

MINUTES OF MENDOTA SPECIAL CITY COUNCIL MEETING

Special Meeting

February 2, 2023

Meeting called to order by Mayor Martinez at 3:03 p.m.

Roll Call

City Council Members Present: Mayor Victor Martinez, Mayor Pro Tem Libertad "Liberty" Lopez and City Council Members Jose Alonso, Joseph Riofrio (upon being appointed and taking the Oath of Office), and Oscar Rosales

City Council Members Absent: None

Flag salute led by Mayor Pro Tem Lopez

FINALIZE THE AGENDA

- 1. Adjustments to Agenda.
- Adoption of final Agenda.

A motion was made by City Council Member Rosales to adopt the agenda, seconded by Mayor Pro Tem Lopez; unanimously approved (4 ayes).

BUSINESS

1. City Council discussion and consideration of **Resolution No. 23-06**, appointing an individual to fill the vacant seat on the City Council.

Mayor Martinez introduced the item and City Clerk Cabrera-Garcia provided the report.

Discussion was held on the item.

Jose "Lupe" Gallardo - commented on the City Council vacancy and urged the City Council to make an appointment.

A motion was made by City Council Member Rosales to appoint Joseph R. Riofrio to the vacant seat on the City Council, seconded by City Council Member Alonso, unanimously approved (4 ayes).

SWEARING IN

1. City Clerk Cabrera-Garcia to swear in newly appointed City Council Member.

City Clerk Cabrera-Garcia administered the Oath of Office to newly appointed City Council Member Joseph Riofrio.

City Council Member Riofrio commented on his appointment to the City Council; the issues being faced by Mendota and similar communities; the importance of the City's agricultural industry; the ongoing tasks of the City Council; and thanked the City staff for their work.

CITIZENS ORAL AND WRITTEN PRESENTATIONS

Sergio Valdez – voiced his expectations for City Council Member Riofrio and requested that City employees handle the United States flags that are displayed throughout the community with respect.

Discussion was held by the City Council on City employees handling the United States flag with respect, and an idea to honor veteran's in the community by creating a veteran honor plaque.

CLOSED SESSION

1. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION Potential initiation of litigation pursuant to paragraph (4) of subdivision (d) of Government Code section 54956.9 (one potential case).

At 3:24 p.m. the City Council moved into closed session.

At 3:45 p.m. the City Council reconvened in open session and Assistant City Attorney Castro reported that the City Council will move back into closed session at the conclusion of the Public Hearing.

PUBLIC HEARING

1. Public hearing to consider and review the status of default, entitlements, and Minutes of City City Council Meeting 2 February 2, 2023

termination of development agreement with Odyssey Agricultural Development, LLC, Odyssey Agricultural Holdings, LLC, and Valley Agricultural Holdings, LLC, regarding the construction and operation of a cannabis cultivation, processing, and distribution facility on approximately 36 acres (portion of APN 013-030-68ST) located at 418 West Belmont Ave, Mendota, California 93640. At a special meeting on January 18, 2023, the Planning Commission voted, 5-0, to recommend the City Council: (1) consider implementing a revised tax structure; and (2) consider and approve the developers' proposed repayment plan.

Mayor Martinez introduced the item and City Manager Gonzalez deferred to Assistant City Attorney Castro who provided the report.

Mayor Martinez opened the hearing to the public.

Alex Freedman (President and General Counsel of Odyssey Agricultural Development ["Odyssey"]) – provided an update on the Odyssey development, including financial issues that the business is facing; their vision for future business with the City; the issues being faced by the cannabis industry; shared his legal background; and requested that the City Council consider the Planning Commission's recommendation.

Dariana Martinez – commented on her positive experience working for Odyssey; the struggles faced by the farm and the skillsets she has acquired while working at the farm.

Juliana – commented on her positive experience working for Odyssey.

Alma – commented on her positive experience working for Odyssey and shared her excitement for the upcoming farming year.

Cano Singh – voiced his support for Odyssey; commented on his positive experience working with Odyssey; and requested that City Council negotiate with Odyssey and reach an agreement with Odyssey that benefits both parties.

