the right to place these fees on County tax rolls and what I have heard tonight a lot of people are just mistaken. They feel that this is a tax. It is not a tax. It is a billing mechanism for the solid waste collection. The fees are identical to what we would bill them on a bi-monthly basis. He is still responsible every year to come before this body with any adjustments in the rates and those adjustments are limited to the restrictions in our contract. They come to the Council for that approval. The basic components of the increase that you are seeing today, in the future and past increases over the many years that we have served this community, are tied to a CPI increase and tied to disposal and recycling processing costs pass-thru. End of story. They have done that for many years successfully. They have a terrific relationship here in the City of Highland. The number of services over 12,000 residential services, he did read the numbers as far as the objections, were very small, less than 1% on the rate increase and 100 and change with regard to the tax roll billing from an objection standpoint.

Connie Lykke spoke in opposition of this item.

Unidentified speaker spoke in opposition of this item.

Gregg Hemmila spoke in opposition of this item.

Mayor McCallon called for any other additional speakers in favor or in opposition of this item. Seeing none, the public hearing is now closed.

Council Member Timmer stated several people talked about the legality and there are several documents in our package that talks about that. In fact, the City Attorney had talked previously about the legality of what we are doing, what other cities are doing, and he also would like to talk about the admin fee for the County that is in the franchise agreement that Burrtec would pay that. There would be no charge to the tax payers for that and the 20-year agreement, a little more discussion on that because as he read the agreement, sometimes his memory fails but he remembers basically, it's a 10-year agreement with 10 one-year extensions based on approval by the City. So it's really not a 20-year agreement. In fact the agreement specifically delineates that if Burrtec fails to perform at any time during that time the City can renegotiate or dissolve that agreement. So this isn't locked in for 20 years, as long as they perform correctly and they are doing their thing. Also, he just asked staff if this agreement was on the City's website while this was all going on. It wasn't like we secretly put it on. Plus it's posted in three different places around the city. So it was available for people to see, so with that he would like some clarification.

City Attorney Steele stated we should note just as a kind of a fundamental point, the purpose of the hearing this evening is not on the franchise agreement. The franchise agreement was considered in June and approved by the City Council. The agenda packet for the June meeting was on the City's website. The contract franchise agreement was included in the agenda packet for the June meeting at which it was considered. So that was a public document and it remains a public document. He thinks the City Manager has indicated that we can put the agreement just sort of permanently on the website so folks could see it but it was on the website for the meeting at which the City Council considered the franchise agreement. You are not considering the 20-year franchise agreement this evening. You are considering rates and you are considering the tax roll issues. There was a question related to a vote and the applicability of Prop. 13. Prop. 13 doesn't apply to this particular issue. What applies to this particular issue is Prop. 218 which is a follow on to Prop. 13. Prop. 218 is the reason we are having this public hearing. It's the reason notice went out 45 days in advance. It's the reason we are having the majority protest. This is a fee, it's a property related fee. It's subject to Prop. 218 as voted on by the people. This is the proceeding you have and we have had here in Highland and in every other city related to refuse rates, other utility rates, and we've done this every year or two. It's the same hearing that we have every time the refuse rates are proposed to go up. So we have complied with Prop. 218 that we are having this hearing right now. Folks have had the opportunity to file their protest as Prop. 218 requires. So, the City on the rate issue is completely in compliance with Prop. 218 as voted on by the people. The issue as to the legality of putting this matter on, these charges on the property tax rolls, there is a legal opinion in your staff report. He does not know what Mr. Serrano was talking about, his old law firm. He has been at the same law firm for 26 years and is still at the same law firm. He has been a

