

AGENDA
RIO DELL CITY COUNCIL
REGULAR MEETING - 6:30 P.M.
TUESDAY, MARCH 7, 2017
CITY COUNCIL CHAMBERS
675 WILDWOOD AVENUE

***WELCOME . . .** By your presence in the City Council Chambers, you are participating in the process of representative government. Copies of this agenda, staff reports and other material available to the City Council are available at the City Clerk's office in City Hall, 675 Wildwood Avenue. Your City Government welcomes your interest and hopes you will attend and participate in Rio Dell City Council meetings often.*

In compliance with the American with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Office of the City Clerk at (707) 764-3532. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to assure accessibility to the meeting.

- A. CALL TO ORDER
- B. ROLL CALL
- C. PLEDGE OF ALLEGIANCE
- D. CEREMONIAL MATTERS
- E. PUBLIC PRESENTATIONS

This time is for persons who wish to address the Council on any matter not on this agenda and over which the Council has jurisdiction. As such, a dialogue with the Council or staff is not intended. Items requiring Council action not listed on this agenda may be placed on the next regular agenda for consideration if the Council directs, unless a finding is made by at least 2/3rds of the Council that the item came up after the agenda was posted and is of an urgency nature requiring immediate action. Please limit comments to a maximum of 3 minutes.

- F. CONSENT CALENDAR

The Consent Calendar adopting the printed recommended Council action will be enacted with one vote. The Mayor will first ask the staff, the public, and the Council members if there is anyone who wishes to address any matter on the Consent Calendar. The matters removed from the Consent Calendar will be considered individually in the next section, "SPECIAL CALL ITEMS".

- 1) 2017/0307.01 - Approve Minutes of the February 21, 2017 Regular Meeting **(ACTION)** **1**
- 2) 2017/0307.02 – Approve Resolution No. 1323-2017 Mid-Year Budget Amendments **(ACTION)** **13**
- 3) 2017/0307.03 - Approve Resolution No. 1325-2017 Adopting the Budget Calendar for FY 2017/2018 **(ACTION)** **19**
- 4) 2017/0307.04- Receive & File Check Registers for January and February 2017 **(ACTION)** **23**

G. ITEMS REMOVED FROM THE CONSENT CALENDAR

H. SPECIAL PRESENTATIONS/STUDY SESSIONS

I. SPECIAL CALL ITEMS/COMMUNITY AFFAIRS

- 1) 2017/0307.05 - Amend Scope of Work on the City’s Safe Drinking Water State Revolving Fund (SDWSRF) Planning Grant Related to Water System Capital Improvements **(DISCUSSUON/POSSIBLE ACTION)** **31**
- 2) 2017/0307.06 - Discussion of Design Review Regulations, Section 17.25.050 of the Rio Dell Municipal Code (RDMC) **(DISCUSSUON/POSSIBLE ACTION)** **34**
- 3) 2017/0307.07 – Discussion of Personal Medical Marijuana Regulations Section 17.30.190 of the Rio Dell Municipal Code (RDMC) and an Overview of Adult Use of Marijuana Act (AUMA) Proposition 64 **(DISCUSSION/POSSIBLE ACTION)** **45**

J. ORDINANCES/SPECIAL RESOLUTIONS/PUBLIC HEARINGS

- 1) 2017/0307.08 - Approve Resolution No. 1324-2017 Budget Amendment for SLESP for Purchase of Police Vehicles **(ACTION)** **55**
- 2) 2017/0307.09 - Approve Resolution No. 1326-2017 Amending the Wastewater Operating Budget in the Amount of \$15,503 Authorizing the City Manager to Sign a Contract with Pacific

EcoRisk (PER) Environmental Consulting and Testing
for Toxicity Reduction Evaluation (TRE) Services and
(TRE) Action Plan **(DISCUSSION/POSSIBLE ACTION) 58**

3) 2017/0307.10 - Introduction and First Reading (by title only) of Ordinance
No. 354-2017 Establishing Chapter 5.4 of Title V of the
Rio Dell Municipal Code (RDMC) Related to Cannabis
Business Taxation **(DISCUSSION/POSSIBLE ACTION) 66**

4) 2017/0307.11 - Introduction and First Reading (by title only) of Ordinance
No. 355-2017 Amending Chapter 17.30.020 "Accessory
Uses and Buildings" of the Rio Dell Municipal Code (RDMC)
to Include Cargo/Shipping Containers used as Accessory
Structures **(DISCUSSION/POSSIBLE ACTION) 89**

K. REPORTS/STAFF COMMUNICATIONS

L. COUNCIL REPORTS/COMMUNICATIONS

M. ADJOURNMENT

*The next regular City Council meeting is scheduled for
Tuesday, March 21 , 2017 at 6:30 p.m.*

**RIO DELL CITY COUNCIL
REGULAR MEETING
FEBRUARY 21, 2017
MINUTES**

The regular meeting of the Rio Dell City Council was called to order at 5:30 p.m. by Mayor Wilson.

ROLL CALL: Present: Mayor Wilson, Mayor Pro Tem Johnson, Councilmembers
Garnes, Marks and Strahan

Others Present: City Manager Knopp, Finance Director Woodcox,
Water/Roadways Superintendent Jensen, Wastewater
Superintendent Trainee Yapple, and City Clerk Dunham

Absent: Chief of Police Hill and Community Development Director
Caldwell (excused)

ANNOUNCEMENT OF ITEMS TO BE DISCUSSED IN CLOSED SESSION AS FOLLOWS:

Public Employee Performance Evaluation – Title: Chief of Police

The Council recessed into closed session at 5:30 p.m.

The Council reconvened into open session at 6:30 p.m. Mayor Wilson announced there was no reportable action taken in closed session.

PUBLIC PRESENTATIONS

None.

CONSENT CALENDAR

Mayor Wilson asked that item number 2, *Minutes of the February 7, 2017 Regular Meeting* be removed for separate discussion.

Motion was made by Johnson/Garnes to approve the consent calendar including approval of minutes of the February 6, 2017 special meeting; approval of pay request No. 1 to Wahlund Construction in the amount of \$72,786.21 for work related to the Metropolitan Wells Project; approval of the reappointment of Julie Woodall to the Rio Dell Planning Commission for the term ending December 31, 2019; approval of Resolution No. 1322-2017 requesting a postal boundary change for Northwestern Ave.; approval of change order for JZ Contracting related to the Old Ranch Road Waterline Project; and authorizing staff to submit Request for Proposals (RFP's) for auditing services for year ending June 30, 2017. Motion carried 5-0.

ITEMS REMOVED FROM THE CONSENT CALENDAR

Approve Minutes of the February 7, 2017 Regular Meeting

Mayor Wilson noted a correction to the minutes on page 10 related to a statement made by Community Development Director Caldwell that the height allowance for structures in the Industrial Commercial (IC) zone was 45 feet or 4 stories and said that he looked in the Zoning Code and the height allowance is actually 65 feet.

Motion was made by Wilson/Johnson to approve the minutes of February 7, 2017 as corrected. Motion carried 5-0.

SPECIAL PRESENTATIONS/STUDY SESSIONS

Mid-Year Financial Report

Finance Director Woodcox began by providing a handout of a *Budget Summary by Department for FY 2016-2017* (Attachment 1 to these minutes). She continued with a power point presentation including an overview of the budget; budget variances for administration and general operation expenditures; budget variances for public works; capital expenditure projects to date; revenues by fund and water fund revenues.

She explained that total estimated revenues were budgeted at \$4.5 million with total estimated expenditures at \$4.7 million. She then provided a breakdown of year-to-date revenues versus expenditures and reported citywide expenditures at 47% of budgeted appropriations. She noted that revenues overall were meeting budgeted expectations as well.

Next was review of capital projects, debt service, and other miscellaneous expenditures. Budgeted appropriations for capital projects were \$1.6 million and total spending at mid-year was only \$28,140 or 2%. Finance Director Woodcox explained that over \$1 million of the capital projects budget was for the Metropolitan Wells Project and contributes to the low budget variance since construction has not yet started.

She then provided an overview of other capital projects and noted that she talked to the State regarding the grant to subsidize the purchase of two police vehicles and learned that only \$100,000 was allocated statewide for this funding cycle so the chances of the City receiving the \$20,000 that was applied for may be slim.

Finance Director Woodcox stated that water fund revenues were at 48% of budget but it was anticipated that the revenue would be below the 50% benchmark at mid-year due to the fact that the water rate increase didn't go into effect until January 1, 2017.

At the conclusion of the presentation she asked for questions from the Council.

Councilmember Garnes commented that the item was listed on the agenda as a *Receive & File* item and questioned the approval of Resolution No. 1323-2017 approving the mid-year budget amendments.

Staff noted that the Resolution will come back on the next agenda for approval.

Public Works Update

City Manager Knopp provided an 8-page *Draft Public Works Update* (Attachment 2 to these minutes) as a supplemental handout to the Council and said it contains a lot of information and as such would suggest doing a quick overview of the information and scheduling a follow-up agenda item at the next meeting to allow the Council to absorb the information and bring questions back at the next meeting.

He said Water/Roadways Superintendent Jensen and Wastewater Superintendent Trainee Yapple were present to answer any technical questions the Council may have at this time.

He began with an update of the Wastewater System and reviewed proposed changes to the National Pollutant Discharge Elimination System (NPDES) Permit issued by the Regional Water Quality Control Board for the operation of the wastewater treatment plant. He noted that every 5 years, the City is required to renew its permit and at the advice of Fortuna's licensed wastewater operator, the City retained consultants from Downey Brand, a law firm that specializes in water and wastewater regulations to assist in the City's response to the proposed changes to the permit. He pointed out that as an example, one of staff's concerns is that the wastewater requirements that are being proposed must meet a very strict drinking water standard yet there are no municipal users downstream of Rio Dell in the river so this is just one of the questions that will be presented to the Water Quality Control Board. He said staff wants to make sure that when the permit is issued, that the City is not subject to some arbitrary regulators desire or goal but is actually under actual legal requirements to meet these objectives.

City Manager Knopp noted that chronic toxicity limits is one of the issues of concern by the Water Board and said in November the City took samples and tested for toxicity under the requirements of the NPDES permit and the toxicity sample failed which is not an uncommon issue. As such the City began accelerated testing in January and passed the test the first week and failed the second week. He explained the City is working on developing a comprehensive work plan to reduce unknown toxicity and said the plan was supposed to be completed in 2012 but for some reason was not done.

Mayor Wilson commented that although it may not be an uncommon issue, it seems that something should have been done to create a work plan in 2012 if we are failing the State's toxicity regulations.

Wastewater Superintendent Trainee Yapple explained that this test is done twice a year; once at the beginning of the discharge period in the river and one at the end.

Mayor Wilson said he would like staff to address the issue further at the next meeting so everyone has a clear understanding and doesn't think the City is ignoring the problem.

Water/Roadways Superintendent Jensen explained that during the course of two samples, one passed and one failed and that the parameters were so close it is unknown why the second test failed. He said there are a variety of issues that occur during major storm events that could contribute to the failure of the test.

Mayor Pro Tem Johnson asked what the particular toxicity is they are referring to.

Wastewater Superintendent Trainee Yaple said there is no precise toxicity and that they are mainly looking for survivability of a water flea in which it has to survive different percentages of effluent. He noted that there is usually a 100% survival rate except when it goes into reproduction; that's when the numbers drop off and seems to be the issue.

Mayor Pro Tem Johnson stated that he had a lot of questions and asked if he should ask them now or wait until the next meeting.

City Manager Knopp suggested Councilmembers email questions so staff can be prepared to provide answers to their questions at the next meeting.

He said with regard to capital projects, Inflow and Infiltration (I & I) remains a major priority and one of staff's main concerns is the end of Painter St. where there have been issues with overflows during major storm events. He commented that this is another legacy issue that staff is attempting to address and that a major manhole rehabilitation project is planned for this year to help ease the situation.

With regard to the collection system and lift stations, staff noted that there has been a lot of work done in that area over the past year.

In terms of the Wastewater Treatment Facility, the City received two (2) visits from the State Water Resources Control Board (SWRCB) (Cathleen Goodwin) including walk through and inspections of the wastewater treatment plant and discussions regarding the draft NPDES permit.

Wastewater Superintendent Trainee Yaple then reported on some of the larger equipment repairs and said during the summer, a 75hp blower motor burnt up due to shaft and bearing issues which had to be rebuilt and reinstalled. He said another major expense was related to a problem with the sludge dryer when a hole burnt into the cooling box which had to be rebuilt and installed. In addition, the supply lines were leaking oil so new flanges and valves had to be reengineered and installed to reduce future oil loss.

He also reported there was a complete pump failure at the Painter Street lift station and they now have two (2) new pumps on site waiting for valves so all the repairs can be done at the same time.

City Manager Knopp pointed out that this report illustrates that there are still a lot of capital projects that need to be accomplished in the City and that a lot of the discussion has been on the water side but obviously there are still a lot of capital needs on the wastewater side as well.

Moving on to Streets, he said the Council is pretty well aware that the Streets function in the City has been reduced to very basic maintenance with the exception of the 2017 Pavement Project. He said the Gas Tax and TDA funds that fund the streets program have been in decline for several years, while the cost of labor and materials continues to go up. He said in the current budget, the Council allocated \$80,000 towards repair of City streets and a Request for Proposals (RFP) was circulated for various projects including preparation for slurry seal on Davis St. He said the cost for asphalt repair is unknown at this time, so staff will return to Council when the costs are more defined with options to increase the budget or reduce the scope of the project if necessary.

Councilmember Strahan asked if the paving includes the bridge approaches as discussed at a prior meeting.

City Manager Knopp clarified that it does include those approaches as well as overlays on Belleview near Blue Slide and Webster St.

Moving on to the Water System, City Manager Knopp noted that there have been a few large repairs done on the Water Treatment and Distribution System which Water/Roadways Superintendent Jensen would report on.

Water/Roadways Superintendent Jensen provided a review of the distribution system water mains and service line repairs which included the replacement of two (2) 25hp booster pump motors; repair of a leak in the 6 inch water main that runs along the Highway 101 Northbound Bridge at the end of Eeloa Ave.; the repair of various main lines and service lines throughout the City; investigation of several residential leaks; repair of the Douglas St. Booster Station building; replacement of Pump #1 at the Douglas St. Booster Station; and multiple repairs on the 2 inch water main on Monument Road and Old Ranch Road.

He also identified some of the tasks to be completed in 2017 and in the near future which included renewal of permits for the Infiltration Gallery; back flushing of the gallery; pump analysis to verify performance on the three (3) raw water pumps in the infiltration gallery wet well; and recoating of the filters.

He noted that the filters were recoated in 2006 but failed and said the project will need to be scheduled after the Metropolitan Wells are functional since the system will need to be offline during the recoating process.

Mayor Pro Tem Johnson asked if there are any new painting techniques available that provide more longevity.

Water/Roadways Superintendent Jensen said the Volatile Organic Components (VOC's) for California are so limited that when the coatings are done and the parameters are not exact for the application, there will be failure of the coating which is what happened with the 2006 recoating of filters 1 and 2. He commented that he expects this to be an ongoing maintenance need every five (5) years or so.

City Manager Knopp added that other notable items include continuing work on the Metropolitan Wells Project as well as training for public works personnel and filling the current vacant positions with responsible, trained people.

He said staff will continue to work on addressing as many tasks as possible in spite of the current limited resources; either lack of funding or lack of staff.

He said staff will come back to Council on March 7th with the final Public Works Update and encouraged councilmembers to email any questions or concerns to staff prior to the meeting so they can be included in the staff report and answered as thoroughly as possible.

SPECIAL CALL ITEMS/COMMUNITY AFFAIRS

Election Options for Placing Cannabis Tax Measure on the Ballot

City Manager Knopp provided a staff report and said at the request of the Council; staff researched possible dates for placing a tax measure on the ballot specific to cannabis activities. He began by clarifying that the tax will only apply to cannabis related activities so citizens who are not involved are not subject to the tax.

He reviewed five (5) potential dates between March and November 2017 noting that the timeline to place a tax on the ballot for the March 7th and May 2nd dates has expired which leaves the possibility of June 6, 2017, August 29, 2017 or November 7, 2017. He commented that the August 29, 2017 date exists for a vote-by-mail election only.

He explained the difference between a special tax and a general tax and said a special tax would need to be submitted to the voters for a June 6th or August 29th election whereas; a special or general tax could be submitted to the voters for the November 7, 2017 general election.

City Manager Knopp noted that a special tax is levied for specific purposes and requires a 2/3 margin for approval which is difficult. A general tax is levied for general government purposes and carries the highest degree of discretion with its use and only requires approval by a 50% + 1 margin for approval.

He continued with review of past Council discussions related to cannabis taxation and said on July 5, 2016 the Council considered adoption of Resolution 1303-2016 that would have placed

a measure on the ballot for the voters to approve a cannabis tax measure however; the proposal was defeated on a vote of 3-2. As an alternative, the Council later voted to place an advisory measure on the ballot for November 8, 2016 which passed with 53.41% approval by the voters.

City Manager Knopp said staff is looking for general direction from the Council related to a date for placing the tax measure on the ballot. He noted that the city attorney has prepared the draft resolution so staff is prepared to get the information back to Council sometime in March related to the timeline for submittal of a general tax to the County of Humboldt before the end of June.

Mayor Pro Tem Johnson expressed support for placing the tax measure on the November 7, 2017 ballot as a general tax as it allows the highest degree of discretion on how the money is spent.

Councilmembers Garnes and Marks agreed.

Councilmember Strahan said she wanted to point out that the Council belabored the issue and basically passed the deadline for placing the tax measure on the June 6, 2017 ballot. She then agreed with November 7, 2017 election date, commenting that the general fund needs the revenue.

With Mayor Wilson expressing support for the November election, the consensus of the Council was to direct staff to move forward with the preparation of a general tax for the November 7, 2017 election, including development of a timeline for submittal to the County of Humboldt before the end of June.

Mayor Wilson called for public comment on the issue; no public comment was received.

Priority Setting & Calendar

City Manager Knopp provided an updated *6-Month Calendar - Council Priorities* as a separate handout to Council. He then provided a brief staff report and said the Council held a priority setting session on February 6, 2017 to discuss City Council priorities and underwent an exercise that listed individual councilmember priorities that were put into general and subset categories. He then provided a summary of the priorities in each of the categories and said the biggest three (3) priorities fell under the categories of Public Works, Economic Development and Planning & Building.

He said specific priority projects in Public Works included Street Repairs; resolution to the Habitat Parcel and I & I Mitigation. Related to Economic Development, priorities included the Cannabis Tax Measure and development of the Eel River Sawmills site in general. He said the highest priority related to Planning and Building was Proposition 64 and general cannabis regulations.

Mayor Pro Tem Johnson commented that it seems that the Planning Commission will be tasked with creating a lot of the policies and regulations related to Proposition 64 and thought it would be beneficial to start off early on and schedule a joint meeting with the City Council and Planning Commission so everyone understands the expectations.