Tony Lopez – commented on Odyssey contracting with his business and requested that City Council negotiate with Odyssey and reach an agreement with Odyssey that benefits both parties.

Ulysses Rivas – commented on his positive working experience with Odyssey and his desire to continue working for them.

Elvia Lopez – commented on her positive experience working for Odyssey and shared that she is thankful for employment that is close to home.

Jocelyn Cortez – commented on her positive experience working for Odyssey.

Darwin Alfaro – stated that he is appreciative of Odyssey and for the chance to work close to home.

Luis Antonio – stated that he is grateful that Odyssey provides employment close to home.

Jose – shared his positive experience working with Odyssey and that he is grateful for employment close to home; and stated that he hopes Odyssey remains operational.

Kevin Ramos – thanked Odyssey for the employment opportunity.

Oscar Heriberto – shared his background and positive experience working with Odyssey and stated that he is grateful for employment close to home.

Marvin Lopez – commented on his positive working experience with Odyssey and stated that he hopes Odyssey remains operational.

Marcela – shared her positive experience working with Odyssey and that she is grateful for the employment opportunity.

Idalia Gonzalez – shared her background and her positive working experience with Odyssey.

Cano Singh – commented on the employment opportunities provided by Odyssey and asked that the City Council take it into consideration.

Sergio Valdez – commented on the item and requested that City Council negotiate with Odyssey and reach an agreement with Odyssey that benefits both parties.

Discussion was held by the City Council on Odyssey's investments.

Alex Freedman – provided information on Odyssey's investments.

Discussion was held by the City Council on the outstanding public benefits fees owed by Odyssey.

Aaron Mamman – shared his background and provided an update on the Odyssey development, including financial issues that the business is facing; their vision for future business with the City; the issues being faced by the cannabis industry; Odyssey requiring additional time to pay the outstanding fees; and the business's desire to remain in Mendota.

Sergio Valdez – requested clarification on comments made by Mr. Mamman.

Alex Freedman – provided additional information regarding the Odyssey development in response to Mr. Valdez's question.

Discussion was held by City Council on the item, including the outstanding public benefits fees owed by Odyssey, and outstanding invoices that Odyssey has with local contractors.

Cano Singh – commented on the discussion held by the City Council.

Discussion was held by City Council on the item, including an incident where Odyssey paid

their employees late, and financial struggles faced by businesses in the past and how the community persevered.

Mayor Martinez closed the hearing the public.

Discussion was held by the City Council on the item.

A motion was made by Mayor Martinez to terminate the development agreement with Odyssey Agricultural Development, LLC, Odyssey Agricultural Holdings, LLC, and Valley Agricultural Holdings, LLC, seconded by Mayor Pro Tem Lopez.

City Clerk Cabrera-Garcia announced that a roll call vote would be conducted to consider the motion to terminate the development agreement with Odyssey Agricultural Development, LLC, Odyssey Agricultural Holdings, LLC, and Valley Agricultural Holdings, LLC.

Roll Call vote:

Mayor Martinez: <u>Yes</u>; Mayor Pro Tem Lopez: <u>Yes</u>; City Council Member Alonso: <u>Yes</u>; City Council Member Riofrio: <u>Yes</u>; City Council Member Rosales: <u>Yes</u>

The motion to terminate the contract with Odyssey Agricultural Development, LLC, Odyssey Agricultural Holdings, LLC, and Valley Agricultural Holdings, LLC was unanimously approved by a vote of five (5) ayes.

CLOSED SESSION CONTINUED

1. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION Potential initiation of litigation pursuant to paragraph (4) of subdivision (d) of Government Code section 54956.9 (one potential case).

At 4:51 p.m. the City Council moved into closed session.

At 5:12 p.m. the City Council reconvened in open session and Assistant City Attorney Castro stated that there was no reportable action.

ADJOURNMENT

With no more business to be brought before the City Council, a motion for adjournment was made at 5:12 p.m. by City Council Member Riofrio, seconded by City Council Member Alonso; unanimously approved (5 ayes).

Victor Martinez, Mayor

ATTEST:

Celeste Cabrera-Garcia, City Clerk 9