

MINUTES
CITY COUNCIL/SUCCESSOR
AGENCY/PUBLIC FINANCE AUTHORITY
MEETING AGENDA
May 7, 2020

1. CALL TO ORDER 6:00PM *Meeting conducted via teleconference.*

Council Members Present: Lander, Ramsey, Stolz, Adkisson, Singleton

Others Present: City Manager Marissa Trejo, City Attorney Mario Zamora, Chief of Police Darren Blevins, Assistant City Manager Sean Brewer, Financial Services Director Jasmin Bains, City Treasurer James Vosburg, Senior Administrative Analyst Mercedes Garcia, Fire Chief Dwayne Gabriel and Assistant to the City Manager/City Clerk Shannon Jensen

Council Members Absent: None

Others Absent: None

*Motion by Stolz, Second by Singleton to Discuss Item No. 6.2 and then Item No. 6.1 and to Approve the Agenda for the Meeting of May 7, 2020. Motion **Approved** by a 5/0 Majority Voice Vote.*

2. AWARDS, PRESENTATIONS, APPOINTMENTS AND PROCLAMATIONS

1. Proclamation: Lupus Awareness Month

Mayor Lander read the Lupus Awareness Month Proclamation into record.

2. Proclamation: Public Works Week 2020

Mayor Lander read the 2020 Public Works Week Proclamation into record.

3. CITIZEN COMMENTS

City Attorney Mario Zamora read a comment from Dr. Paul Griffin that was submitted via email to the City Manager. The Federal and State Governments are reopening the economy in the light of the stabilization of new cases and the economic reality that people need to provide for their families despite the prediction that increased economic activity and social interaction will likely result non an uptick in cases. It is hoped that warmer weather will help give us some respite but there is no guarantee of that happening. First business that are most compatible with social distancing are to open and if the case rate is stable there will be progression to the next phase of reopening. I would recommend doing exactly what the state of California issues as guidelines and if there is latitude it would be reasonable to give our town more latitude as we have very few if any cases at all, I personally know of none. My understanding is that stage 2 includes curbside business pickup, the theater, offices. Stage 3 would be restaurants gyms hair salons and places of worship, as well as sports. Stage 4 would include activities such as the derby, athletics with spectators. The derby is weeks away, I doubt very much the we will be at stage 4 at that point. My concern furthermore is that our good fortune of being almost free of any COVID would be put at risk with the incompatibility of the derby with social distancing

and hand hygiene etc. I just don't see it. The draw of out of town people, as well as carnival workers, inevitably puts our population at risk. We need to remember the mortality rate is 6% from this disease. One more thing, Center for Disease Control ("CDC") guidelines on distancing and face covering is less observed in Coalinga than any other place I've been, starting with ownership on down through staff and consumers, we need to communicate a position on this.

Mr. Zamora read a comment from Gregg Pimental of G.P. Recovery Fugitive Recovery Services that was submitted via email to the City Manager. I would like to offer up some suggestions in the midst of the Covid-19 hysteria. Six to seven weeks ago, when information on Covid-19 was in it's infancy, we can all understand the immediate need to want to protect ourselves and our loved ones. I think many decisions on a national level were knee-jerk reactions to political ambitions. Fast forward to today and we know so much more to include the reality of this threat, which is to say is very minimal. You may have seen the two Doctor's from Bakersfield that put on a press conference going over California's specific situation which results in 0.03% of our population dying from Covid-19. By all standards, this is not considered a legitimate threat to shut down our way of life. I will leave my political thoughts out of this and just speak to you based on facts and numbers. I don't believe our political leaders at the state and national levels are acting in our best interests, as far too often we see their actions result in the furtherance of their party's needs or wants. Never in my lifetime have we seen such panic and hysteria, pushed through the media with little facts to support the panic and hysteria. This leads me to the purpose of reaching out to you. I believe Coalinga should lead Fresno County, not follow, in the opening of our businesses and let our community get back to normal life before we lose any more businesses, homes, cars, jobs etc. I think it is up to you, our leaders of Coalinga to come out and at least clarify some sort of action plan. I belong to several of our local social media sites and see that the fear and arguments being made lack factual foundation and that the fear is really because there is no one setting any clear plans to open in the future. Adding to the confusion is, "what is necessary" and who determines this necessity? For instance, Fast food so long as they have a drive thru is apparently okay, gas stations are okay (although the only real need I can see is fuel which can literally be handled at the pump). I'm sure someone will have an explanation to why fast food is okay, but my barber shop is not. Although we can't really argue the success of social distancing, wearing masks and gloves, it definitely can't hurt as irritating and annoying as that can be, I think I'm not alone in saying, I'll gladly sacrifice these fashion no-no's in order to allow everyone to get back to their way of life. Let's not let our government (who have failed us time and time again) decide what's best for Coalinga. We should be taking our fate into our own hands and either reap the rewards or the consequences of our decided actions. There is clearly enough data and information out now to justify opening up the city. Many of our businesses, mine included make too much money to receive the government stimulus checks. So many of our citizens are in the same situation as I am, no work, no pay. This in turn will lead to months of financial ruin, late payments, possibly the loss of purchases, all which can have severe mental and physical health consequences in many lives. Can we really continue to justify the closure of Coalinga based on any threat that comes in at a whopping 0.03%?! If I had a 0.03% chance of being shot today by leaving my house, you would not find me on my couch. It would go a long way to address the town as to what the plan is going forward. Are we to open in stages adhering to universal precautions, open completely without restrictions or continue being closed with no direction or relief in sight? I am aware of the issues that are utmost in your minds and that you are working on it, but it's be nice to include the masses.