Mayor Wilson agreed and said he doesn't want to see mixed signals sent to the stakeholders about what the City's expectations are.

Consensus of the Council was to at some point, schedule a joint meeting with the Planning Commission related to Proposition 64.

Mayor Pro Tem Johnson commented that there are some parties that are already holding ex parte communications with city councilmembers and before anything comes before the Council for a vote, those conversations will need to be revealed.

Mayor Wilson noted that one thing that is needed as a Council is training with the City Attorney on the Brown Act and other issues such as ex parte communications.

City Manager Knopp informed the Council of a tentative upcoming regional training on May 5, 2017 that is going to be put on by other jurisdictions and said the law firm of Liebert Cassidy Whitmore will be present to provide training on these subjects.

Mayor Wilson agreed that it would be beneficial to attend but said he would like to schedule training with the City Attorney perhaps sometime in March since there are new members on the Council and Planning Commission.

Mayor Wilson then stated that there has been discussion in the minutes regarding the City Council's involvement in the design review process for projects at the Eel River Sawmill site and staff pointed out that if the Council wanted to take the approval process away from the Planning Commission, the ordinance would have to be amended. He said he would like the Community Development Director to provide a report to the Council on the process at the next meeting.

Mayor Wilson called for public comment on the Council Priority Calendar.

Sharon Wolff addressed the Council regarding the budget and requested they look at upgrading the sound system in the Council Chambers and perhaps having Access Humboldt record meetings for transparency.

City Manager stated that this has been brought forth on a couple of other occasions and staff can bring the matter back with the budget review process.

Update on ADA Porch Project

City Manager Knopp provided two (2) graphical illustrations of the proposed design of the CDBG Architectural Barrier Removal (ABR) project to replace the noncompliant front porch at City Hall. He noted that this project will not only assist with ADA compliance but will help the City leverage more CDBG grant dollars by spending down the City's Program Income (PI).

He said there are certainly a lot of deferred ADA projects in the City and the front porch stands out as a pretty significant ADA issue and potential liability for the City noting that this project aims to solve that utilizing non-City funds. He said the drawings as presented meet ADA requirements and have been approved by certified ADA specialists. He pointed out that the City of Fortuna recently completed a project very similar to this.

Councilmember Strahan said the design looks great but expressed concern about the lighting on the north end of the building outside of the City Council Chambers.

City Manager Knopp stated that the entire ramp will need to be fully lit so there may need to be an additional light post installed.

He commented that this project does not address how handicap persons will access the parking lot from the street and since it is outside the scope of work it will need to be addressed as a separate add-on at the City's expense.

Mayor Wilson asked if there will be any structural changes to the building.

City Manager Knopp said there is a proposal to change the windows and the doorway with a more ADA compliant glass sliding door which would be done as an add-on cost but no structural changes will be made to the face of the building. He noted that ultimately, the project will enhance the look of City Hall.

Mayor Pro Tem Johnson commented on the well- established rhododendrons located at the front of the building that will likely need to be removed.

City Manager Knopp stated that they are very nice plants and perhaps something can be done to try and preserve them.

Mayor Wilson suggested that more aesthetically pleasing lights and posts be installed in the parking lot.

Mayor Pro Tem Johnson noted that the 15 foot width at the north end of the ramp is a well-established radius for wheelchairs.

Councilmember Strahan mentioned the recent improvements to the parking lot at Fortuna City Hall and questioned if the plans included the big black posts similar to what Fortuna installed.

City Manager Knopp said they were not in the plans and there is no additional protection from vehicles needed other than what is proposed.

REPORTS/STAFF COMMUNICATIONS

City Manager Knopp distributed a written City Manager update of recent activities and events (Attachment 3 to these minutes), and reported briefly on the Measure Z funding request, the Monument Road slip-out, status of the recruitment for public works personnel, and the Metropolitan Wells Project.

Councilmember Strahan asked if staff had gotten clarification on setback requirements and the possible creation of a buffer zone within the City's sphere of influence related to marijuana cultivation as requested at the last meeting.

City Manager Knopp commented that he had not yet received a response but would bring the matter back when the Community Development Director returns from his vacation.

Councilmember Strahan also noted that she had asked staff to provide the cost for paving, curb, gutter and sidewalks in general.

City Manager Knopp responded that staff can provide the average cost of paving but curb, gutter and sidewalks are generally not the responsibility of the City to construct.

Councilmember Strahan then asked if a Design Review Committee had been established.

City Manager Knopp explained the Planning Commission is essentially charged with design review but if it is the desire of the Council to establish a committee, the ordinance could be amended.

Mayor Pro Tem Johnson pointed out that approximately four (4) years ago, the Council adopted an ordinance establishing Design Review regulations as recommended by the Planning Commission and by design, and the Planning commission is the committee or design review team stating there is no sub-committee.

City Manager Knopp pointed out that the design review regulations that are in place today prevented the Dollar General from being just a basic steel building.

Mayor Pro Tem Johnson added that the existing structure doesn't look anything like the first rendering that was proposed.

Councilmember Strahan asked if the Council gets notification of new businesses or when businesses close down.

City Manager Knopp stated that businesses must file an application for Business License to operate in the City but he is not aware of any formal process for notification when a new business opens or when a business closes. He noted that Rio Dell does not have a huge business community so when changes occur, it's usually pretty obvious. He suggested perhaps talking to the Chamber of Commerce about reporting changes in the business community in their monthly newsletter.

Finance Director Woodcox reported on recent activities and events in the finance department and said she attended the CSFMO conference in Sacramento and said there were a couple of workshops related to the marijuana industry and one of the topics was "Is Your Bank Marijuana Friendly?" She said she did speak to a bank representative and the issue gets a little complicated so when revenues start coming into the City she will be paying close attention to make sure the banking goes smoothly. Also, the conference ended with a presentation by an expert in economics and he said all economic indicators point towards a very positive economy for the next couple of years so regardless of what everyone hears in the news, things look good as far as the economy.

She also reported that staff started the 4-10 work schedule and she had nothing significant to report on that at this time.

Mayor Wilson questioned the hour's employee's work.

Finance Director Woodcox explained the office is still open from 8-5 Monday-Friday, staff works from 7-5:30 with a 30 minute lunch break and rotate days off.

Water/Roadways Superintendent Jensen reported on recent activities in the public works department and said on the water side, they had a State inspection last week that went well and said the water system is functioning properly. He said on the wastewater side there is a lot going on with permitting and keeping up with the storm events.

COUNCIL REPORTS/COMMUNICATIONS

Mayor Pro Tem Johnson announced that the League of California Cities (LOCC) will be holding their first quarterly meeting on March 3rd in Cloverdale which he will be attending and asked the City Clerk if she had notified them of this year's voting delegate.

City Clerk Dunham responded that the last notification she sent was a few months ago and that normally the LOCC sends a form to be completed and approved by the Council by Resolution naming the designated voting member for the City but she had not received anything recently.

Mayor Pro Tem Johnson also commented on his attendance at the last HCAOG meeting and

said it was announced that Uber is now operating in Humboldt County.

Also at that meeting, Mayor Wilson made a presentation regarding the safety corridor between Eureka and Arcata and it looks like a huge task force is going to be formed. He said he would like to see Rio Dell well represented on that task force to see if enforcement can get enhanced in that area.

Mayor Wilson reiterated part of what Mayor Pro Tem Johnson said and that they have been working on putting together the task force for some time. He said in January of last year his wife was t-boned in the corridor by a motorist traveling 70mph and was seriously injured. He noted that he recently met a lady from Blue Lake who likes to get involved in causes who was also hit in that area was spun around and ended up in the median. He said they have been working with Marcella Clem at HCAOG and they have agreed with the establishment of a task force and they hope to mitigate the amount of traffic accidents within the corridor. He said any help anyone can give would be greatly appreciated.

ADJOURNMENT

Motion was made by Johnson/Garnes to adjourn the meeting at 8:25 p.m. to the March 7, 2017 regular meeting. Motion carried 5-0.

Frank Wilson, Mayor

Attest:

Karen Dunham, City Clerk



675 Wildwood Avenue
Rio Dell, CA 95562
(707) 764-3532
(707) 764-5480 (fax)

CITY OF RIO DELL
STAFF REPORT
CITY COUNCIL AGENDA
March 7, 2017

TO: Mayor and Members of the City Council
THROUGH: Kyle Knopp, City Manager
FROM: Brooke Woodcox, Finance Director *BW*
DATE: March 7, 2017
SUBJECT: Resolution 1323-2017 Mid-Year Budget Amendments

Recommendation

Approve Resolution 1323-2017 Mid-Year Budget Amendments

Background and Discussion

At mid-year staff is requesting budget amendments of \$87,275 (increase expenditures), \$90,279 (decrease expenditures) and \$701,425 (increase revenues). Many of the expenditures have already been approved by Council through the labor negotiation process (\$18,795), approval of Measure Z (\$35,569), and the median sign (\$2,460) at the City's entrance. Revenue increases and expenditure decreases have also been noted during Council meetings. Resolution 1323-2017 officially recognizes approval of these budgetary amendments.

Attachments

Resolution 1323-2017 Mid-Year Budget Amendment
Budget Amendment Amounts and Explanations

CITY OF RIO DELL
RESOLUTION 1323-2017 MID YEAR BUDGET AMENDMENTS
 For the Period Ended December 31, 2016

TOTAL BUDGET ADJUSTMENTS

INCREASE REVENUE	35,569	MEASURE Z	044
	<u>665,856</u>	SDWSRF GRANT	062
	701,425		
 DECREASE EXPENDITURES	 13,750	GENERAL FUND	000
	<u>76,529</u>	WATER CAPITAL FUND	062
	90,279		
 INCREASE EXPENDITURES	 35,569	MEASURE Z	044
	8,416	GENERAL FUND	000
	1,732	STREETS	020
	167	CDBG FUND	039
	600	SLESF FUND	040
	998	BUILDING FUND	008
	6,706	WATER	060
	<u>33,087</u>	SEWER	050
	87,275		

<u>ADJUSTMENT TYPE</u>	<u>AMOUNT</u>	<u>FUND</u>	<u>DEPT</u>	<u>ITEM</u>
1) <u>To record Measure Z revenues and expenditures, which hadn't been awarded at time of budget adoption</u>				
INCREASE REVENUES	35,569	MEASURE Z	POLICE DEPT	4747 M-Z REVENUE
INCREASE EXPENDITURES	<u>35,569</u>	MEASURE Z	POLICE DEPT	5000 VARIOUS PAYROLL ITEMS
2) <u>To record Contract Provision amounts for employee health savings payments</u>				
INCREASE EXPENDITURES	2,832	GENERAL FUND	VARIOUS	5010 HEALTH SAVINGS
INCREASE EXPENDITURES	61	STREETS	VARIOUS	5010 HEALTH SAVINGS
INCREASE EXPENDITURES	30	CDBG	VARIOUS	5010 HEALTH SAVINGS
INCREASE EXPENDITURES	600	SLESF	VARIOUS	5010 HEALTH SAVINGS
INCREASE EXPENDITURES	180	BUILDING FUND	VARIOUS	5010 HEALTH SAVINGS
INCREASE EXPENDITURES	729	SEWER	VARIOUS	5010 HEALTH SAVINGS
INCREASE EXPENDITURES	<u>369</u>	WATER	VARIOUS	5010 HEALTH SAVINGS
	4,801			
3) <u>To record Contract Provision changes made during labor negotiations (compensation increases)</u>				
INCREASE EXPENDITURES	1,838	GENERAL FUND	PLANNING	5000 VARIOUS PAYROLL ITEMS
	137	CDBG FUND	GENERAL GOVT	5000 VARIOUS PAYROLL ITEMS
	818	BUILDING FUND	BUILDING	5000 VARIOUS PAYROLL ITEMS
	1,005	STREETS FUNDS	PUBLIC WORKS	5000 VARIOUS PAYROLL ITEMS
	6,189	SEWER FUND	PUBLIC WORKS	5000 VARIOUS PAYROLL ITEMS
	<u>4,007</u>	WATER FUND	PUBLIC WORKS	5000 VARIOUS PAYROLL ITEMS
	13,994			
3) <u>To record CDBG expenditures related to client loan that were determined to be ineligible for reimbursement through CDBG</u>				
INCREASE EXPENDITURES	2,415	GENERAL FUND	PLANNING	5115 CONTRACT/PROF. SERVICES
4) <u>To record expenditures for Legal Fees for legal services and phone calls made by Council members</u>				
INCREASE EXPENDITURES	840	GENERAL FUND	CITY COUNCIL	5112 LEGAL FEES
INCREASE EXPENDITURES	420	STREETS	CITY COUNCIL	5112 LEGAL FEES
INCREASE EXPENDITURES	1,470	SEWER	CITY COUNCIL	5112 LEGAL FEES
INCREASE EXPENDITURES	<u>1,470</u>	WATER	CITY COUNCIL	5112 LEGAL FEES
	4,199			

CITY OF RIO DELL
RESOLUTION 1323-2017 MID YEAR BUDGET AMENDMENTS
For the Period Ended December 31, 2016

TOTAL BUDGET ADJUSTMENTS

INCREASE REVENUE	35,569	MEASURE Z	044
	<u>665,856</u>	SDWSRF GRANT	062
	701,425		
DECREASE EXPENDITURES	13,750	GENERAL FUND	000
	<u>76,529</u>	WATER CAPITAL FUND	062
	90,279		
INCREASE EXPENDITURES	35,569	MEASURE Z	044
	8,416	GENERAL FUND	000
	1,732	STREETS	020
	167	CDBG FUND	039
	600	SLESF FUND	040
	998	BUILDING FUND	008
	6,706	WATER	060
	<u>33,087</u>	SEWER	050
	87,275		

ADJUSTMENT TYPE	AMOUNT	FUND	DEPT	ITEM
5) <u>To record cost of electrical wiring ran to median for electrical sign at City-entrance</u>				
INCREASE EXPENDITURES	492	GENERAL FUND	CITY COUNCIL	5115 CONTRACT/PROF. SERVICES
INCREASE EXPENDITURES	246	STREETS	CITY COUNCIL	5115 CONTRACT/PROF. SERVICES
INCREASE EXPENDITURES	861	SEWER	CITY COUNCIL	5115 CONTRACT/PROF. SERVICES
INCREASE EXPENDITURES	<u>861</u>	WATER	CITY COUNCIL	5115 CONTRACT/PROF. SERVICES
	2,460			
6) <u>Increase expenditures for unanticipated, necessary repairs to sewer infrastructure</u>				
INCREASE EXPENDITURES	23,838	SEWER OPERATIONS	SEWER OPS	5227 EQUIPMENT REPAIR AND MAINTENANCE
7) <u>Decrease expenditure for Metropolitan Ave. traffic study. The amount is being paid for by developers</u>				
DECREASE EXPENDITURES	(13,750)	GENERAL FUND	CAPITAL PROJ	5115 CONTRACT/PROF. SERVICES
8) <u>Increase revenues for SDWSRF Grant funding award for Metropolitan Well Project</u>				
INCREASE REVENUES	665,856	SDWSRF FUNDS	CAPITAL PROJ	
9) <u>Decrease City's portion of costs for Metropolitan Well Project from \$133,529, amount anticipated at budget adoption, to \$57,000</u>				
DECREASE EXPENDITURES	(76,529)	WATER CAPITAL FUND	CAPITAL PROJ	6500 FIXED ASSETS - INFRASTRUCTURE



RESOLUTION NO. 1323-2017
A RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF RIO DELL FOR A TRANSFER OF
RESERVE AMOUNTS AMENDING
THE OPERATING BUDGET
FOR THE FISCAL-YEAR 2016-2017

WHEREAS, the City adopted Resolution 1288-2016 establishing the City's Operating and Capital Budget for the Fiscal-Year 2016/17; and

WHEREAS, the City has approved and adopted its 2016/17 fiscal year Operating and Capital Budget and identified additional transfers that should be included to update the 2016/17 fiscal-year budget; and

NOW THEREFORE BE IT RESOLVED, that the City of Rio Dell City Council does hereby amend the City of Rio Dell 2016/17 Operating and Capital Budget with the following transactions:

TOTAL BUDGET ADJUSTMENTS

INCREASE REVENUE	35,569	MEASURE Z	044
	<u>665,856</u>	SDWSRF GRANT	062
	701,425		
 DECREASE EXPENDITURES	 13,750	GENERAL FUND	000
	<u>76,529</u>	WATER CAPITAL FUND	062
	90,279		
 INCREASE EXPENDITURES	 35,569	MEASURE Z	044
	8,416	GENERAL FUND	000
	1,732	STREETS	020
	167	CDBG FUND	039
	600	SLESF FUND	040
	998	BUILDING FUND	008
	6,706	WATER	060
	<u>33,087</u>	SEWER	050
	87,275		

ADJUSTMENT TYPE	AMOUNT	FUND	DEPT	ITEM
<u>1) To record Measure Z revenues and expenditures, which hadn't been awarded at time of budget adoption</u>				
INCREASE REVENUES	35,569	MEASURE Z	POLICE DEPT	4747 M-Z REVENUE
INCREASE EXPENDITURES	<u>35,569</u>	MEASURE Z	POLICE DEPT	5000 VARIOUS PAYROLL ITEMS
<u>2) To record Contract Provision amounts for employee health savings payments</u>				
INCREASE EXPENDITURES	2,832	GENERAL FUND	VARIOUS	5010 HEALTH SAVINGS
INCREASE EXPENDITURES	61	STREETS	VARIOUS	5010 HEALTH SAVINGS
INCREASE EXPENDITURES	30	CDBG	VARIOUS	5010 HEALTH SAVINGS
INCREASE EXPENDITURES	600	SLESF	VARIOUS	5010 HEALTH SAVINGS
INCREASE EXPENDITURES	180	BUILDING FUND	VARIOUS	5010 HEALTH SAVINGS
INCREASE EXPENDITURES	729	SEWER	VARIOUS	5010 HEALTH SAVINGS
INCREASE EXPENDITURES	<u>369</u>	WATER	VARIOUS	5010 HEALTH SAVINGS
	4,801			
<u>3) To record Contract Provision changes made during labor negotiations (compensation increases)</u>				
INCREASE EXPENDITURES	1,838	GENERAL FUND	PLANNING	5000 VARIOUS PAYROLL ITEMS
	137	CDBG FUND	GENERAL GOVT	5000 VARIOUS PAYROLL ITEMS
	818	BUILDING FUND	BUILDING	5000 VARIOUS PAYROLL ITEMS
	1,005	STREETS FUNDS	PUBLIC WORKS	5000 VARIOUS PAYROLL ITEMS
	6,189	SEWER FUND	PUBLIC WORKS	5000 VARIOUS PAYROLL ITEMS
	<u>4,007</u>	WATER FUND	PUBLIC WORKS	5000 VARIOUS PAYROLL ITEMS
	13,994			
<u>3) To record CDBG expenditures related to client loan that were determined to be ineligible for reimbursement through CDBG</u>				
INCREASE EXPENDITURES	2,415	GENERAL FUND	PLANNING	5115 CONTRACT/PROF. SERVICES
<u>4) To record expenditures for Legal Fees for legal services and phone calls made by Council members</u>				
INCREASE EXPENDITURES	840	GENERAL FUND	CITY COUNCIL	5112 LEGAL FEES
INCREASE EXPENDITURES	420	STREETS	CITY COUNCIL	5112 LEGAL FEES
INCREASE EXPENDITURES	1,470	SEWER	CITY COUNCIL	5112 LEGAL FEES
INCREASE EXPENDITURES	<u>1,470</u>	WATER	CITY COUNCIL	5112 LEGAL FEES
	4,199			
<u>5) To record cost of electrical wiring ran to median for electrical sign at City-entrance</u>				
INCREASE EXPENDITURES	492	GENERAL FUND	CITY COUNCIL	5115 CONTRACT/PROF. SERVICES
INCREASE EXPENDITURES	246	STREETS	CITY COUNCIL	5115 CONTRACT/PROF. SERVICES
INCREASE EXPENDITURES	861	SEWER	CITY COUNCIL	5115 CONTRACT/PROF. SERVICES
INCREASE EXPENDITURES	<u>861</u>	WATER	CITY COUNCIL	5115 CONTRACT/PROF. SERVICES
	2,460			
<u>6) Increase expenditures for unanticipated, necessary repairs to sewer infrastructure</u>				
INCREASE EXPENDITURES	23,838	SEWER OPERATIONS	SEWER OPS	5227 EQUIPMENT REPAIR AND MAINTENANCE
<u>7) Decrease expenditure for Metropolitan Ave. traffic study. The amount is being paid for by developers</u>				
DECREASE EXPENDITURES	(13,750)	GENERAL FUND	CAPITAL PROJ	5115 CONTRACT/PROF. SERVICES
<u>8) Increase revenues for SDWSRF Grant funding award for Metropolitan Well Project</u>				
INCREASE REVENUES	665,856	SDWSRF FUNDS	CAPITAL PROJ	
<u>9) Decrease City's portion of costs for Metropolitan Well Project from \$133,529, amount anticipated at budget adoption, to \$57,000</u>				
DECREASE EXPENDITURES	(76,529)	WATER CAPITAL FUND	CAPITAL PROJ	6500 FIXED ASSETS - INFRASTRUCTURE