partner at that law firm that specializes in municipal law now for well over 15 years. The opinion that he cited as exhibit two is an opinion that he wrote. It is not that he disagrees with it, he wrote it. He is not clear what the point is there. The opinion that is in your packet this evening that lays out in detail the legal authority for the City's charges, the City's determination regarding these charges being placed on the tax rolls is an opinion of his law firm. He wrote it, the partner in his law firm who specializes in taxes and fees reviewed it and edited it. Another partner in our law firm, who specializes in Prop. 218, reviewed it as well and approved all the staff materials, your staff report, and your resolutions, which are in the agenda packet this evening. Municipal law is what we do. These issues are fairly technical, he understands, but they are fairly common municipal law issues. The legality of putting this type of charge on the property tax is not really a legal question anymore. He would note that the City of Highland as well as a number of other cities has been putting refuse charges on property tax rolls for years. Now he realizes that somebody in the audience is going to remind him that those are delinquent charges up to this point rather than current charges, but as a legal matter, there's no difference between delinquent charges and current charges. People can disagree in this great democracy of ours as to whether or not this is a good idea. People can have opinions as to whether the City should do this. The question about whether it's legal has been settled for quite some time and it is legal. So he has given a written opinion to that effect which is an opinion of his law firm and hasn't been questioned by any lawyer that he is aware of. So, the legality of the issue, he thinks, is not something that Council needs to spend further time on.

Public Services Manager Morgan inquired what Council Member Timmer's follow up question was.

Council Member Timmer responded he thinks they were all covered but really the questions were on the legality which was discussed, also the County Administrative fee.

Public Services Manager Morgan stated it's clearly delineated in the agreement that the residential customer's rate payers do not bear any increased costs as to this processing. The County does add a .60 cent per parcel cost applying to anything on the tax roll. The listing that is included in your staff report is the total cost. It is the \$25.23 a month for normal residential customers times ten months which comes out to the \$252.30. When the dollar amount is applied, when we submit the dollar amount to the County, it will be less the .60 cents because the County will add their .60 cents on top of what we submit. When they receive the payment from the residents they will take their .60 cents out before they remit the funds to the City. So the total amount that will appear on the property owner's tax bill will still be \$252.30 for the normal residential customer because Burrtec will be receiving less .60 cents.

City Attorney Steele stated there was another statement or question about hidden increases and increases that people aren't aware of. Again, people can disagree about the political question itself but Prop. 218 applies to the rates that folks pay for the refuse charges and the increases for those rates if there are any. Highland has complied for years with Prop. 218 and held hearings like this one prior to any increase in refuse rates and we will continue to comply with Prop. 218 and provide notice and hold hearings. There is not any secret mechanism for increases outside of Prop. 218. Prop. 218 requires notice, a public hearing like this one and a majority protest process and we will continue to hold that under this new collection mechanism.

Council Member Timmer stated the other question he had was on the 20-year agreement and how that breaks down. He thinks he thoroughly spoke about that but Public Services Manager Morgan may want to reiterate that.

Public Services Manager Morgan stated there is a provision in the contract that if Burrtec fails to perform, she can't quote the actual amount of notice, but the City can issue notice to terminate the contract. There is a wind down period. That wind down period in certain provisions, is set by State law but the increased protection to the residents and the City is that in that provision, if we issue notice of termination because of failure to perform, we are allowed to use their equipment until we find a new provider. So performance is still measured and performance is still expected and required.

Mayor McCallon stated you did mention that the County remits the fee to the City, not directly to Burrtec. Is that correct?

Public Services Manager Morgan stated the County collects their fee prior to remitting the funds to the City and then the City remits the funds to Burrtec.

Mayor McCallon stated right, they don't go directly to Burrtec.

Council Member Lilburn stated she wanted a clarification that it is a 20-year agreement, 10 year agreement with one year extensions.

Public Services Manager Morgan stated it's an automatic one year extension every year.

Mayor Pro Tem Chavez stated he feels it is very obvious as to what we should do. We are hearing from our residents and they obviously don't want the rate increase. At the last Council meeting, the only thing that concerned him was that we didn't make this for a bid. They didn't go out for a bid. So we don't know if we got a good deal. We don't know what is going on in the City and this is millions of dollars that Burrtec is going to get over 20 years. You can say its 10 years plus one, it's still 20 years. If we're going to be investing all this money and if this decision has already been made, he wants to see the residents really ask the City put in the work. He wants to see the City look spotless. He wants to make sure Burrtec is doing the street sweeping, trash collecting, because on the west side it's a mess. It's a huge mess. He spoke with Code Enforcement that there's a huge mess on the west side and Burrtec has not been able to clean up the messes.