Coalinga Area Chamber of Commerce Executive Director Benjamin Kahikina spoke about Coalinga's 84th Annual Horned Toad Derby. On April 24, 2020, the Chamber released a plan of action to move forward with the historical celebration on a day-to-day basis. The health and safety of the community is a priority of the Chamber and we have worked tirelessly with event vendors to change business practices and ensure the safety of event attendees. I would like the community to know the importance of Chamber events, such as the Derby, provide an abundance of economic vitality to the City of Coalinga. It is easier as an organizer to continue to move forward with the event and have it shut down rather than struggling to start it up with little to no time for proper preparation. The Derby alone is well planned from September right up to the start of the event. The Chamber appreciates the partnership with Coalinga Huron Recreation and Parks District ("CHRPD") and respects their decision to decline our request to rent Olson Park. In combination with a decline

of event applications from the Fresno County Health Department, it is with deepest regret that I announce the postponement of the 84th Annual Horned Toad Derby until further notice. We will continue to work with our county health department to determine the future of the event. Mr. Kahikina thanked City Manager Marissa Trejo, Community Scholarship Alliance President Sean Brewer, West Hills College of Coalinga Brenda (could not hear last name clearly on recording), Coalinga Huron Unified School District Superintendent Lori Villanueva, Coalinga Police Chief Darren Blevins, Coalinga Fire Chief Dwayne Gabriel, Coalinga California Highway Patrol Office Rory Marks, Mr. Kahikina's family, the Coalinga Area Chamber of Commerce Board of Directors and its members. The Chamber will continue offering help and support to any businesses and quality events that enrich the livelihood of the community. We fight for each of you because we are in this together. I have said it before but in this moment, I mean it more than ever, together we can overcome anything because we are Coalinga strong.

4. PUBLIC HEARINGS (NONE)

5. CONSENT CALENDAR

1. Approve MINUTES - August 15, 2019
2. Approve MINUTES - September 5, 2019
3. Approve MINUTES - September 12, 2019 (Special)
4. Check Register: 03/01/2020 - 03/31/2020
5. Information on Cannabis Related Revenue for Quarter Ending March 31, 2020
6. Adopt Resolution No. 3962 Approving Filing Application to the State Water Resources Control Board for the Sanitary Sewer Collection System and Wastewater Treatment Plant Improvements
7. Waive Second Reading and Adopt Ordinance No. 838 (Informal Bidding Procedures)
8. Authorize Approving Contracts for 2019-20 Intergovernmental Transfer Program Participation
9. Approve Closed POD MOU with Fresno County Health Department
10. Information on City Actions relating to COVID-19
11. Adopt Resolution No. 3963 Requesting Governor Newsom Allow Local Control in Reopening Businesses

Mayor Pro-Tem Ramsey pulled Item No. 5.11 for discussion.

Mayor Pro-Tem Ramsey asked the City Manager, what will happen to the City if we adopt this resolution?

City Manager Mrs. Trejo recommended the adoption of Resolution No. 3963, explaining this is something the City has already been working on, but an approved Resolution will help our cause. If approved, the Resolution would be sent to the Governor's office with our request to allow local control rather than the State or County determining a one-size fits all approach for reopening. As we know, what works for San Francisco may not work for Coalinga. What works for Fresno may not work for Coalinga. We have been working on obtaining local control from the beginning and have been working with our Assemblymen, our lobbyists and with the League of California Cities. Nothing may come of it, but it shows that we are taking a formal position in seeking local control rather than going by a reopening strategy that is set by the State or County.

12. Adopt Resolution No. 3964 Declaring all Businesses in the City as Essential Businesses

Mayor Pro-Tem Ramsey pulled Item No. 5.12 for discussion.

Mayor Pro-Tem Ramsey asked the City Manager to explain Item No. 5.12.

Mrs. Trejo explained, this Resolution would declare all businesses in the City as essential businesses. If approved, it will show the Council has determined that all the businesses the State deemed non-essential, as essential in the City.

Mayor Por-Tem Ramsey asked if we would lose any government funding by adopting this Resolution.

Mrs. Trejo said, potentially. If the City went against the State order there are consequences, pros and cons. One benefit would be that Coalinga has several small businesses that may not make it through the shutdown, and we are dependent on the sales tax revenue they generate. There is some risk to it, however it is not something that is imminent or even something that we know for sure would happen, but we could find ourselves ineligible for State reimbursements for anything we have expensed related to the pandemic. The City of Fresno recently received a large amount of money from the State and from the Federal Government in relation to the CARES Act. We did not qualify because our population was under 500,000. We have been working with the Governor's office and the League of California Cities in trying to push for some funding for smaller cities. It looks promising right now, but we do not know what to expect. We may not be eligible if we take a firm position that we are not in compliance with the State order.

Councilwoman Stolz commented that Item No. 5.12 and Item No. 6.2 appear to be similar. Is it my understanding that if we approve Item No. 5.12 that means Item No. 6.2 will kind of automatically happen since they are basically the same thing? I do not understand why the two items were separated.

Mrs. Trejo explained, hypothetically, you could discuss and vote in agreement Item No. 6.2 in reopening and then adopt Resolution No. 3964. But yes, if you adopt the Resolution declaring all businesses as essential then that says we consider them as essential and therefore they can reopen.

City Attorney Mario Zamora said, that is correct.

Councilman Singleton asked, if we claim all businesses as essential and we reopen under that pretense, would we still be out of compliance?

Mrs. Trejo stated that would be a legal question for Mario.

Mr. Zamora explained, I believe you would be, only because of how the Resolution is written. The Governor's orders are still limited to certain sectors right now. The way we have drafted the Resolution is to include all businesses. So, technically yes you would be out of compliance.

Mayor Lander stated, as a barber, and others who work in hair salons, we are governed by the State of California. The California State Board of Barbering and Cosmetology has sent out a notice that states, if anyone does not fall into compliance with the Governor's order, which will be strictly enforced, there will be repercussions from the State Board. As the owner and person holding the license, I will not go against the Governor's order because I could stand to lose my license or be heavily fined. I spoke to a couple of other people in the business who heeded the same warning. The Governor gave another statement today about how the virus could run rampant through nail salons.

Councilman Adkisson stated there have been a few cities in the valley that have opened such businesses and they have not heard from the State yet. I know Parlier opened and even made the news and they have not heard from the State.

Mayor Lander stated he also saw that on the news. He said he called over there and they are waiting. Personally, I will not be opening my business and taking that chance.

Councilman Adkisson believes businesses should have the choice whether they want to reopen. I do not believe the Government, or Coalinga, should be telling them they cannot reopen. If they want to take a chance with the State, then let's let them. There are other counties, especially up north, who are opening anyway and a few down south.

Mayor Lander commented, with further research you will find the State Board has acted against them.

Councilman Adkisson said, they may have acted against some. When you are having the Governor tells us that he is not going to open salons or barber shops until October or November, who's business will make it that long?