PASSED AND ADOPTED by the City Council of the Rio Dell on this 7th day of March, 2017 by the following vote:

Ayes:
Noes:
Abstain:
Absent:

Frank Wilson, Mayor

ATTEST:

Karen Dunham, City Clerk




675 Wildwood Avenue
Rio Dell, CA 95562
(707) 764-3532
(707) 764-5480 (fax)
E-mail: cm@riodellcity.com

CITY OF RIO DELL
STAFF REPORT
CITY COUNCIL AGENDA
March 7, 2017

TO: Mayor and Members of the City Council

THROUGH: Kyle Knopp, City Manager

FROM: Brooke Woodcox, Finance Director 

DATE: March 7, 2017

SUBJECT: Resolution 1325-2017 – Adoption of Budget Calendar for FY 2017/18

RECOMMENDATION

Adopt Resolution 1325-2017 for the proposed FY 2017/18 Operating and Capital Budget Calendar Item

BACKGROUND AND DISCUSSION

The City's annual Operating and Capital Budget is generally adopted by June 30, prior to the beginning of the fiscal year. The 2017/18 proposed budget calendar reflects this directive with proceedings beginning in February 2017 and completed in June 2017.

ATTACHMENTS:

- FY 2017/18 Budget Calendar
- Resolution 1325-2017 Adoption of Budget Calendar for FY 2017/18



**RESOLUTION NO. 1325-2017
A RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF RIO DELL FOR ADOPTION OF
THE FY 2017/18 BUDGET CALENDAR**

WHEREAS, City Council has appointed the Finance Director to prepare and submit a proposed budget to the governing body at the proper time; and

WHEREAS, it is necessary to establish a calendar for consideration of the City of Rio Dell's 2017/18 Operating and Capital Budget timeline; and

NOW THEREFORE BE IT RESOLVED, the City Council adopts the proposed budget calendar for the FY 2017/18 Budget Cycle:

WEEK	TASK
Feb. 27-Mar. 3	Development of proposed staffing plan
Mar. 6-Mar10	Calculate salary and benefits costs; forecast revenues; compile worksheets
Mar. 13	Budget Packets Distributed to Department Heads
Mar. 24	Department Heads turn in budget requests to Finance Director
Mar. 31	Budget presented to City Manager
Apr. 1-Apr. 17	City Manager meets with Department Heads and submits revisions to Finance Director; At a regularly scheduled Council meeting SCHEDULE BUDGET STUDY SESSION for the week of 4/24-27
Apr. 20	Finance finishes preparing the 2017/18 proposed budget
Apr. 24-Apr. 27	BUDGET STUDY SESSION
May 2	PROPOSED BUDGET PRESENTED to Council at a regularly scheduled council meeting
May 17	PUBLIC HEARING-The City Manager presents the revised Recommended Budget at a regularly scheduled Council meeting
June	Special Budget Meetings as Necessary
Jun 6 or 20	SPECIAL PRESENTATION – Finance Director presents the proposed 2017/18 proposed Operating and Capital Budget to Council at a regularly scheduled Council meeting

PASSED AND ADOPTED by the City Council of the Rio Dell on this 7th day of March, 2017 by the following vote:

- Ayes:
- Noes:
- Abstain:
- Absent:

Frank Wilson, Mayor

ATTEST:

Karen Dunham, City Clerk

2017-2018 Proposed Budget Calendar

MARCH

- **Week of February 27 – March 3**
 - Development of proposed staffing plan
- **Week of March 6 – March 10**
 - Salary costs are calculated based on the proposed staffing plan
 - Revenue forecasting is completed
 - Budget worksheets are compiled
- **March 13th**
 - Budget Packets Distributed to Department Heads/Supervisors
- **March 24th**
 - Department Heads/Supervisors turn in Budget Requests to Finance Director
- **March 31st**
 - Budget packet compiled by Finance and presented to the City Manager

APRIL

- **Weeks of April 1st - April 17th**
 - City Manager meets with each Department Head
 - City Manager submits revised Departmental proposals to Finance
 - Schedule Budget Study Session for week of April 24th – April 27th with Council at regularly scheduled Council meeting (4/3 and 4/17)
- **April 20th**
 - Finance finishes preparing recommended budget for City Council
- **Week of April 24th – April 27th**
 - Budget Study Session
- **April 28th**
 - Budget with any revisions is agendaized for May 2nd Council meeting

MAY

- **May 2nd**
 - City Manager presents the Recommended Operating Budget
- **May 17th**
 - City Public Hearing- City Manager presents the revised Recommended Operating and Capital Budget
- Special meetings as necessary

JUNE

- Special meetings as necessary
- **June**
 - Special Presentation- Finance Director Presents the Final Operating and Capital Budget for Adoption Resolution No. 1325 – 2017

**CITY OF RIO DELL
CHECK REGISTER**

General Checking-US Bank of California

<u>Check</u>	<u>Date</u>	<u>Vendor</u>	<u>Description</u>	<u>Check/Payment</u>
5380	1/05/2017	[6117] A-1 CLEANING SERVICE, LLC	MONTHLY CLEANING SERVICE FOR DECEMBER 2016	433.00
5381	1/05/2017	[6038] ACCURATE TERMITE & PEST SOLUTIONS	MONTHLY RODENT CONTOL @ 475 HILLTOP	140.00
5382	1/05/2017	[5235] ADVANTAGE FINANCIAL SERVICES	DOCSTAR 3.12 SOFTWARE PACKAGE	343.43
5383	1/05/2017	[2224] AQUA BEN CORPORATION	HYDROFLOC 851 275 GAL TOTE	3,034.56
5385	1/05/2017	[2303] COAST CENTRAL CREDIT UNION	POA DUES FOR PPE 12/23/16	120.00
5386	1/05/2017	[2313] COSTCO MEMBERSHIP	ANNUAL MEMBERSHIP RENEWAL	110.00
5387	1/05/2017	[2366] EEL RIVER DISPOSAL INC	GARBAGE BAGS FOR DECEMBER 2016	324.40
5388	1/05/2017	[2386] EUREKA RUBBER STAMP CO.	NAME PLATES - 3/4X3 GOLD/BLACK; 1X3 GOLD/BLAC	42.69
5389	1/05/2017	[5052] GHD, INC	ENGINEERING SERVICES FOR METROPOLITAN WELLS P	9,982.60
5390	1/05/2017	[2437] HACH	2 COLORIMETER ASSY, CL-17; 6 TBG POLY W BLACK	1,081.79
5391	1/05/2017	[2474] HUMMEL TIRE & WHEEL, INC	NEW TIRE FOR 2013 FORD INTERCEPTOR	736.62
5392	1/05/2017	[2501] KEENAN SUPPLY	10 EACH ROMAC SS1 SECTION RPR CLAMPS; 10 EACH	1,927.99
5393	1/05/2017	[2988] LEGACY ELECTRIC	REPLACE 4 POLE LIGHTS & 1 FLOOD LIGHT; ADD FL	782.00
5394	1/05/2017	[4360] MODERN MARKETING, INC	DRUG TEST POUCHES	253.79
5395	1/05/2017	[2570] NILSEN COMPANY	378 40# BAGS SOLAR SALT	1,918.73
5396	1/05/2017	[2569] NORTH COAST LABORATORIES, INC.	BOD/HFR	130.00
5397	1/05/2017	[4393] NYLEX.net. Inc.	MONTHLY MAINTENANCE FOR JANUARY 15, 2017 - FE	1,120.00
5398	1/05/2017	[4338] QUILL CORPORATION	ONE CASE 2 PLY ROLLS FOR RECEIPT PRINTERS	138.40
5399	1/05/2017	[5943] RHODES, TYLER	CUSTOMER DEPOSIT REFUND	167.26
5400	1/05/2017	[2659] RIO DELL PETTY CASH	POWER SUPPLY FOR LAPTOP	65.24
5401	1/05/2017	[4525] SHERLOCK RECORDS MGMT	STORAGE SERVICE; BOX RETRIEVAL & REFILING FOR	138.00
5402	1/05/2017	[2319] SUDDENLINK COMMUNICATIONS	MONTHLY BROADBAND SERVICE 1/1/17 - 1/31/17	258.64
5403	1/05/2017	[3975] AT&T - 5709	PHONE EXPENSES FOR DECEMBER 2016	477.98
5404	1/05/2017	[3975] AT&T - 5709	INTERNET SERVICE 11/16/16 - 12/15/16	65.91
5405	1/12/2017	[0576] 101 AUTO PARTS	SCREW; FLAT WASHER; EX-2 EXTRACTOR	244.83
5406	1/12/2017	[5381] ALTERNATIVE BUSINESS CONCEPTS	MONTHLY MAINTENANCE & COPY CHARGES FOR DECEMB	388.13
5407	1/12/2017	[2285] CC MARKET (1)	20# CRUSHED ICE TO SHIP WASTEWATER SAMPLES	9.98
5408	1/12/2017	[2293] CITY OF FORTUNA	LAB TESTING FOR OCTOBER 2016 - DECEMBER 2016	3,580.00

CITY OF RIO DELL CHECK REGISTER

General Checking-US Bank of California

<u>Check</u>	<u>Date</u>	<u>Vendor</u>	<u>Description</u>	<u>Check/Payment</u>
5409	1/12/2017	[5127] DELTA DENTAL	DENTAL INSURANCE FOR FEBRUARY 2017	1,920.00
5410	1/12/2017	[2340] DEPARTMENT OF JUSTICE ACCOUNTING	BLOOD ALCOHOL ANALYSIS FOR DECEMBER 2016	35.00
5411	1/12/2017	[2396] FERNBRIDGE TRACTOR & EQUIPMENT	JD FILTER ELEMENT; JD OIL FILTER; 4 - JD TORQ	47.26
5412	1/12/2017	[2437] HACH	TBG POLYETHEYLENE	64.31
5413	1/12/2017	[2447] HILFIKER PIPE CO.	FOUR PRO-STICK 1-1/4" X 14'6"	77.22
5414	1/12/2017	[2474] HUMMEL TIRE & WHEEL, INC	FLAT TIRE REPAIR	14.50
5415	1/12/2017	[2501] KEENAN SUPPLY	CLOW FLNG RW GATE VALVE; 2 - ROMAC FLNG COUPL	1,327.36
5416	1/12/2017	[2551] MIRANDA'S ANIMAL RESCUE	ANIMAL CONTROL FOR DECEMBER 2016	1,000.00
5417	1/12/2017	[4908] MITCHELL BRISSO DELANEY & VRIEZE	LEGAL SERVICES FOR DECEMBER 2016	3,603.08
5418	1/12/2017	[2569] NORTH COAST LABORATORIES, INC.	COLIFORM PRESENCE/ABSENCE; TOTAL COLIFORM BAC	305.00
5419	1/12/2017	[5222] R.J. RICCIARDI, INC	PROFESSIONAL SERVICES FOR PERIOD ENDING 12/31	562.50
5420	1/12/2017	[2742] SCOTIA TRUE VALUE HARDWARE	8 OZ PURPLE PRIMER	223.80
5421	1/12/2017	[2710] STARPAGE	PAGING SERVICE FOR JANUARY 2017	12.95
5422	1/12/2017	[2319] SUDDENLINK COMMUNICATIONS	INTERNET SERVICE 1/10/17 - 2/9/17	134.95
5423	1/12/2017	[6037] WELLS FARGO VENDOR FIN SERV	XEROX COPIER PAYMENT FOR JANUARY 2017	482.13
5424	1/12/2017	[2779] WILDWOOD SAW	REPAIRS TO CUT-OFF SAW	44.31
5425	1/12/2017	[2787] WYCKOFF'S	FEMALE ADAPTERS; PVC & BRASS BUSHINGS; 5 EA B	51.22
5426	1/19/2017	[4109] ACCESS HUMBOLDT	SL FRANCHISE OVERSIGHT ON BEHALF OF LFA's PER	270.00
5427	1/19/2017	[2224] AQUA BEN CORPORATION	HYDROFLOC 750L 55 GAL DRUM	812.36
5428	1/19/2017	[2237] BANK OF AMERICA BUSINESS CARD	HARBOR FREIGHT TOOLS - CABLE TIES; 8PC BOLSTE	2,430.65
5429	1/19/2017	[4937] CALIFORNIA DEPARTMENT OF	SIGNALS & LIGHTING BILLING FOR OCTOBER THROUG	255.98
5430	1/19/2017	[2285] CC MARKET (1)	20LB CRUSHED ICE TO SHIP WASTEWATER SAMPLES	44.99
5431	1/19/2017	[2293] CITY OF FORTUNA	1/3 PORTION OF COST TO INSTALL MDC 1200 DECOR	947.10
5432	1/19/2017	[2303] COAST CENTRAL CREDIT UNION	POA DUES FOR PPE 1/6/17	120.00
5433	1/19/2017	[3883] DARRYL J SELBY DBA SUPERIOR INSTALLS	TRACE BATTERY DRAW TO IN CAR CAMERA RE-ROUTE	481.20
5434	1/19/2017	[2393] FASTENAL COMPANY	TWO 18V WORKLIGHT BULBS	23.34
5435	1/19/2017	[2405] FORTUNA ACE HARDWARE	200 - PLUMBING TUBING; ELBOW MAL INSERTS; ADA	80.75
5436	1/19/2017	[4474] IIMC	ANNUAL MEMBERSHIP FEE THROUGH 3/31/18	160.00

**CITY OF RIO DELL
CHECK REGISTER**

General Checking-US Bank of California

<u>Check</u>	<u>Date</u>	<u>Vendor</u>	<u>Description</u>	<u>Check/Payment</u>
5437	1/19/2017	[2501] KEENAN SUPPLY	CRISPIN THREADED COMBO AUTO RELIEF VALVE	430.11
5438	1/19/2017	[2988] LEGACY ELECTRIC	REPLACE 3 BARN LIGHTS IN CITY HALL PARKING LO	272.00
5439	1/19/2017	[5934] NORTH COAST JOURNAL	EMPLOYMENT ADVERTISEMENT FOR UTILITY WORKER I	164.00
5440	1/19/2017	[2603] PG&E	UTILITY EXPENSES FOR DECEMBER 2016	16,233.42
5441	1/19/2017	[2742] SCOTIA TRUE VALUE HARDWARE	1-1/2"X15' SLV TAPE; 30 YD GORILLA TAPE	41.45
5442	1/19/2017	[2694] SHELL OIL CO.	PD FUEL EXPENSES FOR DECEMBER 2016	2,247.04
5443	1/19/2017	[4570] SHRED AWARE	SHREDDING	70.00
5444	1/19/2017	[2719] SWRCB OFFICE OF OPERATOR CERT	APPLICATION FOR GRADE III WWTP PLANT OPERATOR	350.00
5445	1/19/2017	[3682] THOMSON REUTERS-WEST	CA PENAL CODE 2017 PAMPHLET	114.45
5446	1/19/2017	[2481] VANTAGEPOINT TRANSFER AGENTS-	RETIREMENT FOR PPE 1/6/17	5,205.10
5447	1/19/2017	[2792] ZUMAR INDUSTRIES, INC.	20 - 30" STOP SIGNS; 80 - 2" SCUB BRACKETS	996.59
5448	1/26/2017	[3332] BAIRD ENGINEERING & SURVEYING	PRELIMINARY FLOOD ELEVATION CERTIFICATION	1,300.00
5449	1/26/2017	[2315] COUNTY OF HUMBOLDT PLANNING &	CDBG GENERAL ADMIN VARIOUS ITEMS, RELATED TO	232.20
5450	1/26/2017	[2411] DEARBORN NATIONAL LIFE INSURANCE	LIFE INSURANCE FOR FEBRUARY 2017	352.00
5451	1/26/2017	[2356] DOWNEY BRAND LLP	PROFESSIONAL SERVICES THROUGH DECEMBER 31, 20	3,612.50
5452	1/26/2017	[2385] EUREKA READYMIX	12.34 TONS 3/4 BASE ROCK	129.64
5453	1/26/2017	[2386] EUREKA RUBBER STAMP CO.	ONE 1X2 GOLD/BLACK NAME PLATE; ONE 2X10 WALNU	23.18
5454	1/26/2017	[2394] FEDEX	SHIPPING CHARGES FOR WASTEWATER SAMPLES	1,097.16
5455	1/26/2017	[2437] HACH	aa REAGENT SET, CHLORINE FREE CL17	201.16
5456	1/26/2017	[2750] HD Supply Facility Maintenance DBA: USA	GASALERT MAX XT II	1,541.25
5457	1/26/2017	[2484] INDEPENDENT BUSINESS FORMS	LASER PAPER FOR UTILITY BILLS	1,174.25
5458	1/26/2017	[5942] KEENAN & ASSOCIATES	HEALTH INSURANCE FOR FEBRUARY 2017	15,367.53
5459	1/26/2017	[2501] KEENAN SUPPLY	CRISPIN THREADED COMBO AUTO RELIEF VALVE	430.11
5460	1/26/2017	[2521] LEAGUE OF CALIF. CITIES	2017 REDWOOD EMPIRE DIVISION DUES	50.00
5461	1/26/2017	[2570] NILSEN COMPANY	PYGMY GOAT W/RUMENSIN FEED	15.74
5462	1/26/2017	[2569] NORTH COAST LABORATORIES, INC.	COLIFORM PRESENCE/ABSENCE; TOTAL COLIFORM BAC	1,186.00
5463	1/26/2017	[3343] PITNEY BOWES RESERVE ACCOUNT	POSTAGE PURCHASE FOR RESERVE	400.00
5464	1/26/2017	[2657] RIO DELL EMPLOYEES ASSOC	DUES FOR QUARTER ENDING 12/31/16	77.00