Council Member Timmer stated that's not really their job if it's a code enforcement issue. They pick up the trash and now with the new agreement if there's any discarded items within the City right-of-way they will pick those up. They legally cannot go onto private property and clean up property. That's not their job.

Mayor Pro Tem Chavez stated then maybe we, as a City, should do something about that.

Council Member Timmer stated well that's a different issue than what we are talking about tonight.

Council Member Lilburn stated that is code enforcement. However, she remembers when it came to the City Council, when public nuisance had an item that came here, Mayor Pro Tem Chavez voted against to uphold the public nuisance for properties in his district, so we need to keep that in mind as well.

Mayor Pro Tem Chavez stated yes, this is just all political stuff going around. We don't need this rate increase. Our residents are here and they are concerned about this. Who are we trying to keep happy? Our residents or are we trying to keep Burrtec happy? It's about the residents really. He has nothing against Burrtec. They have the right to have a contract with us. He just wishes we would have done it the right way. We said we were not going to raise the rate increases in June and here we are at the next Council meeting raising the rates. It's bad for our City, bad for our residents, but it's good for Burrtec.

Council Member Timmer stated well if you remember correctly, when we talked about it in June, about the agreement there was no rate increases proposed in the agreement. It does give them the authority to come back annually for that annual rate increase if it's needed based on CPI increases, increases at the dumping under the County and those are all specified that those have occurred. The thing is we haven't raised trash rates in two years so while we've been negotiating this new agreement for the benefit of the City and all the residents we've delayed the rate increase. Now we have to do it or its going to get further behind and the impacts on the City are going to be greater. We can talk about these things and it's an emotional issue, absolutely, no doubt about it.

Mayor McCallon called for any other comments from Council.

Council Member Timmer stated he would really like to make a personal comment. Normally he is told he shouldn't say things, however, tonight he is going to say something. He has been called a liar many times tonight by a person. He has been called basically corrupt and he is taking bribes. They didn't say those words but implied that he has taken bribes. He really resents that and he is going to say why. Before he participated in the vote last time he specifically asked the City Attorney can he legally participate in that process and he said yes he could, so he did. The issue of the \$2,000 from Burrtec, he personally did not get that money, his campaign did and he knows that you'll say well that's the same thing. Legally it's different. At the conclusion of the campaign, in 2016, he had about \$3,000 left over in his campaign. He donated all those monies to different organizations in Highland because he just does that. He's been doing that. He made a commitment when he got elected many years ago that any compensation that he would get from the City and any expenses the City spends on him to go to a conference or whatever, he reimburses the City 100% for every one of those items. He has continued to this day, any compensation that he has gotten from the City, the salary and so forth, he donates away every month. In fact in far excess of that, so he has received no personal profit from any of the City pay, or attitudes, or whatever. He has reimbursed the City for everything, and he has donated away many thousands of dollars over the years because he felt his job is to serve the City of Highland not to get benefits. So he has donated his personal funds as well as anything that he's gotten over the years and he can prove all of those things if you look at his checkbook. So that's all he wants to say about being a liar and taking bribes. He knows there is a little tongue in cheek going there but he wanted to clarify that he has donated all the money he has received. He has received no personal benefit from any of this stuff.

Council Member Lilburn stated to Council Member Timmer that people, who know him, know his character and his integrity don't have any second doubts about what he does.

Council Member Timmer stated we have two issues here tonight. One is the rate increase which is number one on the agenda, and the other one is item two, which is do we want to put it on the tax rolls.

City Clerk Hughes stated for the record the protest letters received for the tax roll, we received 120 letters. The protest letters for the rate increase, we received 31.

City Attorney Steele stated let the record reflect that in both cases the number of protests received is less than a majority of the total number required, so the Council can move forward as there has not been a majority protest.