Mayor Lander agreed.

Councilman Adkisson said, we are their last chance.

Mayor Lander said, I am in the same situation with my business.

Councilman Adkisson said, I know. This is the last stand for a lot of these small businesses. Either they are going to make it, or they are not. One man is directing approximately 40,000 people and holding everyone hostage. Our legislature has not voted on this. The State has failed businesses every step of the way. There is no business in Coalinga that has gotten any loan and they have not gotten the Paycheck Protection Plan. We have had several citizens who applied for unemployment in March and have yet to see a dime. They have not been approved, they do not know what their status is, it just says "pending". I am going to stand with these small businesses, so they have a fighting chance. If they choose to open their business that is their deal.

Mayor Lander commented that he knows of a small business in Fresno who has gotten a loan. I have received a loan and I have also received unemployment. There are some who are receiving assistance.

Councilman Adkisson said he had met with at least eight small business who stated they had all applied and none of them have received it. You are the first person I have heard it from.

Councilwoman Stolz said, it is my understanding that the City of Coalinga did not shutdown any businesses or tell anyone to shut down, it was the Governor's order that did. If the City of Coalinga did not shut anyone down, how do we reopen businesses? I am all about the small businesses and the citizens. I see and hear both sides, we do not want our businesses to fail, we do not want our citizens to get sick and the citizens want our services back. I do not know what the right answer is, but I keep thinking that we did not direct anyone to shut down so how would we direct them to open?

Councilman Adkisson agreed. I would say the State is counting on each individual City, particularly the Police Departments and Code Enforcement, to carry out their order. I would tell the State, you want to carry out your order, then you do it.

Councilwoman Stolz commented that we do not have Code Enforcement so that takes that off the table and it would depend on our police force. I personally do not feel that we have enough manpower to go around and micromanage the businesses.

Councilman Adkisson agreed.

Councilman Singleton said, and we shouldn't.

Mr. Zamora read a comment from Scott Netherton. I would very much like to ask the Council to approve the proposed Resolution to designate all businesses as essential because we are, not only to the community, but to our families. No one wants to get sick, however, facts are that people will. All we can do is our absolute best to minimize the risk by weighing the risk of an outcome. I have laid out my plans of what I will do to minimize risk as I will be reopening the theatre tomorrow. We have two choices, wait until our Governor allows Phase 3 to reopen, which in his words could be October or November. I do not believe there are any small businesses that would still be in operation five months from now. It is just not possible. We elected you to represent us. Governor Newsom does not represent us. If you feel that we are not important and valuable to our community then vote "no". If you feel small businesses are of value then please vote "yes" and declare us as essential, which would then put the burden on us as business owners. We are not asking for a free for all. I will be operating under 10% capacity, allowing one group in the lobby at a time. I am requiring everyone to have their temperature taken, I have installed face guards and floor distancing decals, my employees and I have signed the form from the Health Department, I have roped off two of every three rows to space everyone a minimum of 10 feet. Everyone has their choice on whether to open or not. They must make that decision for themselves. Everyone also has the right to determine whether they want to stay home or visit businesses. We deserve that right to decide for ourselves and I ask that you give us your blessing to make that decision. I hope you will stand for us, the people you have been elected to represent. I am taking a huge risk opening tomorrow. It would be nice to feel like you have our backs. Please, at the very least, vote "yes" and let us know you want us to survive. Thank you!

Councilman Adkisson mentioned, we heard from the Governor earlier, saying that he wants people who are healthy, to get together to make an army of volunteers. How could it be safe for them to go do volunteer work, but its not safe for employees to go to work? Why is it ok to go into Save Mart and look at their flowers, but I cannot go into Plants and Things? Why can Walmart be open, but these little mom and pop shops can't be? It seems like they are trying to help the corporations while trying to push out the mom and pop shops. I am not saying to open the floodgates. I am saying why not have every business abide by the same guidelines that essential businesses have had to follow? Why can't that be done? I do not understand it at all.

Councilwoman Stolz stated she liked what Mr. Netherton said. It makes a lot of sense. But again, if we did not close the City, why would we be held accountable for reopening it? If the theatre wants to open, then open. Its your business, not ours. If Plants and Things want to open, then open, etc. Now, if the City passes this Resolution and votes on Item No. 6.2, giving permission, what liability will the City have since we are basically defying the Governor's order?

Mr. Zamora stated, I do not believe you would have any liability to the businesses themselves because, like you said, it is not the City who shut them down. These guidelines are coming from the State so the State could come in and do something. It is not just up to the City, there are other entities that do have control and that you may see an impact from.

Councilwoman Stolz said, is there any liability to the City from the State of California?

Mr. Zamora said, the answer to that we do not know. I see this as being very similar to the cannabis issue. Cannabis is still Federally illegal so the Federal government could come in and close the retail and growing facilities. Coalinga has said we are going to allow cannabis to occur. Is there some risk on that? Yes, there is a similar risk with doing something like this. Say there is an outbreak in Coalinga, the State could come back

later and say we are not going to give you funds to assist with that. At this point we do not know what they could do to us.

Councilwoman Stolz asked what happens if we do not approve Item No. 5.12 and 6.2, but the businesses still open? It makes me nervous to put in writing and then submitting it to the Governor when we did not originally shutdown the businesses. I do not want to miss out on funding because we choose to go against the order.

Councilman Adkisson asked for clarification, it is only Item No. 5.11 that we would be submitting to the Governor, correct?

Mrs. Trejo stated, that is correct.

Councilman Adkisson said, that is just asking him to allow us to have local control, it is not saying we are taking local control from him? I believe the real discussion is Item No. 6.2.

Councilwoman Stolz said that is correct, but if we pass Item No. 5.12 it will automatically affect Item No. 6.2.

Mayor Lander agreed, stating it appears that Item No. 5.12 and Item No. 6.2 go hand-in-hand.

Councilwoman Stolz suggested the Council take a vote on Consent Calendar Item Nos. 5.1 through 5.11 and then roll Item No. 5.12 in with Item No. 6.2.