**CITY OF RIO DELL
CHECK REGISTER**

General Checking-US Bank of California

<u>Check</u>	<u>Date</u>	<u>Vendor</u>	<u>Description</u>	<u>Check/Payment</u>
5465	1/26/2017	[2742] SCOTIA TRUE VALUE HARDWARE	UPS SHIPPING CHARGES	27.33
5466	1/26/2017	[5166] VSP-VISION SERVICE PLAN	VISION INSURANCE FOR FEBRUARY 2017	319.14
5467	1/31/2017	[2757] US POSTMASTER	POSTAGE FOR UTILITY BILLING FOR THE MONTH OF	362.20
Total Checks/Deposits				97,570.48
478175	1/03/2017	ELECTRONIC FUNDS TRANSFER	EFT FOR EFTPS PAYROLL TAXES FOR PPE 12/23/2016.	(11,070.24)
659-712	1/03/2017	ELECTRONIC FUNDS TRANSFER	EFT FOR EDD PAYROLL TAXES FOR PPE 12/23/2016.	(1,848.86)
542-144	1/17/2017	ELECTRONIC FUNDS TRANSFER	EFT FOR EDD PAYROLL TAXES FOR PPE 01/06/2017	(5,534.74)
1120484	1/17/2017	ELECTRONIC FUNDS TRANSFER	EFT FOR EFTPS PAYROLL TAXES FOR PPE 1/06/2017	(14,587.74)
9424150	1/17/2017	WITHDRAWALS	BANK ANALYSIS FEE FOR JANUARY 2017	(34.17)
101547	1/19/2017	WITHDRAWALS	DEPOSITED ITEM RETURNED	(260.76)
1231160	1/24/2017	ELECTRONIC FUNDS TRANSFER	EFT TO BOARD OF EQUALIZATION FOR ANNUAL YEAR-END	(949.00)
693879	1/30/2017	ELECTRONIC FUNDS TRANSFER	EFT FOR AFLAC FOR JANUARY 2017	(290.70)
551-872	1/30/2017	ELECTRONIC FUNDS TRANSFER	EFT FOR EDD PAYROLL TAXES FOR PPE 01/20/2017	(3,516.60)
752448	1/30/2017	ELECTRONIC FUNDS TRANSFER	EFT FOR EFTPS PAYROLL TAXES FOR PPE 01/20/2017	(10,524.42)
Total EFT's/Bank Withdrawals				(48,617.23)
TRX TO PR	1/10/2017	TRANSFER FROM CHECK TO PAYROLL ACCOUNT	TRANSFER TO PAYROLL ACCOUNT FOR PPE 01/06/2017	(34,423.51)
TRX TO PR	1/24/2017	TRANSFER FROM CHECK TO PAYROLL ACCOUNT	TRANSFER TO PAYROLL ACCOUNT FOR PPE 01/20/2017	(27,208.06)
Total Transfer Between Accounts				(61,631.57)

**CITY OF RIO DELL
CHECK REGISTER**

General Checking - US Bank of California

<u>Check</u>	<u>Date</u>	<u>Vendor</u>	<u>Description</u>	<u>Check/Payment</u>
5468	2/02/2017	[6038] ACCURATE TERMITE & PEST SOLUTIONS	BI-MONTHLY PEST CONTROL @ 675 WILDWOOD AVE	245.00
5469	2/02/2017	[5235] ADVANTAGE FINANCIAL SERVICES	DOCSTAR 3.12 SOFTWARE PACKAGE	342.73
5470	2/02/2017	[2224] AQUA BEN CORPORATION	HYDROFLOC 851 275 GAL TOTE	3,027.60
5471	2/02/2017	[3975] AT&T - 5709	INTERNET SERVICE 12/16/16 - 1/15/17	74.88
5472	2/02/2017	[4603] CALIF. BUILDING STANDARDS	PERMIT ASSESSMENT FEES FOR OCTOBER THROUGH DE	18.90
5473	2/02/2017	[5330] CAPITAL ONE COMMERCIAL	SIX CASES COPY PAPER	208.73
5474	2/02/2017	[2303] COAST CENTRAL CREDIT UNION	POA DUES FOR PPE 1/20/17	120.00
5475	2/02/2017	[2283] COASTAL BUSINESS SYSTEMS	DOCSTAR MAINTENANCE AGREEMENT 1/25/17 - 1/25/	1,647.00
5476	2/02/2017	[6064] KYLE R COX	REIMBURSEMENT - 1 PAIR GEL FLEX KNEE PADS	26.93
5477	2/02/2017	[2342] DEPT OF CONSERVATION DIVISION OF	STRONG MOTION INSTRUMENTATION & SEISMIC HAZAR	35.89
5478	2/02/2017	[5568] DIVISION OF THE STATE ARCHITECT	DISABILITY ACCESS & EDUCATION FEES FOR OCTOBE	4.80
5479	2/02/2017	[2366] EEL RIVER DISPOSAL INC	GARBAGE BAGS FOR JANUARY 2017	317.95
5480	2/02/2017	[6136] JB FABRICATION	FABRICATE NEW TEE HANDLE WRENCHES	587.96
5481	2/02/2017	[5934] NORTH COAST JOURNAL	EMPLOYMENT ADVERTISEMENT FOR WASTEWATER	164.00
5482	2/02/2017	[2569] NORTH COAST LABORATORIES, INC.	BIOCHEMICAL OXYGEN DEMAND; NON-FILTERABLE RES	170.00
5483	2/02/2017	[2715] STEWART TELECOMMUNICATION	PLATRONICS CS5401 HEADSET	332.94
5484	2/02/2017	[2319] SUDDENLINK COMMUNICATIONS	MONTHLY BROADBAND SERVICE 2/1/16 - 2/28/16	258.69
5485	2/02/2017	[2481] VANTAGEPOINT TRANSFER AGENTS-	RETIREMENT FOR PPE 1/20/17	5,206.68
5486	2/06/2017	[6117] A-1 CLEANING SERVICE, LLC	MONTHLY CLEANING SERVICE FOR JANUARY 2017	103.40
5487	2/06/2017	[5381] ALTERNATIVE BUSINESS CONCEPTS	MONTHLY MAINTENANCE & COPY CHARGES FOR	1,069.28
5488	2/06/2017	[6118] CISNEROS, STEVEN	CUSTOMER DEPOSIT REFUND	177.66
5489	2/06/2017	[5127] DELTA DENTAL	DENTAL INSURANCE FOR MARCH 2017	1,986.44
5490	2/06/2017	[5052] GHD, INC	ENGINEERING SERVICES - CONTRACT REVIEW FOR OL	2,263.00
5491	2/06/2017	[5269] HILLARY JENSEN	CUSTOMER DEPOSIT REFUND	39.95
5492	2/06/2017	[5689] MENDES SUPPLY COMPANY	TWO CASES PAPER TOWELS; ONE CASE LIQUID HAND	178.57
5493	2/06/2017	[2551] MIRANDA'S ANIMAL RESCUE	ANIMAL CONTROL FOR JANUARY 2017	1,000.00
5494	2/06/2017	[5934] NORTH COAST JOURNAL	EMPLOYMENT ADVERTISEMENT FOR WASTEWATER	164.00
5495	2/06/2017	[2569] NORTH COAST LABORATORIES, INC.	BIOCHEMICAL OXYGEN DEMAND; NON-FILTERABLE RES	265.00

**CITY OF RIO DELL
CHECK REGISTER**

General Checking - US Bank of California

<u>Check</u>	<u>Date</u>	<u>Vendor</u>	<u>Description</u>	<u>Check/Payment</u>
5496	2/06/2017	[4393] NYLEX.net. Inc.	INSTALL 24 PORT HP SWITCH & TEST FOR PORPER F	1,349.71
5497	2/06/2017	[4338] QUILL CORPORATION	ONE BOX WHITE LASER LABELS; ONE PACK LASER BU	82.60
5498	2/06/2017	[5222] R.J. RICCIARDI, INC	PROFESSIONAL SERVICES FOR THE PERIOD ENDING J	2,990.00
5499	2/06/2017	[2659] RIO DELL PETTY CASH	CORRECTION TAPE; DISH SOAP; ACER POWER CORD;	37.05
5500	2/06/2017	[4525] SHERLOCK RECORDS MGMT	STORAGE SERVICE; BOX RETRIEVAL & REFILING FOR	123.00
5501	2/06/2017	[2719] SWRCB OFFICE OF OPERATOR CERT	EXAMINATION APPLICATON FOR WASTEWATER	350.00
5502	2/17/2017	[0576] 101 AUTO PARTS	TWO ELECTRICAL SOLDER	255.28
5503	2/17/2017	[3975] AT&T - 5709	PHONE EXPENSES FOR JANUARY 2017	495.74
5504	2/17/2017	[2237] BANK OF AMERICA BUSINESS CARD	HUMBOLDT STATE UNIVERSITY - NOTARY TRAINING R	2,475.99
5505	2/17/2017	[5330] CAPITAL ONE COMMERCIAL	COSTCO - HOT CUPS & DOOR MAT	39.03
5506	2/17/2017	[2285] CC MARKET (1)	CRUSHED ICE TO SHIP WASTEWATER SAMPLES	11.77
5507	2/17/2017	[2293] CITY OF FORTUNA	POLICE DISPATCH SERVICES FOR FEBRUARY 2017	2,075.00
5508	2/17/2017	[2303] COAST CENTRAL CREDIT UNION	POA DUES FOR PPE 2/3/17	120.00
5509	2/17/2017	[2385] EUREKA READYMIX	3.02 TONS SAND; 12.02 TONS 3/4 BASE ROCK	166.15
5510	2/17/2017	[5352] JOANNE E FARLEY	REIMBURSEMENT FOR MEALS PER DIEM TO ATTEND CS	90.00
5511	2/17/2017	[5052] GHD, INC	ENGINEERING SERVICES FOR METROPOLITAN WELLS R	6,454.75
5512	2/17/2017	[2501] KEENAN SUPPLY	CLOW 6X6 BREAKAWAY HYDRANT EXTENSION	373.46
5513	2/17/2017	[2546] MERCER FRASER CO., INC.	3.97 TONS 1/2" SC 250 ASPHALT CONCRETE	379.83
5514	2/17/2017	[4908] MITCHELL BRISSO DELANEY & VRIEZE	LEGAL SERVICES FOR JANUARY 2017	2,350.32
5515	2/17/2017	[5934] NORTH COAST JOURNAL	EMPLOYMENT ADVERTISEMENT FOR WASTEWATER	164.00
5516	2/17/2017	[2569] NORTH COAST LABORATORIES, INC.	AMMONIA NITROGEN W/O DISTILLATION; NITRATE AN	1,234.00
5517	2/17/2017	[5053] PACIFIC ECORISK	TOXICITY TESTING	3,937.75
5518	2/17/2017	[2603] PG&E	UTILITY EXPENSES FOR JANUARY 2017	17,378.41
5519	2/17/2017	[5973] PRECISION INTERMEDIA	WEB USE TRAINING	332.50
5520	2/17/2017	[2664] ROGERS MACHINERY INC	TWO GORMAN RUPP SELF-PRIMING CENTRIFUGAL LIFT	18,036.19
5521	2/17/2017	[2742] SCOTIA TRUE VALUE HARDWARE	3/4" BRASS90 DEGREE ELBOW; TWO 1" BRASS 90 DE	51.20
5522	2/17/2017	[2694] SHELL OIL CO.	PD FUEL EXPENSES FOR JANUARY 2017	1,964.87
5523	2/17/2017	[4570] SHRED AWARE	SHREDDING	70.00

**CITY OF RIO DELL
CHECK REGISTER**

General Checking - US Bank of California

<u>Check</u>	<u>Date</u>	<u>Vendor</u>	<u>Description</u>	<u>Check/Payment</u>
5524	2/17/2017	[4699] SIERRA CHEMICAL CO	CREDIT PORTION OF SBS 25%-330 GAL/3191.1LB TO	1,314.28
5525	2/17/2017	[2710] STARPAGE	PAGING SERVICE FOR FEBRUARY 2017	12.95
5526	2/17/2017	[4638] STITCH WITCH	FOUR FLEXFIT W/FRONT LOGO & BACK #; ONE BIGX	77.58
5527	2/17/2017	[2319] SUDDENLINK COMMUNICATIONS	INTERNET SERVICE 2/10/17-3/9/17	134.95
5528	2/17/2017	[2481] VANTAGEPOINT TRANSFER AGENTS-	RETIREMENT FOR PPE 2/3/17	5,206.68
5529	2/17/2017	[6037] WELLS FARGO VENDOR FIN SERV	XEROX COPIER PAYMENT FOR FEBRUARY 2017	481.02
5530	2/17/2017	[4310] CAMERON D YAPLE	CLOTHING ALLOWANCE REIMBURSEMENT	138.23
5531	2/24/2017	[3108] ACCUFUND, INC.	UPGRADE AND PAYROLL CONSULTING ONE NOTE FURNI	250.00
5532	2/24/2017	[5750] AERO-MOD	THERMISTOR SENSOR FOR BELT PRESS	192.64
5533	2/24/2017	[2224] AQUA BEN CORPORATION	HYDROFLOC 750L 55 GAL DRUM	1,624.73
5534	2/24/2017	[3975] AT&T - 5709	INTERNET SERVICE 1/16/17-2/15/17	88.88
5535	2/24/2017	[2293] CITY OF FORTUNA	WWTP OPERATIONAL SERVICES FOR OCTOBER - DECEM	196.20
5536	2/24/2017	[2303] COAST CENTRAL CREDIT UNION	POA DUES FOR PPE 02/17/17	120.00
5537	2/24/2017	[6064] KYLE R COX	CLOTHING ALLOWANCE REIMBURSEMENT	48.22
5538	2/24/2017	[4181] CSMFO	PRE-CONFERENCE TRAINING SESSION FOR FINANCE D	300.00
5539	2/24/2017	[2411] DEARBORN NATIONAL LIFE INSURANCE	LIFE INSURANCE FOR MARCH 2017	312.00
5540	2/24/2017	[2356] DOWNEY BRAND LLP	LEGAL SERVICES FOR JANUARY 2017	1,500.00
5541	2/24/2017	[2366] EEL RIVER DISPOSAL INC	DEBRIS FROM ROADSIDE DUMPING	88.40
5542	2/24/2017	[2228] HUMBOLDT COUNTY ASSESSOR	ASSESSOR PARCEL MAP UPDATES; MAP(S) 52-10	7.40
5543	2/24/2017	[3783] INTERVIEWS & INTERROGATIONS	INTERVIEWS & INTERROGATIONS SEMINAR FOR OFFIC	460.00
5544	2/24/2017	[3977] JOE'S AUTO GLASS	REPLACE REAR WINDOW IN 2013 FORD EXPLORER	300.00
5545	2/24/2017	[6153] JZ CONTRACTING	PAYMENT REQUEST #1 FOR OLD RANCH ROAD REPAIRS	712.50
5546	2/24/2017	[5942] KEENAN & ASSOCIATES	HEALTH INSURANCE FOR MARCH 2017	15,367.53
5547	2/24/2017	[2521] LEAGUE OF CALIF. CITIES	MEMBERSHIP DUES FOR CALENDAR YEAR 2017	2,439.00
5548	2/24/2017	[2569] NORTH COAST LABORATORIES, INC.	BIOCHEMICAL OXYGEN DEMAND; NON-FILTERABLE RES	495.00
5549	2/24/2017	[2742] SCOTIA TRUE VALUE HARDWARE	3/16X6 PERC DRILL BIT; EIGHT 1/4X2-3/4 ANCHOR	71.99
5550	2/24/2017	[4699] SIERRA CHEMICAL CO	CONTAINER DEPOSIT REFUND	4,249.67
5551	2/24/2017	[2481] VANTAGEPOINT TRANSFER AGENTS-	RETIREMENT FOR PPE 02/17/17	5,206.68

**CITY OF RIO DELL
CHECK REGISTER**

General Checking - US Bank of California

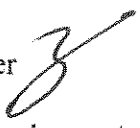
<u>Check</u>	<u>Date</u>	<u>Vendor</u>	<u>Description</u>	<u>Check/Payment</u>
5552	2/24/2017	[5166] VSP-VISION SERVICE PLAN	VISION INSURANCE FOR MARCH 2017	319.14
5553	2/24/2017	[5108] WAHLUND CONSTRUCTION INC.	PAY REQUEST NO 1 FOR METROPOLITAN WELLS REDEV	72,786.21
5554	2/24/2017	[2772] WENDT CONSTRUCTION, INC	REPAIRS TO DINSMORE WATER LINE	2,100.00
5555	2/24/2017	[5626] WHEELER, DARRELL	CUSTOMER DEPOSIT REFUND	204.23
Total Checks/Deposits				<u>200,232.69</u>
693879	2/1/2017	ELECTRONIC FUNDS TRANSFER	EFT FOR AFLAC FOR JANUARY 2017.	(290.70)
101459	2/8/2017	WITHDRAWALS	DEPOSITED ITEM RETURNED	(125.00)
437-248	2/13/2017	ELECTRONIC FUNDS TRANSFER	EFT FOR EDD PAYROLL TAXES FOR PPE 02/03/2017	(2,929.70)
3006034	2/13/2017	ELECTRONIC FUNDS TRANSFER	EFT FOR EFTPS PAYROLL TAXES FOR PPE 02/03/2017	(10,318.76)
9424152	2/16/2017	WITHDRAWALS	BANK ANALYSIS FEE FOR FEBRUARY 2017	(42.41)
85074	2/24/2017	ELECTRONIC FUNDS TRANSFER	EFT FOR AFLAC FOR FEBRUARY 2017.	(290.70)
101295	2/27/2017	WITHDRAWALS	DEPOSITED ITEM RETURNED	(275.00)
846-272	2/27/2017	ELECTRONIC FUNDS TRANSFER	EFT FOR EDD PAYROLL TAXES FOR PPE 02/17/2017	(2,203.92)
5477447	2/27/2017	ELECTRONIC FUNDS TRANSFER	EFT FOR EFTPS PAYROLL TAXES FOR PPE 02/17/2017	(10,050.54)
Total EFT's/Bank Withdrawals				<u>(26,526.73)</u>
TRX TO PR	2/7/2017	TRANSFER FROM CHECK TO PAYROLL ACCOUNT	TRANSFER TO PAYROLL ACCOUNT FOR PPE 02/03/2017	(26,627.81)
TRX TO PR	2/21/2017	TRANSFER FROM CHECK TO PAYROLL ACCOUNT	TRANSFER TO PAYROLL ACCOUNT FOR PPE 02/17/2017	(25,905.65)
Total Transfer Between Accounts				<u>(52,533.46)</u>



*Rio Dell City Hall
675 Wildwood Avenue
Rio Dell, CA 95562
(707) 764-3532
riodellcity.com*

March 7, 2017

TO: Rio Dell City Council

FROM: Kyle Knopp, City Manager 

SUBJECT: Discussion and Possible Action to Amend the Scope of the City's Safe Drinking Water State Revolving Fund (SDWSRF) Planning Grant Related to Water System Capital Improvements

IT IS RECOMMENDED THAT THE CITY COUNCIL:

Approve of the amended scope of work.