Mayor Pro Tem Chavez inquired where were the postings at, where do you post them, besides online.

City Clerk Hughes responded the agendas are posted outside City Hall, the fire station and the library.

Mayor Pro Tem Chavez stated none of those are in District #1 or District #2. So people in his district don't even know about this.

City Manager Hughes stated there was actually a mailer that went out too.

Mayor Pro Tem Chavez stated he did not receive one. His mother did not get one. We bring out these numbers about these protest hearings but no one really knows what's going on. Our website isn't the best website out there. We see other cities that have great websites. He thinks we need to be more transparent in letting people know about these kinds of decisions.

Council Member Timmer stated again, if we break down Item #1 and #2 separately and resolve those issues maybe things will go a little quicker or smoother.

A MOTION was made by Council Member Timmer, seconded by Council Member Lilburn, to:

1. Adopt Resolution No. 2018-037, establishing rates for residential and commercial/industrial refuse collection and rescinding Resolution No. 2016-050 effective September 1, 2018. Motion carried, 4-1, with Mayor Pro Tem Chavez dissenting.

RESOLUTION NO. 2018-037
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HIGHLAND,
CALIFORNIA, ESTABLISHING RATES FOR RESIDENTIAL AND
COMMERCIAL/INDUSTRIAL REFUSE COLLECTION AND RESCINDING
RESOLUTION 2016-050, EFFECTIVE SEPTEMBER 1, 2018

A MOTION was made by Mayor McCallon, seconded by Council Member Lilburn, to:

2. Adopt Resolution No. 2018-038, providing for the levy and collection of solid waste program fees by the county tax collector in the same manner and at the same time as general taxes. Motion carried, 4-1, with Mayor Pro Tem Chavez dissenting.

RESOLUTION NO. 2018-038
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HIGHLAND,
CALIFORNIA, LEVYING CHARGES FOR REFUSE COLLECTION
SERVICES FOR FISCAL YEAR 2018-19 PURSUANT TO CHAPTER 8.12
OF THE HIGHLAND MUNICIPAL CODE AND ORDERING THE
RESIDENTIAL CHARGES TO BE COLLECTED ON THE COUNTY OF
SAN BERNARDINO TAX ROLL

15. Consolidated Landscape and Lighting District 96-1 – Annual Report (Fiscal Year 2018-19)

Mayor McCallon opened the public hearing.

Public Services Manager Morgan stated she brings before you a protest hearing for the annual levying of the Landscape and Lighting District No. 96-1. The annual report was brought before you back in June 26 with preliminary approval granted by the Council. She has attached the previous staff report that gives all the details.

Mayor McCallon called for any speakers in favor or in opposition of this item. Seeing none, the public hearing is now closed.

A MOTION was made by Council Member Timmer, seconded by Council Member Solano, to approve Resolution No. 2018-039 ordering the continued maintenance of improvements in Consolidated Landscape and Lighting District No. 96-1, confirming the Engineer's Report and levying the assessment for fiscal year 2018-19. Motion carried, 5-0.

RESOLUTION NO. 2018-039
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HIGHLAND,
HIGHLAND, ORDERING THE CONTINUED MAINTENANCE OF
IMPROVEMENTS IN THE CONSOLIDATED LANDSCAPE AND LIGHTING
DISTRICT NO. 96-1 AND CONFIRMING THE ENGINEER'S REPORT AND
LEVYING THE ASSESSMENT FOR FISCAL YEAR 2018/19

16. Street and Drainage Maintenance District 96-1 – Annual Report (Fiscal Year 2018-19)

Mayor McCallon opened the public hearing.

Public Services Manager Morgan stated this item before you is for the annual report for the Street and Drainage Maintenance District 96-1. The previous report was preliminarily approved by the Council at the June 26 meeting. We have attached that previous staff report which discusses the changes.

Mayor McCallon called for any speakers in favor or in opposition of this item. Seeing none, the public hearing is now closed.