Mr. Scott Netherton commented that the City did not direct us to close, but we did it because the information we were receiving was incorrect. We gave it seven weeks. Council did not close businesses and we are not asking the Council to reopen businesses. We are only asking that the Council deem all businesses as essential and if we open then it is our decision. We would like your support. We do not want handouts, just an opportunity to survive. It is my understanding that if businesses are declared essential the Police Department would not be required to respond to complaints. If the County or the State comes in then they would have that authority, but it would relieve the Coalinga Police Department from being the bad guys.

Mr. Ryan Adams asked how many businesses are closed? He commented the number of businesses closed are minimum compared to those that are already open. Mr. Adams is in favor of all businesses reopening.

Mr. Marcos Ponce of the Fitness Lab commented on a text message from a Police Officer stating the Fitness Lab would need to shut down or the Police Department would shut us down on the 21st of March. The Fitness Lab did not receive a loan and we were denied unemployment. We need to get back up and running or we will go under next month. We need to work.

Mr. James Vosburg commented, the point Mr. Zamora made about declaring all businesses essential does not necessarily give any kind of permission in lieu. Other governmental agencies may have a say so. We would simply be declaring all our businesses essential.

Barbara Rodriguez from District 3 commented, I believe all our businesses are essential to our community, not just Savemart and other grocery stores, dollar stores and sporting goods stores. Our hair salons, movie theater and churches are all important for our economy and citizens. We are so fortunate to have a Fire Department and a Police Department in our little town. Taxes from all our businesses support these services. Our small business owners have put everything on the line for us and its time for us to support them. Without them we are at risk for losing the essential services I just mentioned. Please save our town and reopen them.

Consensus of the Council was to combine Consent Calendar Item No. 5.12 with Item No. 6.2.

Motion by Singleton, Second by Adkisson to Approve Consent Calendar Item Nos. 5.1 through 5.11. Motion Approved by a Roll-Call 5/0 Majority Vote.

Motion by Adkisson, Second by Ramsey to Approve Item No. 5.12 Adopting Resolution No. 3964 Declaring all Businesses in the City as Essential Businesses. Motion Approved by a Roll-Call 4/1 Majority Vote. (Lander Voted "No").

6. ORDINANCE PRESENTATION, DISCUSSION AND POTENTIAL ACTION ITEMS

1. Discussion, Direction and Potential Action regarding Preparation of an Ordinance to Allow for an Additional Retail Cannabis Facility with On-Site Consumption (Consumption Lounge)

Sean Brewer, Assistant City Manager

Assistant City Manager Sean Brewer gave a brief overview of the item.

Councilman Adkisson asked Mr. Brewer to explain what a consumption lounge is.

Mr. Brewer explained, a consumption lounge is a location tied to a retail facility within a retail premise separate and distinct from the actual shopping area of the retail facility, where the consumption of cannabis may occur and with items purchased at that particular location.

Councilman Adkisson asked, basically it is a dispensary, but you can smoke or ingest cannabis products?

Mr. Brewer said yes, but through a separate door. So, if you walked into Have-A-Heart and after you purchased cannabis products you would then pass through another door within their store that lead to the consumption lounge. It is not quite the same, it is more separated, but it is like a cigar lounge. Cigar lounges or cigar shops that have a lounge component, those are all open ventilated spaces. Where you purchase your cigar, is where you consume your cigar. With the consumption lounge, the way the State has established regulations, you must move on to a separate location within that building by passing through a separate entrance to consume the product.

Councilman Adkisson asked, does that mean that Have-A-Heart will also be able to have a consumption lounge?

Mr. Brewer said, that would be up to the Council. That is how staff has drafted the language in the Ordinance. Essentially, we have said, if you are a retail facility, then consumption would be permitted within a retail facility in accordance with the current State law.

Councilman Adkisson asked, so we would allow two dispensaries, next to each other, who will compete, is that correct?

Mr. Brewer said yes, that is a possibility if it is next door. The selection process would determine where the other facility would be located. It would however be within the downtown district.

Councilman Adkisson asked, they would sell similar products as Have-A-Heart?

Mr. Brewer said yes, essentially the Council would be allowing for a second retail facility with the allowance to include on-site consumption. So, yes Have-A-Heart would have the ability to have on-site consumption. Unless you only allow one retail location to have on-site consumption and the other would have to operate just as retail. Those details are what we are asking the Council to give direction on.

Councilman Adkisson mentioned that it sounds like they may eventually be pitted against each other, and one may go out of business.

Mr. Brewer stated he could not say what would happen. Right now, we are working with the City Attorney to develop the language for the Ordinance revision to allow for that land use activity because staff is currently restricting any additional permits. Currently we are not accepting any other permits for an additional retail operation. Now we are discussion that option to allow for a second retail facility and including the caveat that consumption may be included on the premise.

Councilwoman Stolz asked, will it be like going into the smoke shop and then going into the hookah lounge?

Mr. Brewer said, yes because it is in a separate door that you pass through and it is ventilated because they allow consumption. Yes, it would be a similar structure. I believe the State is interpreting that it allows you to consume on-site with ventilation requirements and a special permit to be allowed to smoke indoors.

Mayor Pro-Tem Ramsey asked, we do not have a facility like this in Coalinga right now. I like Have-A-Heart, but competition is good. We cannot just have one grocery store in town because they could set their prices any way they want. Competition is good. We could do a development agreement with a company which would allow us to control how it would be built and everything beforehand.

Councilman Adkisson asked, do you know if Coalinga would be the first in the valley to have such a thing?

Mr. Brewer stated, I believe we would be. West Hollywood was the pioneer of it.

Mrs. Trejo stated, I believe Lemoore's consumption lounge is going to be open shortly.

Councilwoman Stolz commented, I believe there is one opening in Hanford also.

Mayor Pro-Tem Ramey said, I don't believe either were open yet.

Councilman Adkisson agreed, none are open yet.

Mr. Brewer commented, it would be hard to tell where the draw for a lounge will come from. Whether it would be a local draw or whether it would be from out of town. I know our retail facility does a lot of deliveries. They have been able to take advantage of not having many retail operations in the valley. There is a possibility for entertainment, however you would not be able to consume alcohol within a consumption lounge. Alcohol would have to be separated.

Councilwoman Stolz asked, separated from the building or a different room?

Mr. Brewer explained, if you are a cannabis owner, by law you cannot hold an ABC license. Essentially, the owner of the cannabis company, if they have a consumption lounge, would not be able to have an ABC license, instead they would have to partner with someone else. It would be a separate entity. You would go in and have your beer or wine and then you would leave that business and enter the retail facility, as if you were entering Have-A-Heart.