BACKGROUND AND DISCUSSION

Staff is requesting that the City Council approve of an amended scope for the planning grant needed to apply for grant funding for capital projects related to the water system. The amended scope would change three items:

- 1.) Remove work to evaluate modifications to the Infiltration Gallery. The City has received comments from the State that the gallery's modification as a priority is now low considering the completion of the Metropolitan Wells project is nearing.
- 2.) Expansion of the Painter Street Tank Replacement to include the replacement of the Redwood Tank (used for backwashing the system) at the Douglas Tank site.
- 3.) Remove evaluation of the filter media project. The project needs to move forward sooner than the city will be able to study and leverage grant funds. Therefore, the project is recommended to be removed from the list.

Please refer to the attached memorandum from the City's Engineer for additional information.

///



Memorandum

21 December 2016

To Kyle Knopp, City Manager

Copy to

From Rebecca Crow, PE

Tel

Subject Safe Drinking Water Planning Grant Update

Job no. 84/10747/60

This memo provides an update on the City's Safe Drinking Water State Revolving Fund (SDWSRF) Planning Grant Application currently being processed by the State Water Resources Control Board (SWRCB).

As presented to the Council previously, a planning grant application has been submitted to the SDWSRF Program to evaluate improvements and develop design and environmental documents to address needed improvement in the City's water system. Since the original submission of the grant application in spring of 2016, some conditions have changed at the City that should be addressed in the planning grant scope. These changes were reviewed with City staff and were also noted by Franklin Saylor with the Division of Drinking Water during a recent inspection he completed of the City system in conjunction with a review of the City's Planning Grant Scope of Work. The Table below shows the original planning grant scope of work, reasons for adjustments and the proposed change in the scope of work.

Original Planning Grant Scope	Reason for Adjustment	Proposed Change in Scope
Evaluate Repairs to the Infiltration Gallery System	With the completion of the Metropolitan Wells Project, the need for major improvements to the infiltration Gallery is not needed, and maintenance can be handled by the City.	Remove evaluation of the Infiltration Gallery from the Scope of Work.
Replacement of Distribution System Piping	No Change	No Change
Painter Street Tank Replacement	Include the evaluation of the Redwood Douglas Tank No. 2, which is used for backwashing the system.	Expand tank evaluation to include the Redwood Douglas Tank No. 2.
SCADA Improvements	No Change	No Change to Scope



Original Planning Grant Scope	Reason for Adjustment	Proposed Change in Scope
Replacement of Filter Media	Due to the timing of the planning grant and possible future construction funding and the needs to improve the filtration system, this project cannot wait for the planning grant and is proposed for completion using City funds by the end of 2017.	Remove the evaluation of the filter system from the Scope of Work.

Once GHD receives the approval of the City for the proposed changes, a revised scope of work will be submitted to the SWRCB. The changes in the scope of work are anticipate to reduce the planning grant costs, which would still be below the maximum allowable grant of \$500,000. It is anticipated that a final grant agreement will be in place in the next several months.

675 Wildwood Avenue
Rio Dell, CA 95562
(707) 764-3532



For Meeting of: March 7, 2017

To: City Council
From: Kevin Caldwell, Community Development Director 
Through: Kyle Knopp, City Manager 
Date: February 27, 2017
Subject: Discussion of Design Review Regulations, Section 17.25.050 RDMC

Recommendation:

That the City Council:

1. Receive staff's presentation regarding the existing Design Review regulations and permit process; and
2. Open the public hearing, receive public input and deliberate; and
3. Provide direction to staff.

Discussion

At the City Council meeting of February 21, 2017, the Council directed staff to agendize a discussion regarding the City's Design Review regulations. Staff believes the Council's recent interest in the Design Review regulations is the pending redevelopment of the former Eel River Sawmill site. As such, staff will focus this discussion on non-residential, commercial and industrial development design review policies.

The City adopted Design Review regulations in July of 2012. Prior to that there were no design review requirements for projects within the City. Design Review is required for all major (five or more parcels) residential subdivisions, multi-family, commercial, industrial and public and quasi public developments.

Design review is a discretionary process established to ensure quality development in accordance with the City's Design Guidelines and to ensure that the appearance of development will be compatible and harmonious with the use and enjoyment of surrounding properties.

Design Review approval is required prior to issuance of any ministerial building permits or site improvement plans and prior to or in conjunction with discretionary action of corresponding development applications (e.g., Conditional Use Permit, Variance). The Planning Commission is the reviewing and approving authority. However, there is language in the Ordinance that allows the City Council to delegate the Approving Authority for Design Review to the City Council, a Design Review Committee, the Community Development Director and/or the City Manager.

In adopting the Design Review regulations the City established three (3) Guiding Principles. The Guiding Principles are below:

- To encourage high quality land/site planning, architecture and landscape design;
- To ensure physical, visual, and functional compatibility between uses; and
- To ensure proper attention is paid to site and architectural design, thereby protecting land values.

Design Review applications are submitted to the Planning Department. All plans must be professionally drawn by qualified individuals, drawn at a reasonable scale to clearly identify the improvements and shall be on 18" x 24" or 24" x 36" and are required to conform to the following requirements:

- Building Plans and Elevations shall identify the materials, colors, textures, etc.
- Landscaping Plans shall include common name, botanical name, size of plants/trees at planting and maturity, location, spacing, lawns, hardscape, walkways, streetscape furniture (i.e. benches, bicycle racks, art, water features, kiosks, bus shelters, etc.), ground cover, weed treatment, finished contours, parking areas, curbs, gutters, sidewalks and the edge of pavement.
- Irrigation Plans shall include location of sprinkler heads, and/or drip irrigation, location and size of irrigation pipe, water meters, backflow prevention devices, control valves, etc.
- Photometric Plans shall include the type, location, height, style and limits of the predicted maintained lighting levels of the proposed lighting fixtures.
- Sign Plans shall include the location, type (e.g. wall mounted, monument, pylon),

size, color, font styles and lighting details.

The following Design Concepts apply to site planning and design for non-residential (commercial, office, industrial, and public/quasi-public) development. The City encourages:

- Design of new development with particular attention to compatibility between non-residential and adjacent residential uses/properties within the project vicinity.
- A unified design theme for integrated developments. All buildings within an integrated development shall be designed consistent with the approved design theme.
- Pedestrian-friendly design which incorporates pedestrian amenities and outdoor gathering places into the project design with consideration given to the climate and planned use of space.
- A streetscape appearance that defines the pedestrian and vehicle corridor and presents an appealing and continuous theme along a sidewalk or street.
- Office and light industrial parks and integrated employment campuses that provide outdoor areas for eating and sitting, retail and service venues as appropriate and other amenities for project employees.
- Design flexibility for mixed-use development that ensures compatibility of use types and promotes beneficial relationships among uses.
- Where feasible, design streets with separated sidewalks that incorporate a planter strip between the back of curb and sidewalk.

The following Design Concepts apply to non-residential (commercial, office, industrial, and public/quasi-public) building designs. The City encourages:

- High quality building designs that consist of durable and maintainable materials and that provide visual interest and diversity to the community.
- Use of an architectural style and or/theme for new non-residential development that is consistent for building elevations of a single structure or consistent among all buildings within an integrated development.
- Design of buildings or structures that are sensitive to the neighborhood character with regard to scale, architectural style, use of materials and bulk.
- Interesting and attractive architecture which includes varied relief of the facade elements and detailed articulation of the building features.

Design Review approvals are only granted only when the Planning Commission can make all of the following findings:

- The proposed project is consistent with the objectives of the General Plan, complies with applicable Zoning regulations, Specific Plan provisions, Special Planning Area provisions, and is consistent with the applicable "Guiding Principles" and "Design Concepts" in **Section 17.250.050(5)** Rio Dell Municipal Code (RDMC).
- The proposed architecture, site design, and landscape are suitable for the purposes of the building and the site and will enhance the character of the neighborhood and community.
- The architecture, including the character, scale and quality of the design, relationship with the site and other buildings, building materials, screening of exterior appurtenances, exterior lighting and signing and similar elements establishes a clear design concept and is compatible with the character of existing or anticipated buildings on adjoining and nearby properties.
- The proposed project will not create conflicts with vehicular, bicycle, or pedestrian transportation modes of circulation.

It should be noted that if the City did not have Design Review requirements, the Dollar General would have looked much different. The original proposal submitted to staff was basically a metal Quonset type building. Because of our Design Review regulations, the Dollar General building turned-out to be an attractive building that certainly enhanced the visual appearance of the area.

Attachments

Attachment 1: Design Review Regulations, Section 17.25.050 RDMC

SECTION 17.25.050 DESIGN REVIEW GUIDELINES



Section 1.

1. Purpose and Intent

The purpose of the design review process is to promote orderly and harmonious growth within the City. The intent of the design review process is to establish discretionary review of development projects that require additional site and design considerations beyond conformance with minimum standards of the Zoning Code. This Chapter also includes "Guiding Principles" and "Design Concepts" to be used by the designated Approving Authority in reviewing proposed projects for design consistency the City's standards.

2. Design Review Applicability

These regulations shall apply to lands designated with the Design Review Combining Zone "D" on the Zoning Maps. In addition, except as otherwise exempt pursuant to **Section 17.250.050(3)** Design Review is required for the following:

- (a) Major Subdivisions;
- (b) Multi-family residential developments;
- (c) Commercial development;
- (d) Industrial development; and
- (e) Public/quasi-public developments (e.g. public safety facilities, library, City facilities).

3. Design Review Exemptions

The following structures and improvements are generally exempt from Design Review. A ministerial review subject to the currently adopted fee schedule is required to determine if the proposed improvements are subject to Design Review. However, such structures may require additional permits, such as a ministerial building permit to ensure compliance with adopted Building Code standards and applicable Zoning Code provisions.

- (a) Additions to structures less than 10% of its existing size provided the improvements employ the same materials, colors and design as the original or existing construction and compliments and is compatible with the character of the surrounding area, is not detrimental to the value of properties in the area and does not reduce the visual appearance of the area;
- (b) Repairs and maintenance of site improvements or structures that do not add to, enlarge, or expand the area occupied by the land use, or the floor area of the structure. Exterior repairs that employ the same materials and design as the original construction are also exempt from Design Review;
- (c) Interior alterations that do not increase the gross floor area within the structure, or change/expand the permitted use of the structure;
- (d) Construction, alteration, or maintenance by a public utility or public agency of underground or overhead utilities intended to service existing or nearby approved developments (e.g., water, gas, electric or telecommunication supply or disposal

systems, including wires, mains, drains, sewers, pipes, conduits, cables, fire-alarm boxes, police call boxes, traffic signals, hydrants, and similar facilities and equipment);

- (e) Work or improvements that do not require building permits provided the improvements employ the same materials, colors and design as the original or existing construction and compliments and is compatible with the character of the surrounding area, is not detrimental to the value of properties in the area and does not reduce the visual appearance of the area.

4. Approving Authority

The Approving Authority for Design Review shall be the Planning Commission. The Planning Commission shall review and approve, conditionally approve, or deny Design Review applications using the guiding principles and design concepts, application review process, and findings identified herein. At any point in the future, the City Council may delegate the Approving Authority for Design Review to the City Council, a Design Review Committee, the Community Development Director and/or the City Manager. Subsequent delegation of Approving Authority shall be adopted by Resolution, identifying the City's designated Approving Authority, along with any special regulations for review and action on Design Review applications.

Design Review approval is required prior to issuance of any ministerial building permits or site improvement plans and prior to or in conjunction with discretionary action of corresponding development applications (e.g., Maps, Conditional Use Permit, Variance), except as otherwise exempted pursuant to **Section 17.250.050(3)** of this Chapter.

5. Guiding Principles and Design Concepts

This Chapter provides a set of "Guiding Principles" and "Design Concepts" setting forth various aesthetic and functional provisions to guide residential, commercial, office, industrial and public/quasi public development in the City. The "Guiding Principles" are listed below. Over time, the City may, by ordinance amending this section, refine or expand these principles and concepts to reflect the changing desires of the community.

- To encourage high quality land/site planning, architecture and landscape design;
- To ensure physical, visual, and functional compatibility between uses: and
- To ensure proper attention is paid to site and architectural design, thereby protecting land values.

The designated Approving Authority under this Chapter shall have the authority to apply the "Guiding Principles" flexibly to account for circumstances relating to the site, provided the required findings in **Section 17.250.050(8)** are made and using the following Design Concepts:

(a) Residential Subdivisions. The following Design Concepts generally apply to major subdivisions (e.g. five or more parcels) of land for residential purposes. Some of the Design Concepts will not apply, to certain projects due to the size of the development. However, these concepts will be applied whenever possible in the design of residential and mixed use projects. The City encourages:

(1) A balanced mix of land uses, including housing, schooling, and parks/open space, to meet the needs of residents as appropriate based on project scale. Large scale development proposals should also provide for employment, commercial/retail, recreational and entertainment needs of community residents.

(2) Pedestrian friendly neighborhoods, which are walkable in size with an obvious center. The neighborhood center should be a place of social interaction with a combination of commercial, civic, cultural and recreational uses.

(3) Housing diversity with a variety of housing types, sizes, and densities.

(4) Vehicle, bicycle, and pedestrian, and transit connectivity throughout the neighborhood and with the surrounding neighborhoods and uses. More specifically, neighborhoods should be designed with an interconnected street system that will blend well into the existing street system, diffuse traffic within the neighborhood, and minimize barriers within and between neighborhoods.

(5) Where feasible, joint-use of open space facilities such as drainage facilities, detention basins, utility corridors etc. for trails, bikeways and Parks.

(6) Maintaining significant natural features (e.g., terrain, drainage, vegetation).

(7) Minimization of urban runoff through the use of retention and detention facilities and the use of open bio-swale drainage channels

(8) Pedestrian friendly streetscapes that may include orientation of homes to common areas, parks, or other open space areas.

(9) Where feasible, design streets with separated sidewalks that incorporate a planter strip between the back of curb and sidewalk.

(b) Residential Multi Family. The following Design Concepts apply to the review of residential multi-family development. The City encourages:

(1) Mass, scale and architecture which is compatible with existing and adjacent neighborhoods. The intent is to encourage appropriate transitions between uses and structures of varying residential density and a general compatibility of architectural styles.

(2) Original designs that are tailored to the site and discourage monotonous or institutional type buildings and site design.

(3) Site designs that preserve, enhance and incorporate the significant natural features of a site as an element within the overall design.

(4) High quality building designs that consist of durable and maintainable materials for the exterior treatment of the buildings that complement the building mass and articulation.

(5) The establishment of a streetscape presence and appearance through setbacks, landscaping, building placement, and architecture that defines the pedestrian and vehicular corridor and presents an appealing and continuous theme along a sidewalk, street or trail.

(6) Landscaping that softens the appearance of pavement and structures, and provides an eventual tree canopy along the street and pedestrian walkways.

(7) Ensure that design provisions do not preclude the development of multi-family housing affordable to all income levels.

(c) Non-Residential Site Planning. The following Design Concepts apply to site planning and design for non-residential (commercial, office, industrial, and public/quasi-public) development. The City encourages:

(1) Design of new development with particular attention to compatibility between non-residential and adjacent residential uses/properties within the project vicinity.

(2) A unified design theme for integrated developments. All buildings within an integrated development shall be designed consistent with the approved design theme.

(3) Pedestrian-friendly design which incorporates pedestrian amenities and outdoor gathering places into the project design with consideration given to the climate and planned use of space.

(4) A streetscape appearance that defines the pedestrian and vehicle corridor and presents an appealing and continuous theme along a sidewalk or street.

(5) Office and light industrial parks and integrated employment campuses that provide outdoor areas for eating and sitting, retail and service venues as appropriate, and other amenities for project employees.

(6) Design flexibility for mixed-use development that ensures compatibility of use types and promotes beneficial relationships among uses.

(7) Where feasible, design streets with separated sidewalks that incorporate a planter strip between the back of curb and sidewalk.

(d) Non-Residential Architecture. The following Design Concepts apply to non-residential (commercial, office, industrial, and public/quasi-public) development. The City encourages:

(1) High quality building designs that consist of durable and maintainable materials and that provide visual interest and diversity to the community.

(2) Use of an architectural style and or/theme for new non-residential development that is consistent for building elevations of a single structure or consistent among all buildings within an integrated development.

(3) Design of buildings or structures that are sensitive to the neighborhood character with regard to scale, architectural style, use of materials and bulk.

(4) Interesting and attractive architecture which includes varied relief of the facade elements and detailed articulation of the building features.

(5) Incorporate quality site design, including landscaping, signage and other elements of site design.

6. Scope of Design Review

To implement the principles and concepts in **Section 17.250.050(5)** the scope of Design Review is listed below by land use type. Applications for Design Review shall include adequate information to evaluate the project. Specific application submittal requirements shall be listed on the application form distributed by the Planning Department.

- (a) **Neighborhood Design - Major Subdivisions:**
 - Relationship of land uses and density
 - Lot configuration and orientation
 - Street design/relationship to existing street network
 - Orientation to open space and significant natural features
 - Bikeways, trails and pedestrian facilities and connectivity with other development

- (b) **Multi-family Developments:**
 - Architecture- style, mass and scale, articulation, materials, and relationship to surrounding use and style
 - Site plan- unit placement, garage location
 - Landscaping and lighting for Multi-Family developments
 - Streetscape design
 - Fences and walls
 - Solar access and shading

- (c) **Non-residential Development** (commercial, office, industrial, and public/quasi-public)
 - Architecture- style or theme, mass and scale, articulation, materials, relationship to surrounding use and style
 - Site plan- building location/orientation to street, parking, grading, relationship to surrounding property
 - Access- vehicular and pedestrian
 - Pedestrian amenities
 - Landscaping and lighting
 - Edge treatment between uses and different zones
 - Loading and services (trash and recycling)
 - Mechanical screening
 - Signs

7. Design Review Process

(a) **Application Submittal.** Design Review applications shall be submitted to the Planning Department on a City application form. All plans shall be professionally drawn by qualified individuals, drawn at a reasonable scale to clearly identify the improvements and shall be on 18" x 24" or 24" x 36" and shall conform to the following requirements:

- **Building Plans and Elevations** shall identify the materials, colors, textures, etc.