A MOTION was made by Council Member Solano, seconded by Council Member Lilburn, to approve Resolution No. 2018-040 ordering the continued maintenance of improvements in Street and Drainage Maintenance District No. 96-1, confirming the Engineer's Report and levying the assessment for fiscal year 2018-19. Motion carried, 5-0.

RESOLUTION NO. 2018-040

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HIGHLAND,
CALIFORNIA, ORDERING THE CONTINUED MAINTENANCE OF
IMPROVEMENTS IN THE STREET AND DRAINAGE MAINTENANCE
DISTRICT NO. 96-1 AND CONFIRMING THE ENGINEER'S REPORT
AND LEVYING THE ASSESSMENT FOR FISCAL YEAR 2018/19

CITY COUNCIL LEGISLATIVE

17. Second Reading of Ordinance No. 425, Approving Zone Change No. ZC-17-002 Related to the Implementation of the Upper Santa Ana River Wash Land Management and Habitat Conservation Wash Plan

Community Development Director Mainez gave a brief review of the staff report.

Stephen Rogers spoke in opposition of this item.

A MOTION was made by Mayor Pro Tem Chavez, seconded by Council Member Timmer, to conduct a Second Reading of Ordinance No. 425 Approving Zone Change No. ZC-17-002 related to the Upper Santa Ana River Wash Land Management and Habitat Conservation Wash Plan. Motion carried, 5-0.

City Clerk Hughes Introduced Ordinance No. 425:

ORDINANCE NO. 425

AN ORDINANCE OF THE CITY OF HIGHLAND, CALIFORNIA, AMENDING TITLE 16 (LAND USE AND DEVELOPMENT CODE) OF THE HIGHLAND MUNICIPAL CODE, AND AMENDING THE CITY'S OFFICIAL ZONING MAP TO CHANGE THE EXISTING ZONING DESIGNATION OF APPROXIMATELY 192 ACRES OF AGRICULTURAL/EQUESTRIAN (AG/EQ) AND PUBLIC/QUASI PUBLIC (P/Q) TO AN OPEN SPACE (OS) ZONING DESIGNATION, AND CHANGE APPROXIMATELY 125 ACRES OF AGRICULTURAL/EQUESTRIAN (AG/EQ) DESIGNATION TO PLANNED DEVELOPMENT – RESIDENTIAL OVERLAY (PD/R-1; LOW DENSITY DETACHED RESIDENTIAL), LOCATED ON THE SOUTH SIDE OF GREENSPOT ROAD AND GENERALLY NORTH OF POLE LINE ROAD AND BETWEEN MERRIS STREET ON THE WEST AND PAULA STREET ON THE EAST; ZONE CHANGE ZC-17-002)

which title was read.

18. Bid Award – Bid No. 2018-06, “Victoria Avenue Pavement Rehabilitation” (Project str17002)

Public Works Director/City Engineer Wong gave a brief review of the staff report.

A MOTION was made by Council Member Solano, seconded by Council Member Timmer, to award the construction contract for Bid No. 2018-08, “Victoria Avenue Pavement Rehabilitation” (Project str17002) to the responsive low bidder, Vance Corporation, in the amount of \$1,582,109.65. Motion carried, 5-0.

19. Construction Management Services for Victoria Avenue Pavement Rehabilitation Project (Project No. str17002)

Public Works Director/City Engineer Wong gave a brief review of the staff report.

A MOTION was made by Mayor Pro Tem Chavez, seconded by Council Member Solano, to:

1. Approve proposal from Engineering Resources of Southern California (ERSC) to provide construction management services for Victoria Avenue Pavement Rehabilitation Project (Project No. str17002) in the amount of \$158,510; and
2. Authorize the City Manager to approve contract amendments up to 10% of the proposal amount. Motion carried, 5-0.

20. Amendment to Professional Services Agreement for Additional Environmental Services with Tom Dodson and Associates for Victoria Avenue Improvements Project (Project No. str17002)

Principal Project Manager Barton gave a brief review of the staff report.