Mayor Pro-Tem Ramsey commented, some of the cannabis lounges I have read about have partnered with restaurants who would bring in food.

Mr. Zamora read a question (no name included), if we pass this, are we inviting people to come by to smoke and then drive away under the influence?

Mayor Pro-Tem Ramsey stated he would like to go with option 3: depending on the available locations which could accommodate a retail location with a consumption lounge, the Council could direct staff to seek out a cannabis company and develop a retail development agreement with a particular company or person. This is something different and it is legal now. Let's go for it.

Councilman Adkisson agreed, I think it is going to come here anyway.

Councilwoman Stolz asked, shouldn't they come to us with a proposal?

Mr. Brewer stated, the City Attorney assisted in drafting the Staff Report and developing the available options. From a planning perspective, I must look at how we would implement this after it is authorized as a permitted use.

Mr. Zamora explained, you would not necessarily have a full Request for Proposal (RFP) process, but it would be similar. Staff would make it known that Council is interested in doing something like this and ask that they give us your best proposal. Instead of going through a formal RFP process where you have people comply to the letter with their proposal. It may be just as simple as; we have five different companies that come back to us who are interested. We look at them and maybe one is local or maybe one is not local, but they are reputable. We can determine, out of those five, which one we would recommend.

Councilwoman Stolz asked, so it would be a similar process as the dispensary?

Mr. Zamora answered yes, just not as formal.

Councilwoman Stolz asked, where would these potential consumption lounge owners from? How are we going to advertise that we are going to do this?

Mayor Pro-Tem Ramsey said, I believe it would be first come, first served and then we could do a retail development agreement with whichever company we pick.

Mr. Brewer explained, the development agreement would come after. The selection process would need to determine how you would select the firm. We are looking for direction, so we know what the next step is. I will be bringing this ordinance before the Planning Commission. The ordinance will basically spell out the regulations for the consumption lounge. Our regulations would almost be boilerplate from the State's regulations. However, the State may, in the future, change those permitting requirements. We want to make sure that we are at least comfortable with the current language. The regulations can be updated if there are changes. And there are some technical changes that must be made to our ordinances to allow for a second facility and for consumption.

Councilwoman Stolz asked, we are looking at the downtown area, like the plaza, correct?

Mr. Brewer explained, it would be Commercial General and Commercial Service zones and it would be within the downtown overlay district. If you are looking at the map, the overlay is that sideways square over the downtown area. Van Ness to Sunset and Polk to Forest.

Councilwoman Stolz commented, a map would have helped. What about the schools and the library being in that area?

Mr. Brewer said, it would still be under what current State law allows. The current regulations for retail will not change. The distance requirements from "sensitive" areas will be in place. I do not believe the library is. There are other sensitive uses built into State law that must be adhered to and those are built into the ordinance. Even if we draw that big square there will still be several properties eliminated because they will not be permitted. With the retail proposals, one was eliminated for being too close to Wee Town.

Councilwoman Stolz asked, so you want us to tell you if we want to move forward with allowing a consumption lounge?

Mr. Brewer answered yes, we want to make sure the Council clearly understood what the process is and if you wanted staff to move forward. We are specifically looking for direction on the process of selecting that second retail facility. If you want us to start working on, say a notice that says the City is soliciting another retail facility and the we want to make sure there is a consumption component. This is where I believe a development

agreement would be helpful because we can spell that out. Or you would prefer the usual RFP process like we did on the first go around.

Mr. Zamora read a comment (no name given), when the people of Coalinga voted to approve cannabis, we approved one. If Mr. Ramsey and the Council want to add a second, third, fourth and so on, the people must vote to have their voices heard. If you care about your votes, you must put it to the people.

Mayor Lander asked, they said put it to the people, is that correct?

Mr. Zamora answered yes.

Mayor Lander agreed.

Police Chief Darren Blevins commented, I am not in favor of a consumption lounge, due to the possibility of people walking or driving away intoxicated. Especially in the downtown district where there are more cars than in the outlining areas.

Mayor Pro-Tem Ramsey commented, it is going to come eventually. I suggest we go with option 3 and pick someone we can do a development agreement with so we can control it.

Councilman Adkisson suggested we move forward with and take it from there. I would suggest number 3 because it would be quicker.

Councilman Singleton agreed with number 3.

Councilman Adkisson commented, I am worried about us losing the revenue generated by other cities like Hanford and Lemoore. I do not want to be behind the curve, I want to be out in front of it. I understand the issue with driving while intoxicated, but it is the same thing with bars. I believe, in time, these consumption lounges will be just like bars. They will be all over California.

Mayor Pro-Tem Ramsey agreed.

Councilwoman Stolz commented, I am concerned that some of the voters may feel as if they have been tricked.

Mayor Lander agreed. After hearing the Police Chief's comments, I am not agreeable at all with this.

Councilman Adkisson asked, when the voters passed the dispensary, did the language state a number?

Mr. Brewer asked the City Attorney, correct me if I am wrong, I believe the language stated taxing a single dispensary. And what I believe Mr. Zamora is eluding to in that part of the Staff Report is that it had to do with taxing a single dispensary, not limiting how many dispensaries. It is just how the language was written.

Councilwoman Stolz commented, it is creative language to trick the public on voting for it. I remember very well how that went.

Mr. Zamora stated, I do not know how the language was drafted as I was not here at the time. I did look at it and with my history while being here, I have always heard people say it was approval of a single dispensary. What the ballot measure language said was taxing of a single dispensary. There were also provisions in there that would allow the Council to amend the entire ordinance which would include: reducing, but not increasing the tax; changing the number, up or down, of retail facilities; and anything else in there that addressed that particular issue. It certainly was not clear from what was passed that it would be forever only one retail dispensary.

Mayor Lander suggested the original ordinance be distributed to the Council and the item tabled until the next meeting.

Councilwoman Stolz is agreeable and requested a map be included with the item.

Councilman Singleton agreed.

*Consensus of the Council it to **Table** Item No. 6.1 until the next Meeting in May and to include the additional information requested.*

2. Discussion, Direction and Potential Action regarding Reopening Businesses in Coalinga that were Deemed Non-Essential by the State of California with Safety Guidelines established by the City's Safety Officer

Marissa Trejo, City Manager

Discussion continued from Consent Calendar Item No. 5.12 above.