- **Landscaping Plans** shall include common name, botanical name, size of plants/trees at planting and maturity, location, spacing, lawns, hardscape, walkways, streetscape furniture (i.e. benches, bicycle racks, art, water features, kiosks, bus shelters, etc.), ground cover, weed treatment, finished contours, parking areas, curbs, gutters, sidewalks and the edge of pavement.

- **Irrigation Plans** shall include location of sprinkler heads, and/or drip irrigation, location and size of irrigation pipe, water meters, backflow prevention devices, control valves, etc.
- **Photometric Plans** shall include the type, location, height, style and limits of the predicted maintained lighting levels of the proposed lighting fixtures.
- **Sign Plans** shall include the location, type (e.g. wall mounted, monument, pylon), size, color, font styles and lighting details.

(b) Application Review. Design Review shall generally occur within the framework of other project reviews/approvals associated with a given project. In such cases, the Planning Department shall circulate the project for review and comment by appropriate departments, entities, and agencies prior to public hearing by the designated Approving Authority. Where no other discretionary action is associated with a project that is subject to Design Review, the Planning Director shall, within 15 working days of application submittal, determine whether or not the application is complete. The applicant is encouraged to contact staff prior to submitting the application for a preliminary review of the project. The applicant shall be notified in writing of the determination of application completeness. Once any required review by related departments, entities, and agencies has been completed, the Planning staff shall prepare a report to the designated Approving Authority on the project with a recommendation for approval, conditional approval or denial of the Design Review application. Planning staff shall be responsible for assimilating the comments and recommendations of related departments and agencies into project modifications or Conditions of Approval, as well as to ensure conformance with applicable provisions of the Municipal Code, and any subsequently adopted standards, guidelines, or area plans.

(c) Environmental Review. The project shall be reviewed in accordance with the environmental review procedures of the California Environmental Quality Act (CEQA). Design Review shall generally not result in the need for CEQA evaluation for a project that is otherwise exempt.

(d) Notice and Hearing/Determination. Public notice and hearings for Design Review applications under consideration by the designated Approving Authority shall be conducted in accordance with Chapter 17.35 of the Rio Dell Municipal Code (RDMC). The notice shall identify the subject parcel, describe the request, and identify the date of the meeting. The notice shall also identify the opportunity to provide input prior to the determination and the right to appeal the determination in accordance with this Chapter.

(e) Appeals. Appeals shall be conducted in accordance with **Section 17.35.050** of the Rio Dell Municipal Code (RDMC).

8. Design Review Determination

(a) Findings for Design Review Approvals. Design Review approvals shall be granted only when the designated Approving Authority makes all of the following findings:

- (1) The proposed project is consistent with the objectives of the General Plan, complies with applicable Zoning regulations, Specific Plan provisions, Special Planning Area provisions, and is consistent with the applicable "Guiding Principles" and "Design Concepts" in **Section 17.250.050(5)** Rio Dell Municipal Code (RDMC).

(2) The proposed architecture, site design, and landscape are suitable for the purposes of the building and the site and will enhance the character of the neighborhood and community.

(3) The architecture, including the character, scale and quality of the design, relationship with the site and other buildings, building materials, screening of exterior appurtenances, exterior lighting and signing and similar elements establishes a clear design concept and is compatible with the character of existing or anticipated buildings on adjoining and nearby properties.

(4) The proposed project will not create conflicts with vehicular, bicycle, or pedestrian transportation modes of circulation.

(b) Additional Findings for Residential Design Review Applications. Design Review applications for single-family residential subdivision maps shall be granted only when the designated Approving Authority makes the additional finding that the residential subdivision is well integrated with the City's street network, creates desirable neighborhood environments, reflects traditional architectural styles, and establishes a pedestrian friendly environment.

(c) Conditions. The designated Approving Authority may require modifications to plans in whole or in part and may condition the Design Review application to ensure specific design features, construction materials, and conformance with all applicable provisions of this chapter.

(d) Permit Issuance. Approval of the Design Review application shall only become valid upon completion of the designated ten-day appeal period.


(e) Permit Term. Where Design Review is approved in conjunction with a related action, the Design Review approval shall remain valid for a period consistent with related review/approval. Where no other discretionary review/approval is required, the Design Review approval shall be valid for a period of three (3) years from the date of final approval.


675 Wildwood Avenue
Rio Dell, CA 95562
(707) 764-3532



For Meeting of: March 7, 2017

To: City Council

From: Kevin Caldwell, Community Development Director 

Through: Kyle Knopp, City Manager 

Date: February 27, 2017

Subject: Discussion of Personal Medical Marijuana Regulations, Section 17.30.190 of the Rio Dell Municipal Code (RDMC) and an Overview of the Adult Use of Marijuana Act (AUMA), Proposition 64.

Recommendation:

That the City Council:

1. Receive staff's presentation regarding the existing Design Review regulations and permit process; and
2. Open the public hearing, receive public input and deliberate; and
3. Direct staff to amend the Personal Medical Marijuana Regulations to be consistent with the Adult Use of Marijuana Act (AUMA).

Discussion

Personal Medical Marijuana Regulations, Section 17.30.190 of the Rio Dell Municipal Code: On February 14th 2013, the City's Medical Marijuana Regulations, Section 17.30.190 of the Rio Dell Municipal Code became effective. The regulations were adopted in response to complaints regarding the neighborhood impacts of the cultivation of marijuana.

The intent of the Medical Marijuana Regulations is to balance the needs of patients and their caregivers and to minimize impacts that can accompany the residential cultivation and processing of medical marijuana for an individual patient's use. Widespread indoor cultivation of marijuana in the County and Cities has led to a decrease in needed rental housing stock, as rental homes are converted solely to structures to grow marijuana. As rental homes are

converted to these grow structures, the character of the neighborhood around the grow structure deteriorates. Below is a summary of the regulations:

- ❖ Outdoor cultivation is not allowed.
- ❖ Indoor medical marijuana cultivation in a residence or detached accessory building shall not exceed fifty (50) square feet or exceed ten (10) feet in height per residence on a parcel, **regardless of the number of qualified patients or primary caregivers residing at the residence or participating directly or indirectly in the cultivation.**
- ❖ A greenhouse may be considered a Detached Accessory Building if it is a fully enclosed, secure and lockable structure that has a roof supported by connecting walls extending continuously to a perimeter foundation or equivalent base to which the connecting walls are securely attached.
- ❖ The medical marijuana cultivation and processing area in the residence or detached accessory building shall be indoors, as defined herein, posted with a legible copy of the individual patient's medical marijuana recommendation, secured against unauthorized entry, and maintained for the exclusive use of the qualified patient.
- ❖ Grow lights for medical marijuana cultivation for personal use in a residence or a detached accessory building shall not exceed 1200 watts total.
- ❖ All electrical equipment used in the indoor cultivation of medical marijuana in a residence or a detached accessory building shall be plugged directly into a wall outlet or otherwise hardwired. The use of extension cords to supply power to electrical equipment used in the residential cultivation of medical marijuana is prohibited.
- ❖ The use of gas products (CO₂, butane, etc.) for indoor medical marijuana cultivation or processing in a residence or a detached accessory building is prohibited.
- ❖ No toxic or flammable fumigant shall be used for indoor cultivation of medical marijuana in a residence or a detached accessory building unless the requirements of Section 1703 of the California Fire Code have been met.
- ❖ No odor of medical marijuana shall be detectable from the property boundaries by a person of ordinary senses. To achieve this, the medical marijuana cultivation area shall be, at a minimum, mechanically ventilated with a carbon filter or other superior method to prevent the odor of marijuana from escaping the indoor cultivation area and negatively impacting neighbors and the surrounding community. Ventilation systems shall be installed in a manner that facilitates decommissioning and a return of the cultivation area to non-cultivation residential uses.

- ❖ From a public right of way, neighboring properties, or neighboring housing units, there shall be no visual or auditory evidence of medical marijuana cultivation at the residence or detached accessory building that is detectable by a person of ordinary senses.
- ❖ Medical marijuana cultivation, processing, or transfers in a residence or detached accessory building are prohibited as a Home Occupation.
- ❖ No sale, trading, or dispensing of medical marijuana is allowed on a parcel where residential cultivation of medical marijuana occurs.
- ❖ The qualified patient shall not cultivate medical marijuana for his or her personal use in more than one residence or detached accessory building within the City jurisdiction.
- ❖ The residence where medical marijuana is grown indoors for personal use shall maintain a kitchen and bathroom(s) for their intended use, and the kitchen, bathroom(s), and bedroom(s) shall not be used primarily for medical marijuana cultivation.
- ❖ No effluent, including but not limited to waste products, chemical fertilizers or pesticides shall be discharged into drains, septic systems, community sewer systems, water systems or other drainage systems including those that lead to rivers and streams as a result of the cultivation of medical marijuana.
- ❖ The residential cultivation of medical marijuana shall not adversely affect the health or safety of residents, neighbors, or nearby businesses by creating dust, glare, heat, noise, noxious gasses, odor, smoke, traffic, vibration, or other impacts, or be hazardous due to use or storage of materials, processes, products or wastes associated with the cultivation of medical marijuana.
- ❖ The indoor residential cultivation of medical marijuana must comply with all applicable state and county laws, including fire and building codes.
- ❖ A waterproof membrane or other waterproof barrier shall be installed in the cultivation area or beneath individual plants to protect the floor of the indoor cultivation area from water damage.

As the Council is aware, pursuant to Chapter 5.35 of the Rio Dell Municipal Code (RDMC), dispensaries are prohibited in the City. In addition, the recently adopted Commercial Medical Cannabis regulations are consistent with Chapter 5.35 of the RDMC in that dispensaries are not an allowed cannabis activity.

Adult Use of Marijuana Act (AUMA), Proposition 64: As the Council is aware Proposition 64, the Adult Use of Marijuana Act (AUMA) was approved and became effective November 9, 2016. AUMA legalizes the use of recreational marijuana and creates a State regulatory and licensing system for commercial cultivation, testing, manufacturing and distribution of nonmedical marijuana. The State expects to begin issuing commercial licenses January 1st 2018.

The League of California Cities published a Frequently Asked Questions (FAQ's) regarding the Adult Use of Marijuana Act (AUMA), Proposition 64. Although not a complete summary it does address a number of key points within AUMA. The League's document is included as Attachment 1. Below is a summary of some of the key points:

Personal Use

- ❖ Legalizes the nonmedical use of marijuana by persons 21 years of age and older. 11362.1 H&SC.
- ❖ Allows persons to possess, process, transport, purchase obtain or giveaway up to 28.5 grams of marijuana and up to 8 grams of concentrated marijuana. 11362.1 H&SC.
- ❖ No smoking in a public place (except where authorized locally). 11362.3 H&SC.
- ❖ No smoking where smoking tobacco is prohibited. 11362.3 H&SC.
- ❖ No smoking within 1000 feet of a school, day care center or youth center when children are present (except in one's home or yard when not visible from a public place). 11362.3 H&SC.
- ❖ Cannot possess an open container or open package of marijuana or marijuana products while driving, operating or riding in the passenger seat of a motor vehicle, boat, vessel, aircraft or other vehicle used for transportation. 11362.3 H&SC.
- ❖ Cannot smoke or ingest marijuana or marijuana products while driving, operating or riding in the passenger seat of a motor vehicle, boat, vessel, aircraft or other vehicle used for transportation. 11362.3 H&SC.
- ❖ Cities may prohibit smoking and possession on property owned, in buildings owned, leased or occupied by the city. 11362.45 H&SC
- ❖ A landlord may prohibit or restrict personal possession, smoking and cultivation. 11362.45 H&SC
- ❖ Employers may maintain drug-free workplaces.

Personal Cultivation

- ❖ Allows persons to cultivate six (6) marijuana plants.
- ❖ Local governments may "reasonably regulate" but not prohibit "indoor" cultivation. Indoor cultivation includes a greenhouse or other detached accessory.

- ❖ Local governments may ban outdoor cultivation, but those that do will not be eligible for grants.
- ❖ Plants grown outdoors may not be visible by normal unaided visions from a public place.
- ❖ Marijuana in excess of 28.5 grams must be kept in a locked space within the person's private residence.
- ❖ Local governments can require a permit process with an appropriate fee to ensure compliance with the various building codes, including the fire code. In addition a permit process could require periodic inspections upon appropriate notice.

Commercial Marijuana Activities

- ❖ Allows local government to prohibit (ban) or regulate and license commercial nonmedical marijuana.
- ❖ The State expects to begin issuing commercial licenses January 1st 2018.
- ❖ The State cannot issue a license if it would violate the provisions of any local ordinance or regulation.
- ❖ The City either needs to ban commercial marijuana activities or adopt regulations allowing them before January 1st, 2018.

Excise and Sales Taxes

- ❖ Proposition 64 adds a State excise tax of 15% at the retail end. It also adds a State excise tax on cultivation of \$9.25 an ounce for flowers and \$2.75 an ounce for leaf. Both of these taxes become effective January 1st, 2018.

Applies to non-medical only

Sales and Use Tax

Trans&Use(Tovaries)
City* 1.00%
County Transit 0.25%
Prop 13 0.50%
County Reg. igh
m 1.50%
State General
Fund 0.9275%

**7.25%+
retail price**

Effective November 9, 2016

Applies to medical and non-medical

State Marijuana Excise Tax

**15%
gross receipts
of retail sale**

State Cultivation Taxes

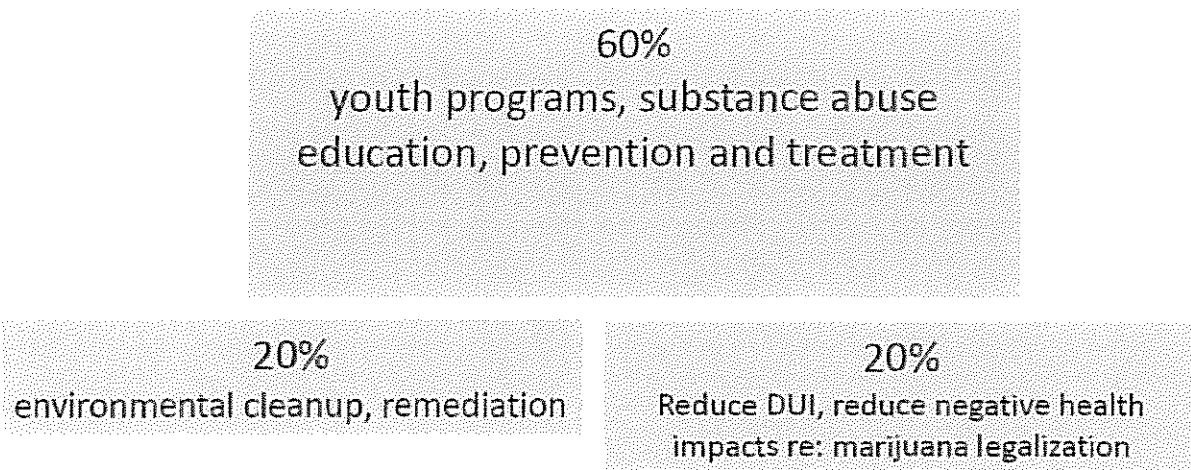
**\$9.25/oz flowers
\$2.75/oz leaves**

Effective January 1, 2018

- ❖ The revenue generated from the excise taxes will be allocated as follows. Please note that the 20% of the taxes allocated to reduce DUI's, reduce negative health impacts regarding legalization will be available to local governments in the form of grants. *However, the jurisdictions that ban outdoor cultivation and/or retail sales are not eligible for the grant funds.*

Allocation* of State Excise Taxes on Marijuana under Proposition 64

*may be altered by majority vote of the Legislature after 2027



- ❖ Marijuana cultivated for personal use is exempt from the cultivation tax.
- ❖ Medical marijuana is exempt from State and local sales taxes.

Attachments

Attachment 1: The League of California Cities "Frequently Asked Questions (FAQ's) regarding the Adult Use of Marijuana Act (AUMA), Proposition 64".

January 9, 2017



Frequently Asked Questions (FAQs)

Adult Use of Marijuana Act¹

Proposition 64

Question#1: When does the AUMA take effect?

Answer: The AUMA took effect November 9, 2016, the day after the election. But note, the AUMA requires a state license to engage in commercial nonmedical marijuana activity. Licensing authorities are required to begin issuing licenses by January 1, 2018 and the League anticipates that the issuance of licenses will not occur much in advance of January 1, 2018. Thus, the AUMA provisions legalizing commercial nonmedical marijuana activity will not become operational until the state begins issuing licenses (likely in late-2017). The AUMA provisions legalizing personal use and cultivation of nonmedical marijuana took effect November 9, 2016.

Question #2: Can private individuals cultivate nonmedical marijuana at home beginning November 9, 2016?

Answer: Yes, within a private residence by a person 21 years and older for personal use. The AUMA provides that local governments can reasonably regulate, but cannot ban the personal indoor cultivation of up to six nonmedical marijuana plants per private residence. This includes cultivation in a greenhouse that is on the property of the residence but not physically part of the home, as long as it is fully enclosed, secure, and not visible from a public space. Because this activity is not subject to state licensing requirements, individuals may engage in personal indoor cultivation beginning November 9, 2016, unless a city enacts an ordinance imposing a reasonable regulatory scheme that would preclude them from doing so before complying with the city's regulatory requirements.

Local governments may regulate or ban all personal outdoor cultivation. However, the AUMA includes language purporting to repeal any ordinance that bans personal outdoor

¹ Please consult your City Attorney before taking action to implement the AUMA. The answers to these FAQs may be different in your city based upon your municipal code, regulations, and policies. The answers do not constitute legal advice from the League of California Cities®.

cultivation upon the California Attorney General's determination that nonmedical use of marijuana is lawful under federal law.

Question #3: Is there a limitation on the number of marijuana plants that can be cultivated within a single residence?

Answer: Yes. Not more than six living plants may be planted, cultivated, harvested, dried, or processed within a single private residence, or upon the grounds of that private residence, at one time. A "residence" is defined as a house, an apartment unit, a mobile home, or other similar dwelling. No matter how many persons over 21 years of age are living in a "residence," only 6 living plants may be cultivated at one time. (Health & Safety § 11362.2(b)(3).)

Question #4: Can a landlord ban the cultivation/smoking of marijuana on his or her property?

Answer: Yes. An individual or private entity may prohibit or restrict personal possession, smoking, and cultivation of marijuana on the individual's or entity's privately owned property. A state or local government agency also may prohibit or restrict such activities on property owned, leased, or occupied by the state or local government. (Health & Safety §§ 11362.45(g) and (h).)

Question # 5: Can a city ban personal indoor cultivation in all leased or multi-unit residences within the city?

Answer: No. A city cannot prohibit personal indoor cultivation of marijuana in all leased or multi-unit residences within the city. However, because cities may reasonably regulate personal indoor cultivation, a city might be able to condition permit approval for personal indoor cultivation in a leased residence on the applicant receiving permission from his or her landlord.