A MOTION was made by Council Member Timmer, seconded by Mayor McCallon, to:

1. Approve Amendment to Professional Services Agreement with Tom Dodson and Associates to provide additional environmental services for the Victoria Avenue Improvements Project; and
2. Authorize the City Manager to approve contract amendments up to 10% of the original contract amount. Motion carried, 5-0.

21. Appoint One Member of the Public to the Planning Commission

City Clerk Hughes gave a brief review of the staff report and opened the floor for nominations.

Council Member Timmer nominated Michael Hall.

City Clerk Hughes called for any other nominations, seeing none, she called for the vote. Michael Hall has been appointed to the Planning Commission.

22. Letter of Support for the Eastgate Air Cargo Logistics Center Project (SBD International Airport)

Community Development Director Mainez gave a brief review of the staff report.

A MOTION was made by Council Member Solano, seconded by Council Member Timmer, to support SBD International Airport Authority's proposed Eastgate Air Cargo Logistics Center Project and authorize the City Manager to submit a letter of support. Motion carried, 5-0.

23. Comment Letter to State Department of Consumer Affairs' Bureau of Cannabis Control Concerning Proposed Licensing Regulations

City Attorney Steele stated pursuant to recent state law changes that permit the recreational use and commercial sale of marijuana in the state, the Bureau of Cannabis Control was created in the state government. They have begun issuing regulations to implement those new laws. In a most recent proposed regulation that is of concern to cities is a regulation that regulates cannabis deliveries and the processes for cannabis deliveries. The problem with that potential regulation is that it purports to basically pre-empt any local law that prohibits delivery services in a city as it is allowed by state law. Cities are allowed to prohibit delivery businesses in particular cities. This regulation would allow deliveries to occur across different cities from one city to another. Potentially in violation of

local ordinances and so various advocacy groups are recommending that cities comment on this particular proposed regulation before it comes to an actual regulation and let the Bureau of Cannabis Control know that many cities have bans on delivery services operating within a city as Highland does. This particular regulation should be amended to continue to allow for those bans to be enforced because that's allowed by state law. So you have before you a proposal that would authorize the Mayor to send a comment letter to the Bureau of Cannabis Control only on that issue. The other licensing issues are state wide licensing issues that the City really has nothing to do with.

A MOTION was made by Mayor McCallon, seconded by Council Member Lilburn, to authorize the Mayor to send a comment letter to the Bureau of Cannabis Control concerning the City's objection to proposed regulations related to the delivery of cannabis in all jurisdictions regardless of prohibition. Motion carried, 5-0.

24. Designation of Voting Delegate and Alternate for the League of California Cities (LOCC) Annual Conference and 2018 Resolutions Packet

City Clerk Hughes gave a brief review of the staff report.

Mayor Pro Tem Chavez has been appointed as the voting delegate for the League of California Cities Annual Conference being held in Long Beach on September 12-14, 2018.

A MOTION was made by Council Member Timmer, seconded by Council Member Lilburn, to support the Resolution regarding local municipal authority control and revenue. Motion carried, 5-0.

A MOTION was made by Council Member Timmer, seconded by Mayor Pro Tem Chavez, to support the Resolution regarding the repeal preemption of regulating pesticides. Motion carried, 5-0.

25. City Manager Report and Comments (Work Program, Regional/Legislative/Development Issues, Subcommittees, etc.)

None

26. Council Member Comments (Agency/Committee/AB 1234 Reports, District Updates, etc.)

Mayor Pro Tem Chavez stated on Monday, August 20, he will be canvassing his district to encourage businesses to join the Highland Chamber of Commerce.

ANNOUNCEMENTS

August 23 at 4:30 p.m.

Special City Council Meeting

CLOSED SESSION

None

ADJOURN

There being no further business, Mayor McCallon adjourned the meeting at 8:03 p.m. in memory of City of Montclair Mayor Paul Eaton.

Submitted By:

Approved By:

Betty Hughes, MMC
City Clerk

Larry McCallon
Mayor