Mrs. Trejo clarified Councilman Adkisson requested this item so businesses deemed non-essential by the State could reopen at their discretion without interference from the City with adequate safety guidelines in place as established by the City's Safety Officer who is our Fire Chief.

Councilman Adkisson asked what happened when Clovis recently declared all their businesses as essential, do we know if anything has happened to them?

Mayor Lander commented that no one has heard anything. Although he did mention that Clovis Mayor announced their plans to reopen their meetings to the public. He did not mention how they would do it.

Councilman Adkisson read a statement from Bob Whalen, a Clovis City Councilmember. As we now trust our businesses to reopen, our businesses will be trusting its customers to abide by social distancing and good hygiene. Whether this was the right call will be determined by health and economic data over the next couple of months. Let's be smart and show our community that killing the virus doesn't mean you have to destroy the jobs which financially support your community. Because I am a firm believer in accountability here is our present marker (*and then he gives the numbers Clovis has*). The economic markers will not be known for months because the data is not yet available. We will be hit economically but how much in proportion to other similarly situation will be the economic marker I will be viewing. Keep your physical distance and practicing good hygiene. We will get through this.

Councilman Adkisson went on to state the City of Clovis is basically doing the same thing we are doing. Where is the line we draw for the Governor? We have done enough to help you. At first you wanted two weeks and here we are seven weeks later. Then you said October or November or even longer. And now you are saying we cannot get back to normal until there is a vaccine. We are so far away from a vaccine. It will be another year, at least, before we have a vaccine and can have it put into mass production for people. The Governor has gone above and beyond his duties and his powers. I believe we should show our businesses the respect they deserve. To tell them we are behind them and they are essential. Allow them to open and if the State wants to enforce their rules then let the State come and do that. What are we going to do when we have the loss of revenue from these businesses? Or over the long run, if they go out of business, what will we do over that loss of revenue? Who takes up to 70%-80% of the budget? Police and Fire do. What do you think the next move will have to be? We will be talking about layoffs. The implications are much greater than what we are talking about here.

Councilwoman Stolz asked, Councilman Adkisson were you reading Bob Whalen's comments from an article?

Councilman Adkisson stated he read it from his Facebook page.

Councilwoman Stolz stated there was an article written where all the Councilmembers commented. There are other opinions than just his.

Councilman Adkisson said he was not aware who put the item on their agenda, but he was just reading his comments.

Councilwoman Stolz said she is in support of small businesses and I do not have a problem with them reopening. We did not say they had to close so why do we need to say they can open. If they want to open, then they should just open.

Councilman Adkisson stated, if we are not united behind it then our Police Department is put in a bad position. We are trying to stand behind our businesses and ask our Police to stand behind them too. Hanford is voting on it on Friday. Parlier is going to voting on it. Visalia opened already. We are seeing it all over because we need to stand up, along with these other valley cities, against the Governor.

Mayor Pro-Tem Ramsey agrees with standing by our businesses. If we do not have any businesses, we don't have a town.

Councilwoman Stolz, referencing the safety orders listed, asked what will happen if they are not being adhered to? Sometimes I see people social distancing, but most times they are not. And I am included in that because I forget even when I am looking at the tape on the floor. I know that we are going to have to self-manage. No one is responsible for me, except me. So, when I am out and about, I must be conscience about being 6 feet away from the next person. But what if an area is getting congested and people are not following our resolution of orders and things get out of control?

Councilman Adkisson said, if we say all businesses are essential, everyone will have to abide by the same standards as what, quote-unquote, essential businesses are abiding by. Councilman Adkisson asked Mrs. Trejo if she and the Fire Chief came up with some safety guidelines for businesses?

Mrs. Trejo said yes, they are not listed on the agenda item, but it states that the action item being discussed would be that businesses can open without interferences from the City with adequate safety guidelines in place as established by the City Safety Officer. We do have drafts for most businesses, however there are some that we still need to work on, such as service clubs. Most of them are drafted from what we anticipate the State will require for salons and barber shops and the such when they are allowed to reopen.

Councilman Adkisson said if we do pass this, I am begging and pleading with the small businesses out there to please abide by the guidelines. Please do not do anything to draw attention to yourself. I think the fact that they have been out of work for seven weeks will make them hyper aware of what they need to do to stay under the radar. I hope so anyway.

Mayor Lander read a statement from the State Board of Cosmetology and Barbers. As the Board responsible for all the licensing of all barbers, cosmetologists, estheticians, manicurists shops, booth rentals, schools and tanning facilities, in addition the Board inspects all of these shops, tanning facilities and schools twice a year to ensure conditions. On Friday this Board took to social media threatening disciplinary action against anyone that is open and putting public health and safety at risk by not following the guidance to stay at home. If these business license individuals stay open the Board could and will take action against their license. The Board is not taking this lightly. I know that we have several hair salons who are closed, including my place of business, I am sure they are all aware of what the State Board can do to us.

Mayor Pro-Tem Ramsey stated everyone is responsible for their own business and if they decide to go ahead and open with a threat of a fine, and they get the fine, we will have to help support them. Not as the City, but as individuals. We will have to frequent their business and help them make up that money. Unless they do something really bad. We must support our community in every way we can.

Councilman Singleton state, we have done everything we were supposed to do, we have secluded and everything. I am not saying it is time to reopen, I am saying it is past time to reopen. This should have been over and done with. No one should be under the stress that we are under. No small business should be shutdown. It is time to get them up and going.

Councilman Adkisson agreed with Mayor Pro-Tem Ramsey and Councilman Singleton. Let us also remember the City of Fresno received \$92 million from the government. They used some of that to put it in to small business loans. What have we gotten from the government? Nothing, zero dollars. A lot of the other small cities, like us, have also gotten zero. What are we left to do? What are we supposed to do about our revenue stream?

Councilman Singleton said we must take care of our own, right here.

Councilwoman Stolz asked, would police enforcement be a meet and confer because it is essentially a code enforcement function? How would that work?