Question # 6: Does a city's ban on commercial cultivation, personal outdoor cultivation, or retail sales of marijuana or marijuana products make it ineligible for state grant monies for law enforcement, fire protection, or other local programs addressing public health and safety associated with the implementation of Prop 64?

Answer: Yes. If a city bans commercial cultivation, or personal outdoor cultivation, or retail sales of marijuana or marijuana products, it is ineligible to receive state grant monies funded through the new state excise taxes that take effect on January 1, 2018. (Revenue and Taxation Code § 34019(e)(3)(D).)

Question #7: What does the AUMA say about possession, transporting, purchasing or giving away of non-medical marijuana?

Answer: A person 21 years of age or older may possess, process, transport, purchase or give away to persons 21 years of age or older not more than 28.5 grams of marijuana in the non-concentrated form and not more than 8 grams of marijuana in a concentrated

form including marijuana products. If the AUMA passes, these activities will be lawful under state law and cannot be prohibited under local law.

Question #8: Do cities that ban or regulate medical marijuana businesses need to update their ordinances to include nonmedical marijuana?

Answer: Yes. The AUMA prohibits state licensing authorities from issuing a license to a commercial nonmedical marijuana business if operation of the business violates a local ordinance of the jurisdiction in which the business will operate. This means that a city wishing to adopt business or land use regulations prohibiting or regulating commercial nonmedical marijuana businesses must adopt an ordinance prior to the date the state begins issuing licenses, which the League anticipates will be in late 2017.²

Question #9: Can cities be confident that a permissive zoning code, by itself, provides sufficient protection against nonmedical marijuana businesses setting up shop without local approval?

Answer: No. It is unlikely that cities will succeed in arguing that nonmedical marijuana land uses are prohibited by permissive zoning codes under the AUMA, because the AUMA does not contain the same protective language as the MMRSA with respect to permissive zoning. Therefore, cities that wish to ban all or some nonmedical marijuana activities should adopt express prohibitions, even if they operate under a permissive zoning code.

Question #10: Are cities at risk of losing the opportunity to impose bans on personal outdoor cultivation if they don't act until after the November election?

Answer: No. A city may adopt an ordinance banning or regulating personal outdoor cultivation at any time.

Question #11: Are cities at risk of losing the opportunity to impose bans on nonmedical marijuana businesses, if they don't act until after the November election?

Answer: No. However, if a city does not adopt an ordinance expressly banning or regulating nonmedical marijuana businesses before the state begins issuing state licenses nonmedical businesses, a state-licensed nonmedical marijuana business will be able to operate within its jurisdiction without local permission or permitting. This is due to a provision in the AUMA that provides that state licenses cannot be issued where the activity would violate a local ordinance. If a jurisdiction has no ordinance regulating nonmedical marijuana businesses, then the local regulatory scheme is silent on that type of activity, and the state can unilaterally issue a license under terms fully compliant with the AUMA. Cities may adopt an ordinance expressly banning or regulating such operations after the state begins to issue licenses, but it will be difficult to terminate the state licensee's operations until the state license is up for renewal. Therefore, the best practice is to adopt an ordinance before the state begins issuing state licenses.

² Please see Question #8 regarding the use of public roads for transportation and delivery.

Question #12: Can cities ban deliveries under the AUMA?

Answer: Yes. Cities can ban deliveries within their territorial limits. However, cities cannot prevent the use of public roads for the delivery of marijuana. For example, if a licensed delivery company located in City A must travel on public roads through City B to make an authorized delivery in City C, City B cannot prohibit the licensed delivery company from travelling on public roads in City B to get to City C. In addition, cities may not prevent the use of public roads within its jurisdiction to transport nonmedical marijuana.

Question #13: What is the best way for cities to notify the state licensing agencies of their local ordinances that regulate and/or prohibit commercial non-medical marijuana activities within their jurisdictions?

Answer: Unless the state licensing agencies indicate otherwise, cities should mail copies of their local ordinances that regulate or prohibit commercial nonmedical marijuana activities within their jurisdictions to the Department of Consumer Affairs, the Department of Food and Agriculture, and the Department of Public Health. Cities should regularly check each Department's website to ensure that this practice complies with any regulations the Departments may pass regarding notice of local ordinances. In addition, Cities should ensure that any updates or amendments to local ordinances that regulate or prohibit commercial nonmedical marijuana activities are promptly submitted to each Department.

Question #14: What are the rules regarding taxation under the AUMA? Is it true that marijuana can no longer be subject to sales tax?

Answer: Under the AUMA, there is a 15% state excise tax on *recreational* marijuana, but *medical* marijuana is exempt from state and local sales tax altogether. The rationale is that marijuana consumed for truly medical purposes is no different from conventional pharmaceuticals, which are also exempt from federal, state, and local sales tax. However, other forms of excise tax may be levied on all marijuana, whether medical or recreational. For example, a cultivation tax, a manufacturing tax, or the most common, a business license tax may still be levied at the local level on any commercial marijuana activity. But note, because the AUMA levies a state excise tax of 15% on recreational marijuana, all local governments have reason to be concerned about the cumulative tax rate when local tax levies are added to that. For that reason, locals are encouraged to look at existing local taxes and to assess what marijuana-related revenue streams may be derived from those sources before levying additional taxes that are specific to marijuana.




675 Wildwood Avenue
Rio Dell, CA 95562
(707) 764-3532
(707) 764-5480 (fax)
E-mail: cm@riodellcity.com

City of Rio Dell
Staff Report
City Council Agenda
March 7, 2017

To: Honorable Mayor Wilson and Members of the City Council

Through: Kyle Knopp, City Manager

From: Graham Hill, Chief of Police 

Date: March 7, 2017

Subject: Resolution 1324-2017 Budget Amendment for SLESF Funds to Purchase Police Vehicles

RECOMMENDATION

It is recommended that the City Council approve Resolution No. 1324-2017 amending the Operating and Capital budget for \$20,000 in SLESF funds to go towards the purchase of two police vehicles.

BACKGROUND

Originally, \$20,000 in funding from USDA's Community Facilities Grant was anticipated to go towards the purchase of two (2) police vehicles. However, staff has become aware that total USDA funding for the Community Facilities Grant is limited to \$100,000 state-wide. The grant application has been submitted and is pending. USDA funding is prioritized based on immediate needs, which places Rio Dell as a lower priority than other jurisdictions.

The total cost of the vehicles is \$66,747. Allocations of \$40,000 from the General Fund and \$7,000 from the Realignment Grant fund have already been approved by Council. An additional \$20,000 in SLESF funds is being requested in order that the Police Department purchase new vehicles as soon as possible for reasons of Public and Officer safety.

SLESF funding is a non-competitive grant to augment public safety expenditures. Cities are guaranteed a minimum grant award of \$100,000 annually. Last year the City received an additional \$43,942 in SLESF funds due to pre-existing legislation which became effective during the 2015/16 fiscal year.

SLESF funds must be used exclusively for frontline municipal police services and must supplement, and not supplant, existing funding. Funds are meant to be spent "in accordance with written requests

submitted by Chief of Police...” The City spends down these funds each year to pay for an additional officer in the Police Department since grant funds must be spent or encumbered by the year following receipt. Last year’s receipt of additional SLESF funds means that the City must expend or encumber the anticipated remaining amount of \$30,000 by June 30, 2017.

Staff is requesting that \$20,000 in SLESF funds be allocated to pay the remaining amount needed to purchase two police cruisers.

BUDGETARY IMPACT

The SLESF fund balance of \$30,000 needs to be expended by June 30, 2017. The approval of Resolution 1324-2017 will reduce that amount by \$20,000.



**RESOLUTION NO. 1324-2017
A RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF RIO DELL
BUDGET AMENDMENT FOR SLESF FUNDS
FOR THE PURCHASE OF POLICE VEHICLES**

WHEREAS, the City adopted Resolution 1288-2016 establishing the City's Operating and Capital Budget for the Fiscal-Year 2016/17; and

WHEREAS, the City has approved and adopted its 2016/17 fiscal year Operating and Capital Budget and identified an additional transfer that should be included to update the 2016/17 fiscal-year budget; and

NOW THEREFORE BE IT RESOLVED, that the City of Rio Dell City Council does hereby amend the City of Rio Dell 2016/17 Operating and Capital Budget with the following transaction:

Transfer an additional amount of \$20,000 from the SLESF fund amending the Capital Project budget to go towards the purchase two (2) police vehicles.

<u>FUND</u>	<u>AMOUNT</u>
040 SLESF Reserves	\$ 20,000

PASSED AND ADOPTED by the City Council of the Rio Dell on this 7th day of March, 2017 by the following vote:

- Ayes:
- Noes:
- Abstain:
- Absent:

Frank Wilson, Mayor

ATTEST:

Karen Dunham, City Clerk



675 Wildwood Avenue
Rio Dell, CA 95562
(707) 764-3532
(707) 764-5480 (fax)
E-mail: cm@riodellcity.com

CITY OF RIO DELL
STAFF REPORT
CITY COUNCIL AGENDA
March 7, 2017

TO: Mayor and Members of the City Council

THROUGH: Kyle Knopp, City Manager *JK*

FROM: Brooke Woodcox, Finance Director *BW*

DATE: March 7, 2017

SUBJECT: Adopt Resolution 1326-2017 Budget Amendment for \$15,503 and Authorize City Manager to Sign Contract with Pacific EcoRisk (PER) Environmental Consulting and Testing for Toxicity Reduction Evaluation (TRE) Services and TRE Action Plan

RECOMMENDATIONS

1. Adopt Resolution 1326-2017 Wastewater Operating Fund Budget Amendment increasing appropriations for \$15,503
2. Authorize City Manager to sign contract to engage consulting services of Pacific EcoRisk for TRE Work Plan and TRE Action Plan

BACKGROUND AND DISCUSSION

The City is required to have a TRE Work Plan in place for its wastewater system. The City Manager requires authorization to enter into contract for services with PER for an Administrative Draft TRE Work Plan and Action Plan. Pacific EcoRisk will prepare a TRE Work Plan consistent with the City's current NPDES permit. The Work Plan is scheduled for adoption by the North Coast Regional Water Quality Control Board. In addition, Pacific EcoRisk will develop an action plan that gives general actions and scheduled implementations that the City can utilize to take control of toxicity and prevent recurrence.

FISCAL IMPACT

Increase appropriations for the Wastewater Operating Fund (050) for \$15,530.

Attachment

Resolution 1326-2017 Budget Amendment



**RESOLUTION NO. 1326-2017
A RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF RIO DELL FOR A TRANSFER OF
RESERVE AMOUNTS AMENDING
THE OPERATING BUDGET
FOR THE FISCAL-YEAR 2016-2017**

WHEREAS, the City adopted Resolution 1288-2016 establishing the City's Operating and Capital Budget for the Fiscal-Year 2016/17; and

WHEREAS, the City has approved and adopted its 2016/17 fiscal year Operating and Capital Budget and identified additional transfers that should be included to update the 2016/17 fiscal-year budget; and

NOW THEREFORE BE IT RESOLVED, that the City of Rio Dell City Council does hereby amend the City of Rio Dell 2016/17 Operating and Capital Budget with the following transactions:

INCREASE EXPENDITURES	\$15,503	WASTEWATER OPERATING FUND 050
		<i>Toxicity Reduction Evaluation (TRE) Work Plan And TRE Action Plan</i>

PASSED AND ADOPTED by the City Council of the Rio Dell on this 7th day of March, 2017 by the following vote:

- Ayes:
- Noes:
- Abstain:
- Absent:

Frank Wilson, Mayor

ATTEST:

Karen Dunham, City Clerk

Mr. Cameron Yaple
City of Rio Dell
675 Wildwood Avenue
Rio Dell, CA 95562

February 22, 2017

RE: Proposal for TRE Services Related to the Rio Dell Wastewater Treatment Plant

Mr. Yaple

Please accept this proposal and cost estimate associated with providing Toxicity Reduction Evaluation (TRE) services. Consistent with your communication with Cathy Goodwin of the North Coast Regional Board, this proposal includes preparation of a TRE Work Plan in addition to the simultaneous preparation of a TRE Action Plan. The scope of work for this proposal is as follows:

Task 1: Preparation of TRE Work Plan

Pacific EcoRisk (PER) will prepare a TRE Work Plan consistent with §IV.C.2.a.ii of the City's current NPDES permit. While the TRE Work Plan will be prepared to meet the specifications of the City's current permit, details pertaining to whole effluent toxicity (WET) testing procedures, frequency, statistical procedures, etc. will be prepared consistent with the City's Tentative Order which is scheduled for adoption at the North Coast Regional Board's March 8 board meeting. The TRE Work Plan will be prepared consistent with EPA guidance, and will include the following minimum content items specified in the current permit: i) a description of the investigation and evaluation techniques that would be used to identify potential causes and sources of effluent toxicity, ii) a description of methods of maximizing in house treatment efficiency and good housekeeping practices, and iii) identification of who will conduct a Toxicity Identification Evaluation (TIE), should one be necessary. A single round of comment and revision is budgeted for the administrative draft TRE Work Plan.

Deliverables:

- ▶ Administrative Draft TRE Work Plan
- ▶ Final TRE Work Plan

Task 2: Site Visit, Interview, Kick-Off Meeting

Prior to preparation of the TRE Action Plan, PER will conduct a single site visit and initial kick-off meeting at the Rio Dell Wastewater Treatment Plant. Efficient and successful TRE's require close association and communication between parties familiar with collection system, industrial pretreatment (if appropriate), and facility operations. PER's project manager will attend this site visit and meeting. The purpose of the site visit and meeting will be to tour the WWTP, interview collection system, pretreatment program, WWTP operations and engineering staff, and review/observe effluent sample collection and handling procedures first hand so as to develop a "most likely" list of possible causes or contributors to observed effluent toxicity. Information developed at this meeting will be utilized to prepare a TRE Action Plan (Task 3). This brief report will be prepared for the North Coast Water Board, and will summarize the City's future planned investigative actions, addressing all content requirements specified in the City's current NPDES permit.

Task 3: Initial Facility Performance Evaluation and TRE Action Plan

PER will prepare a draft TRE Action Plan for the City's review and comment. Consistent with the City's current NPDES permit, this report will include: i) specific actions the City will take to investigate and identify the causes of toxicity (including a review of existing data and a facility performance evaluation), ii) a TRE WET monitoring schedule, iii) general actions the City will take to control toxicity and prevent its recurrence (to the extent they can be identified at this early stage of the TRE), and d) a schedule for implementation of these actions. In preparation of this report, PER will utilize all information and data obtained through the site visit and kick-off meeting to plan and document strategies for the TRE investigation (i.e., initial facility performance evaluation). A single round of comment and revision is budgeted for the administrative draft TRE Action Plan.

Deliverables:

- ▶ Administrative Draft TRE Action Plan
- ▶ Final TRE Action Plan

Schedule

PER can initiate professional services associated with the tasks above upon receipt of written authorization to proceed. We recommend that Task 1 be initiated after adoption of the City's Tentative Order on March 8 so that the prepared TRE Work Plan will reflect the final adopted permit language as it pertains to WET testing and TRE initiation. In addition, we recommend that Task 2 be accomplished as soon as possible after formal triggering of a TRE (i.e., observation of toxicity in accelerated monitoring), and preferably within 10 business days of the laboratories formal notification of observed toxicity. This way information gathered under this task may be timely incorporated into the TRE Action Plan, and within the 30-day submission deadline specified in the City's current NPDES permit.

Costs and Contracting Arrangement

PER recommends a time and materials contract or purchase order not to exceed \$15,503 without written authorization or augmentation. A detailed cost estimate is included as Attachment 1. PER would invoice monthly for all work activities completed in the prior month.

PER can also prepare a TRE Final Report, which would be prepared upon conclusion of the TRE. The TRE Final Report would summarize all TRE activities undertaken, and would provide evidence that toxicity has been eliminated or that a mitigation strategy has been identified (in the case the source of toxicity is identified). Because the TRE is just beginning, it is difficult to provide an accurate estimate of costs related to the TRE Final Report. PER recommends that a separate cost estimate be prepared prior to preparation of the TRE Final Report.

Please note that this scope of work and cost estimate does not include any TRE related WET testing or need for ongoing consulting services after completion of the TRE Action Plan. The outcome of the initial facility performance evaluation may recommend a schedule of WET testing, including TIE, and/or suggest a need for additional consulting, at which point PER can provide a separate scope of work and cost estimate.



Please feel free to contact me if you have any questions regarding this scope of work and cost estimate. For your reference, I have included my resume and references as Attachments 2 and 3. I look forward to working with you and your staff.

Sincerely,

Digitally signed
by Brant
Jorgenson
Date: 2017.02.22
08:35:11 -08'00'

Brant Jorgenson, Ph.D.
Senior Project Manager

- Attachment 1: Detailed Cost Estimate
- Attachment 2: Resume
- Attachment 3: References

ATTACHMENT 1

Service	Quantity	Unit	Unit Fee	Net Fee
Rio Dell WWTP - TRE Services				
<i>Task 1: Prepare TRE Work Plan</i>				
TRE Work Plan	1	ea.	\$5,000	\$5,000
<i>Task 2: Site Visit, Interview, Kick-off Meeting</i>				
Brant Jorgenson	14	hrs.	\$196	\$2,744
Meals & Lodging	1	ea.	\$175	\$175
Mileage	575	mile	\$0.535	\$308
<i>Task 3: Initial Facility Performance Evaluation and TRE Action Plan</i>				
Senior Scientist	30	hrs.	\$138	\$4,140
Brant Jorgenson	16	hrs.	\$196	\$3,136
			Total	\$15,503

Brant C. Jorgenson
Senior Project Manager

Areas of Expertise

- Analytical and Environmental Chemistry
- Water/Sediment Quality Studies
- Contaminant Fate and Transport
- Toxicity Reduction Evaluations
- NPDES/WDR Negotiation & Compliance
- Stormwater Monitoring and Management

Education

**Ph.D. Agricultural & Environmental
Chemistry (Civil & Environmental
Engineering Department)**

University of California, Davis, CA

B.S. Environmental Toxicology

University of California, Davis, CA

Professional History

Senior Project Manager

PACIFIC ECORISK

Fairfield, CA

2014-Present

Environmental Chemist

ROBERTSON-BRYAN, INC.