Mrs. Trejo stated that is not her understanding. Part of their job is to enforce Local, State and Federal laws. Their police powers give them that authority and so if they choose to enforce the State order, they have the right to do that. They have the right to use their discretion in how they respond to calls. If someone calls the Police Department to report that a business is operating against the State order, it will be up to them on how they respond. It would be a typical duty they would perform; it would be the same if they received a call for a disturbance at a business.

Councilwoman Stolz asked, it is the individual officer's judgment on how the call would be handled?

Mrs. Trejo answered, yes.

Mr. Nathan Vosburg commented that he agreed with the closure because the goal was to flatten the curve. We were told we would have 100,000 dead in California and 1 million dead in the United States. Those numbers have not come to fruition. We have about 50,000 to 70,000 dead in the whole United States. Every life is important and I think people should be safe, but I don't think this should override our Constitution. I do not think the public safety shows an urgency on a scale of being allowed to shut everything down. This just allows people to have the right to be open if they want to. A lot of people will probably still stay home. The shelter in place was done for the curve to take heat off all the emergency rooms and hospital beds. So far, we have seen that being a problem in Italy and New York, it has not really been a problem here. The emergency was built on those claims. I know there are people who have been waiting 30 days for unemployment. I know the business loans are pretty much dried up. I would suggest the Council create a path for reopening just like Clovis did. At least remove the emergency order that you have put in place that states what is essential and what is not essential. It would be nice for all the cities to band together and come up with a good idea to send to the Governor. I know it is a tough decision and I hope you make the right one.

Mr. Ryan Adams commented most people in Coalinga are essential, so why can't the businesses that support them open.

Mr. Scott Netherton commented he was just informed Governor Newsom mentioned today that Phase 3 could be as early as March 26. I would like the City Council to think about one thing, what has changed from last week or when he said Phase 3 would be October/November to this week when he is mentioning March 26th. The difference has nothing to do with the health and safety of California. It has to do with his announcement two months ago we had a \$23 billion surplus and now we are facing a \$43 billion deficit. It is all about the money, yet businesses are being shamed for putting profit over people. Opening the theatre up at 10% occupancy is not about profit, it is about survival. I am not saying the City has shamed us. The City has been supportive up to this point, now please tell us we are essential.

Mayor Lander asked if Mr. Netherton meant May 26th, not March?

Mr. Zamora said it was typed March, but he believes he meant May.

Councilman Adkisson stated, we took an oath to defend the Constitution and in my opinion the Governor is in violation of the first, fourth, fifth and fourteenth amendments. By my oath, I feel that I am required to try to fight the Governor at every step of the way and that is why I am going to vote yes on this.

Mrs. Trejo clarified the City did not have its own separate order from the State. When the State's order initially came out that certain businesses were not essential and we received complaints either at City Hall or through the Police Department about businesses being open, the Police Department did respond at the City's request. I did ask officers to respond to the business to inform them of the State's order and let them know they could not be open. I wanted to say that on the record so everyone knows we are not hiding the fact that officers did respond in the beginning to let them know that the State said they could not be open. And that was at the City's order, however the City did not have its own order for them to close or that the City took any action against the business. In the beginning, when certain businesses were continuing to operate outside of the State's order, they were contacted and informed there was a State order saying they were not allowed to be open.

Councilwoman Stolz asked, by passing this, there should be no complaints on businesses opening going through the Police Department, correct?

Mrs. Trejo said, I cannot guarantee that. I am sure there are still people who feel that businesses shouldn't open and so some still may call to say they are upset that businesses are open outside of the State's order.

Mayor Lander said, say tomorrow I open my business. I am a barber and I get busy. Say some guy comes by and says Ron is in violation even though he has a mask on. They call the Police Department; will the Police Department come and cite me? Warn me? What?

Mrs. Trejo stated she could not guarantee what they will do. It is like what they do when they make a traffic stop. I cannot direct them; this is who you ticket, and this is who you do not. This is who you warn, this is who you do not. It would be at their discretion on how they will respond. If the City has taken a position and they know the City is ok with businesses reopening, more than likely that is the position they would likely follow. I cannot guarantee they will not cite someone for violating the State order. They have the authority to do so if they choose to.

Mayor Lander said, that is my point. All hair people are governed by the State of California. So, is the Police Department going to uphold the law from the State of California? Or will they turn a blind eye?

Mrs. Trejo commented, I do not believe it is turning a blind eye. Their police powers give them discretion. Who they choose to arrest, who they choose to warn, and who they choose to cite, those are decisions they make multiple times a day. I would say it is more, if they feel like it requires an enforcement action like someone is in blatant violation of the safety rules, then maybe they would cite someone. Or they walk in and see that everything is going well when they responded to the call.

Mr. Zamora stated, even when you are essential, a business still needs to follow the distancing guidelines which would enforceable by the Police Department. So, you can be open, but you could still be cited for not following the rest of the order which is the distancing requirements.

Mayor Lander said, that would kill my business.

Mayor Pro-Tem Ramsey asked the City Manager how long it would take for her and the Fire Chief to put the guidelines for reopening together?

Mrs. Trejo mentioned they already have most of them done. The only one I can think of that we still need to work on is the one for service clubs. We could probably have that done sometime early next week. Some of the items, like Mr. Scott Netherton, he did a lot of the work for us. He laid out his safety plan and it was very detailed, probably more detailed than what we would have included. There is not anything we would change from what he had planned to reopen. For the hair salons and barber shops, if I recall correctly, it is just asking the people who work there to wear a mask. Not necessarily their customers because depending on the service you provide that may not be possible. Make sure the chairs are spaced six feet apart and making sure it is one customer in and one out for each employee. So, if your next appointment shows up, they will wait outside until the person you are working on leaves. Frequent handwashing and a space available for customers to wash their hands or at least have hand sanitizer available.

Mayor Pro-Tem Ramsey asked when it would take effect if approved?

Mrs. Trejo stated it would be effective Monday, May 11th.

Mayor Lander stated Item No. 6.2 was a moot point as it was the consensus of the Council to combine the discussion of Consent Calendar Item No. 5.12 with the discussion of Item No. 6.2.

7. 3. Discussion and Direction regarding FY 2020-2021 Budget
Marissa Trejo, City Manager

City Manager Marissa Trejo explained, this is the first draft of next fiscal year budget. You will see general fund expenses which includes operations and personnel. It also includes operational expenses for only the enterprise funds. The next meeting in May you will see the personnel expenses for the enterprise funds. And for the first meeting in June you will see the revenue projections. This is our first step in presenting the budget for next fiscal year. We have gone through the process of cutting what we can, so department heads submitted their requests for next year and we determined what was a need and what was a want and we cut it further. The personnel costs are fixed. Our CalPERS rate went up from just under 1.5% to just over 1.5%. Most of the employer rates are under what we were previously paying for ICMA. Our CalPERS liability went up, which it will every year. Our medical insurance increased this year. Some of your priorities for Measure J revenues were 3 additional Firefighter/Paramedics and a Deputy Fire Chief. Those were initially planned for January 1, 2020; however they were pushed back to July 1, 2020. The numbers you see in the budget pushes those positions back even further to January 1, 2021 which is my recommendation with the current pandemic

and the anticipated decrease in sales tax revenue next year. You may certainly move those dates if you choose. You will also notice the Council's budget is significantly increased for next year and that is primarily because it is an election year, so we budgeted \$51,000. That is a conservative number. It may not be that high, but we will not know until the County sends us the bill. It is not a number we can determine because it is based on how many items are on the ballot for Fresno County. Previously we brought to you, consideration for outsourcing Code Enforcement and the direction from the Council at the time was to bring it back during budget preparations. We need direction on whether that should be added. The current draft does not include it. Secondly, we have received a request from the Coalinga Area Chamber of Commerce for an annual stipend from the City to the Chamber, which is a common practice in cities with a Chamber of Commerce. The amount varies, but historically the City had been providing a stipend up to 2003 when it stopped. At that time, the annual amount was \$10,000. I reached out to a handful of valley cities and it ranges from \$20,000 to \$80,000 depending on the size of the city, with Hanford being the largest. Our local Chamber is requesting \$25,000. This is also not included in the draft budget. I will need direction on whether to add it.

Councilwoman Stolz commented, on Item No. 1, I would suggest tabling Code Enforcement at the quoted amount of \$56,000. I do not feel like we can afford it at this time. I would like to see this come back. As much as I love the Chamber and as much as we help each other, I do not feel like we can afford \$25,000. I am not saying we cannot afford anything, just that \$25,000 is steep, times are tough right now.

Mayor Lander agrees. I recall when we had to cut the Chamber's stipend in 2003. It was difficult situation and decision. Every year the City had contributed towards the Chamber of Commerce. The budget was not nearly in as dire straights as we are now. When we cannot afford a Code Enforcement Officer of any kind how can we afford to give \$25,000 away to the Chamber. Yes, they do a lot of things for the community, but we do have budget constraints right now. Unfortunately, I do not believe we can do that right now.

Councilman Adkisson agreed.

Mayor Pro-Tem Ramsey agreed. I also recall having to cut that in 2003, it was very difficult.

Mayor Lander said, yes it was because the Chamber has done a lot for the City of Coalinga. I do not know what their budget was at the time, but I did know it was substantial. I do not know what it is now, but it is probably a lot less or they would not be asking for funding. I just do not know how we can do that.

Mrs. Trejo asked if that was the direction from the Council, that the Code Enforcement contract and the stipend for the Chamber of Commerce will not be included in the budget.

*Consensus of the Council is to **NOT** include amounts to fund a contract for Code Enforcement and an annual stipend to the Chamber of Commerce in the budget for the next fiscal year.*

Councilman Adkisson suggested we wait at least half the year, as suggested, to fund the Firefighter/Paramedic and Deputy Fire Chief positions.

Mrs. Trejo explained, the numbers in the budget assume that it is ok to fill those positions January 1, 2021. You can remove that if you wish. Another option, if we are planning a January 1, 2021 start date we would probably start recruitment around October 1st, so you could approve the budget with the positions included

and then you can always request an agenda item prior to the start of the recruitment process to postpone it if we don't have the revenues to support it.

Councilman Adkisson asked, do you know what the cost of that is?

Mrs. Trejo stated, I would estimate it is just over \$200,000.

Councilman Adkisson commented, that will give us a little bit of wiggle room if we need it.

Mrs. Trejo answered, yes. We plan to include the personnel costs for the enterprise funds at the next meeting in May. And the first meeting in June the budget will include revenue projections, which will be the first time you see a complete budget picture. You will be able to make changes up to that point. Hopefully, we will get as much direction as possible so we can have the budget adopted during the second meeting in June prior to the start of the new fiscal year.

Councilwoman Stolz thanked Jasmin and all the department heads who also worked on this.

Mrs. Trejo commented, it was a lot for everyone, but most of the work is done by Jasmin. She deserves credit. She prepares the document well and gets it done timely. It already looks good.

8. ANNOUNCEMENTS

City Manager's Announcements:

None

Council Member's Announcements:

Councilwoman Stolz announced we hit our 5th COVID case this afternoon.

Councilman Adkisson commented, it is on the County's website.

Mayor's Announcements:

Mayor Lander commented, since the pandemic I have been looking a lot around town and have noticed a lot of lots that need to be cleaned. Fire season is coming so we want to be cognizant of that.

9. FUTURE AGENDA ITEMS

Mayor Pro-Tem Ramsey requested the City Manager to contact Fresno County to request a COVID-19 testing center here in Coalinga for the residents.

Mayor Lander commented, I was listening to a webinar for the State of California last week and they said they were establishing a testing center in Fresno.

Financial Services Director Jasmin Bains stated, I believe it is located at Fresno City College.

Mayor Pro-Tem Ramsey mentioned the City of Sanger has one, as well as a couple of other cities. I do not think it would hurt to make the request for our community. We could push it through our Board of Supervisors.

Mayor Lander agreed. Great idea Ron.

Councilman Adkisson requested a Future Agenda Item to start a conglomerate of local cities who are like minded with Coalinga and try to band together against the Governor. I would also like to use that to file an amicus brief to send to the Governor and give us more control over our city.

Mayor Pro-Tem Ramsey agreed.

Councilman Adkisson mentioned he had spoke to a few other cities who were willing to join in with it, but it would be nice if we started it.

10. CLOSED SESSION (NONE)

11. CLOSED SESSION REPORT

None

12. ADJOURNMENT 8:02PM

Ron Lander, Mayor

Shannon Jensen, City Clerk

July 16, 2020

Date