Elk Grove, CA

2005-2014

Project Scientist

JONES & STOKES ASSOCIATES

Sacramento, CA

1998-2001

Project Scientist

ENVIRONMENTAL SCIENCE ASSOCIATES

Sacramento, CA

1995-1998

Dr. Brant Jorgenson is an environmental chemist with a specialty in analytical chemistry. His consulting experience spans 17 years in water quality analysis, sediment characterization and dredging, toxicity reduction evaluations, and stormwater management, as well as NPDES and WDR negotiation, compliance and monitoring. As a consulting environmental chemist, Dr. Jorgenson has provided technical and project management assistance for a variety of effluent and ambient water quality projects ranging from effluent quality characterizations to contaminant fate and transport studies. He has assisted clients in the negotiation of new NPDES permits, the development of Toxicity Identification Evaluation (TIEs) and Toxicity Reduction Evaluations (TREs) strategies as well as the preparation of TRE workplans and Action plans, and development of site-specific criteria using the Biotic Ligand Model and Water Effect Ratio (WER) studies. Dr. Jorgenson has represented clients in the development of new water resource policy, such as Basin Plan Amendments, TMDLs, and pesticide criteria development, including most recently Basin Plan Amendments for chlorpyrifos and diazinon in the Central Valley of California, as well as TMDL and waste load allocation targets for several pyrethroid insecticides and the herbicide diuron.

Dr. Jorgenson has published in scientific journals on the topic of fate and transport of pyrethroid insecticides applied to urban and suburban landscapes. His research on the topic was instrumental in informing the California Department of Pesticide Regulation's pyrethroid registration re-evaluation process, ending with promulgation of new surface water protection rules targeted at structural and landscape pest control practices.



ATTACHMENT 3

Project Name	NPDES Acute and Chronic Toxicity Testing and Toxicity Reduction Evaluation (TRE)	
Client	City of Ukiah	
Description of Work Performed	<p>NPDES chronic toxicity evaluations of effluent produced by the Ukiah Wastewater Treatment Plant using:</p> <ul style="list-style-type: none"> • the EPA acute toxicity test with rainbow trout; • the EPA chronic toxicity test with <i>Selenastrum capricornutum</i>; • the EPA chronic toxicity test with <i>Ceriodaphnia dubia</i>; and • the EPA chronic toxicity test with fathead minnows. <p>As part of a recently concluded TRE, Pacific EcoRisk reviewed Ukiah's historical data and performed a site inspection, and then successfully identified a polymer used as part of Ukiah's treatment processes as the cause of toxicity to <i>Ceriodaphnia dubia</i>.</p>	
Period of Work	2007 - present	
Client Contact Info	Joan Kelly P: (707) 467-2818 E: jkelly@cityofukiah.com	Andrew (Andy) Luke P: (707) 467-2818 E: aluke@cityofukiah.com


Project Name	NPDES Chronic Toxicity Testing and Toxicity Reduction Evaluation (TRE)	
Client	City of Manteca	
Description of Work Performed	<p>NPDES chronic toxicity evaluations of effluent produced by the Manteca Wastewater Treatment Plant:</p> <ul style="list-style-type: none"> • the EPA acute toxicity test with fathead minnow; • the EPA chronic toxicity test with <i>Selenastrum capricornutum</i>; • the EPA chronic toxicity test with <i>Ceriodaphnia dubia</i>; and • the EPA chronic toxicity test with fathead minnows. <p>During the period of service to Merced, Pacific EcoRisk has assisted with two TREs, including preparation of TRE Action Plans, TIE, and TRE Final Reports. Pacific EcoRisk similarly assisted with negotiation of the discontinuation of use of receiving water as control and diluent with the Regional Board. Use of receiving water was confounding test interpretation and leading to false identification of effluent toxicity due to the biostimulatory response of the receiving water control.</p>	
Period of Work	2002 - present	
Client Contact Info	Heather Grove P: (209) 456-8473 E: hgrove@ci.manteca.ca.us	

Rio Dell City Hall
675 Wildwood Avenue
Rio Dell, CA 95562
(707) 764-3532
riodellcity.com



March 7, 2017

TO: Rio Dell City Council

FROM: Kyle Knopp, City Manager 

SUBJECT: Introduction and First Reading of Ordinance No. 354-2016, Cannabis Business Tax (CBT), Creating Chapter 5.40 of Title V of the Rio Dell Municipal Code.

IT IS RECOMMENDED THAT THE CITY COUNCIL:

1. Introduce Ordinance No. 354-2016 establishing Chapter 5.4 of Title V of the Rio Dell Municipal Code relating to Cannabis Business Taxation.
2. Receive Staff's report regarding the recommended chapter; and
3. Open the public hearing, receive public input and deliberate; and
4. Direct staff to make any recommended changes and return on March 21, 2017 with a Resolution submitting the Ordinance to the Board of Supervisors for consolidation with the November 7, 2017 General Election.

BACKGROUND AND DISCUSSION

In November of 1996 California voters passed Proposition 215 making it legal for individuals to cultivate and possess marijuana in the state for medical purposes only, specifically with a recommendation from a licensed physician. Criticism of Proposition 215 has been steadily growing over the last 20 years as the State failed to create a regulatory framework to address the complex issues surrounding marijuana, some of which include: environmental impacts, product safety, prescription abuse, local control, transportation and taxation.

In October of 2015, Governor Jerry Brown signed the "Medical Marijuana Safety and Regulation Act" (MMRSA) into law. The Act was composed of three bills, AB 266 (Bonta), SB643 (McGuire) and AB 243 (Wood) which began creation of a substantive regulatory framework for medical cannabis in California. Among the many clarifications contained within MMRSA, the law clearly reinforces the ability to tax medical cannabis on a local level.

On November 8, 2016 the voters of California passed proposition 64 which legalized non-medical marijuana and established a tax structure for marijuana and the State government.

Proposition 64 also affirmed the ability of local governments to establish taxes for commercial activities.

On February 21, 2017 the City council discussed an agenda item relating to the timeline for a potential cannabis tax measure to be submitted to the voters. This came after two agenda items in 2016 failed to garner the necessary 4/5th vote to refer the matter to the voters.

The November 8, 2016 general election ballot did contain Advisory Measure T which asked the voters the following question: *“Should the City of Rio Dell, by the necessary and appropriate action, permit commercial cannabis business activity, including cannabis cultivation, testing, processing and sales, within the area of the City that is located to the north of the Eel River and commonly referred to as the Sawmill Annexation Area if that activity is subject to local taxation?”* Measure T passed by 53.41% to 46.59%.

The attached proposed ordinance, No. 354-2017 is similar to the prior tax proposal from 2016. The proposal attempts to maximize flexibility for the City in terms of administration of the tax and also the level of taxation. It creates two types of taxes, one for cultivation based upon square footage, and one for all other activities based upon gross receipts.

Policy questions for tax Ordinance proposal:

- ▶ General Tax or Specific Tax?
 - Ordinance 354-2017 is a General Tax
- ▶ Type of Tax: Business Tax, Excise Tax, Square Foot Tax, or a mix?
 - The Ordinance encompasses all aspects of Cannabis (Cultivation, Manufacturing, Dispensing etc.) through a Business Tax that includes a square foot tax for cultivation and a percentage of gross receipts for all other types of cannabis business.
- ▶ Flexibility of the tax?
 - The range for cultivation is recommended to be set at up to \$5.00 per square foot. The rate could only be altered once per year and only by a maximum of 1/5th of the \$5.00 maximum in each year.

The range for all other cannabis related commercial activities is recommended to be set at 10% of gross receipts. This rate could only be altered once per year and only by a maximum of 1/5th of the maximum rate in each year.
- ▶ What tax level?
 - The initial tax rate is recommended to be set at \$2.00 per square foot for cultivation and 2% of gross receipts for all other commercial activities. These rates could be changed by future ordinance, or the creation of subcategories that would be taxed at different rates.
- ▶ Duration of the tax?

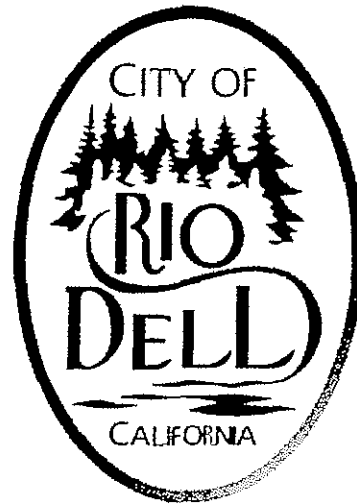
- The proposal contains no sunset provision.
- ▶ What are we taxing? “Medical Only” or “Medical and Recreational” or just “Cannabis”
 - The proposal covers “Cannabis” wherein subcategories can be established by ordinance and taxed at a rate up to 10%. For example, a category called “Medical Cannabis” could be created and taxed at 7% while a category called “Non-Medical” cannabis could be created and taxed at 10%.

ATTACHMENT:

DRAFT Ordinance No. 354-2017 – “Rio Dell Cannabis Business Tax (CBT)”, Creating Chapter 5.40 of the Rio Dell Municipal Code

///

Medical Cannabis Tax Measure



Overview

- How much money does the City receive from marijuana today?
 - None. We continue to bear the cost of regulation at this point in time.
- Who gets taxed?
 - Cultivators, manufacturers, testers and dispensers of marijuana. Anyone involved in the commercial business and legally engaged in the activity within Rio Dell.

Overview

- ▶ What is the State's taxing structure under recently passed law?
 - Under The Adult Use of Marijuana Act:
 - 15% sales tax + \$9.25 per ounce of flower and \$2.75 per ounce of leaves.
 - Restricts corporate / large scale licensee's until 2022
 - Allows local governments to tax.

Overview

- ▶ What is the State's fee structure?
 - Regulatory fees established by: Bureau of Medical Marijuana, California Department of Public Health, California Department of Food and Agriculture, State Water Resources Control Board, Department of Pesticide Regulation etc.
 - Local fees: Initial application fee of \$2,500.00 and annual operating fee of \$4,000.00 plus more.

Overview

- ▶ What are the unknowns?
 - State regulatory scheme still unfolding.
 - Possible Federal policy changes towards marijuana, most likely non-medical marijuana.
 - Exact size and scope of local developments - no permit applications filed yet.

- ▶ On February 21, 2017 the Council moved toward a General Tax that would appear on the November 7, 2017 General Election ballot.

Other Regional Taxes

- ▶ Humboldt County
 - Tax is cultivation only, from \$1.00 to \$3.00 per square foot adjusted by inflation.
- ▶ Mendocino County
 - 2.5% of gross receipts with \$1,250.00 minimum. Adjustable up to 10% of gross receipts, in 2.5% increments (i.e. 2.5% in year one can become 5% in year two, 7.5% in year 3 and up to 10% in year 4.)
 - Dispensaries: 5% up to 10% of gross receipts using the 2.5% adjustment method.
 - All other types: Flat rate of \$2,500 annually, adjusted for inflation.

Other Regional Taxes

- ▶ Sonoma County
 - Cultivation: Outdoor up to 10\$ /Sq. Ft.,
Mixed light up to \$22/sw. Ft.,
Indoor up to \$38 /sq. ft.
 - All cultivation rates are expected to start at less than half these amounts.
 - All other types are taxed up to 10% of gross receipts, starting at 5% for manufacturers and 0% for all others.

Other Regional Taxes

- ▶ Lake County
 - \$1.00 per square foot for outdoor cultivation, \$2.00 per square foot for mixed-light cultivation, and \$3.00 per square foot for indoor cultivation.
- ▶ City of Point Arena
 - 7 percent for non-medical. 3 percent for medical. All activities.
- ▶ City of Cloverdale
 - Up to 10 percent on all activities.

Balanced Approach

- The State will take the lions share of revenue.
- Local governments will need to set reasonable tax rates that keep the legal industry competitive, and therefore, help drive the black market away.
- Compared to other cities, Rio Dell will likely have a large cultivation component.

5.40.250 Tax Amount

- Cultivation: Tax can be set between \$0.00 and \$5.00 per square foot as set forth in approved permit. Initial rate set at \$2.00 per square foot. Rate can only be adjusted once annually, and only by a maximum of 1/5th of the top rate (\$1.00 per square foot per year).

5.40.250 Tax Amount

- ▶ All other marijuana activity: Up to 10% of gross receipts enforced through audits and track & trace vendor. Initial rate set at 2%. Rate can be adjusted once annually and only by 1/5th of the maximum allowable rate (2% of gross receipts per year).

DRAFT Ordinance No. 354-2017

ORDINANCE ADDING CHAPTER 5.40 TO TITLE 5 OF THE RIO DELL MUNICIPAL
CODE AND CREATING A NEW BUSINESS TAX FOR COMMERCIAL CANNABIS
BUSINESS

The people of the City of Rio Dell do ordain as follows:

Section 1. The Rio Dell Municipal Code is hereby amended to add sections as set forth below.

Section 2. Code Amendment. Title 5 of the Rio Dell Municipal Code is hereby amended adding Chapter 5.40 to read as follows:

Chapter 5.40 - CANNABIS BUSINESS TAX

Part 1 - Purpose and Definitions

5.40.010 - Purpose of chapter.

This chapter is enacted solely to raise revenue for municipal purposes and is not intended for regulation.

5.40.020 - Definitions.

The definitions set forth in this part shall govern the application and interpretation of this chapter.

5.40.030 - Business.

The term "business" shall include all activities engaged in or caused to be engaged in within the City including any commercial or industrial enterprise, trade, profession, occupation, vocation, calling, or livelihood whether or not carried on for gain or profit, but shall not include, the services rendered by an employee to his or her employer.

5.40.040 - Business license.

"Business license" means the license issued by the City to the taxpayer upon completion of the business license application and payment of the tax prescribed by Chapter 5.05.

5.40.050 - Director.

"Director" means the Director of the Finance Department of the City or, if the Director of the finance department position is vacant or the Director is incapacitated or otherwise unavailable, such other Director designated by the City Manager to administer this chapter.

5.40.060 - Employee.

"Employee" means each and every person engaged in the operation or conduct of any business, whether as owner, member of the owner's family, partner, associate, agent, manager or solicitor, and each and every other person employed or working in such business for a wage, salary, commission or room and board or as a volunteer.

5.40.070 - Engaged in business.

- A. "Engaged in business" means the commencing, conducting, operating, managing or carrying on of a cannabis cultivation business or other cannabis business and the exercise of corporate or franchise powers, whether done as owner, or by means of an officer, agent, manager, employee, or otherwise, whether operating from a fixed location in the City or coming into the City from an outside location to engage in such activities.
- B. A person shall be deemed engaged in business within the City if:
1. Such person or person's employee maintains a fixed place of business within the City for the benefit or partial benefit of such person;
 2. Such person or person's employee owns, rents, or leases real property within the City for business purposes;
 3. Such person or person's employee regularly maintains a stock of tangible personal property in the City for sale in the ordinary course of business;
 4. Such person or person's employee regularly conducts solicitation of business within the City;
 5. Such person or person's employee performs work or renders services in the City on a regular and continuous basis involving more than five working days per year; and
 6. Such person or person's employee utilizes the streets within the City in connection with the operation of motor vehicles for business purposes.

The foregoing specified activities shall not be a limitation on the meaning of engaged in business.

5.40.080 - Evidence of doing business.

Whenever any person shall, by use of signs, circulars, cards or any other advertising media, including the use of internet or telephone solicitation, represent that such person is engaged in cannabis cultivation business or other cannabis business in the City, then these facts may be used as evidence that such person is engaged in business in the City.

5.40.090 - Gross receipts.

"Gross receipts," except as otherwise specifically provided, means the total amount actually received or receivable from all sales; the total amount or compensation actually received or receivable for the performance of any act or service, of whatever nature it may be, for which a charge is made or credit allowed, whether or not such act or service is done as a part of or in connection with the sale of materials, goods, wares or merchandise; discounts, rents, royalties, fees, commissions, dividends, and gains realized from trading in stocks or bonds, however

designated. Included in "gross receipts" shall be all receipts, cash, credits and property of any kind or nature, without any deduction therefrom on account of the cost of the property sold, the cost of materials used, labor or service costs, interest paid or payable, or losses or other expenses whatsoever, except that the following shall be excluded therefrom:

- A. Cash discounts allowed and taken on sales;
- B. Credit allowed on property accepted as part of the purchase price and which property may later be sold, at which time the sales price shall be included as gross receipts;
- C. Any tax required by law to be included in or added to the purchase price and collected from the consumer or purchaser;
- D. Such part of the sale price of any property returned by purchasers to the seller as refunded by the seller by way of cash or credit allowances or return of refundable deposits previously included in gross receipts;
- E. Receipts from investments where the holder of the investment receives only interest and/or dividends, royalties, annuities and gains from the sale exchange of stock or securities solely for a person's own account, not derived in the ordinary course of a business;
- F. Receipts derived from the occasional sale of used, obsolete or surplus trade fixtures, machinery or other equipment used by the taxpayer in the regular course of the taxpayer's business;
- G. Cash value of sales, trades or transactions between departments or units of the same business;
- H. Whenever there are included within the gross receipts amounts which reflect sales for which credit is extended and such amount proved uncollectible in a subsequent year, those amounts may be excluded from the gross receipts in the year they prove to be uncollectible; provided, however, if the whole or portion of such amounts excluded as uncollectible are subsequently collected, they shall be included in the amount of gross receipts for the period when they are recovered;
- I. Receipts of refundable deposits, except that such deposits when forfeited and taken into income of the business shall not be excluded when in excess of one dollar;
- J. Amounts collected for others where the business is acting as an agent or trustee and to the extent that such amounts are paid to those for whom collected. These agents or trustees must provide the finance department with the names and the addresses of the others and the amounts paid to them. This exclusion shall not apply to any fees, percentages, or other payments retained by the agent or trustees.

"Gross receipts" subject to the business tax shall be that portion of gross receipts relating to business conducted within the City.

5.40.100 – Square foot.

The term "square foot" means the maximum amount of allowable canopy area for cannabis cultivation authorized by a City permit issued to a person engaging in a cannabis cultivation

business, or by a state license in the absence of a City permit or license, not deducting for unutilized square footage.

5.40.110 - Cannabis.

The term "cannabis" means all parts of the plant *Cannabis sativa* Linnaeus, *Cannabis indica*, or *Cannabis ruderalis*, or any other strain or varietal of the genus *Cannabis* that may exist or hereafter be discovered or developed that has psychoactive or medicinal properties, whether growing or not, including the seeds thereof; the resin extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds or resin.

5.40.120 – Cannabis cultivation business.

The term "cannabis cultivation business" means a business engaged in the planting, cultivation and harvesting of cannabis in the City, whether or not carried on for gain or profit, including without limitation the following activities: cannabis germination, seeding, vegetative, pre-flowering, flowering and harvesting phases, including without limitation growing, planting, seeding, germinating, lighting, warming, cooling, aerating, fertilizing, watering, irrigating, topping, pinching, cropping, curing, drying, processing or packaging cannabis.

5.40.130 – Other Cannabis business.

The term "other cannabis business" means a business, other than a "cannabis cultivation business," that engages in activity including, but not limited to, transporting, distributing, manufacturing, compounding, converting, testing, processing, preparing, storing, packaging, wholesale, and/or retail sales of cannabis and any ancillary products in the City, whether or not carried on for gain or profit.

5.40.140 - Cannabis business tax.

"Business tax" or "cannabis business tax" or "cannabis tax" shall mean the tax due for engaging in cannabis cultivation business or other cannabis business in the City.

5.40.150 - Person.

"Person" means, without limitation, any natural individual, organization, firm, trust, common law trust, estate, partnership of any kind, association, syndicate, club, joint stock company, joint venture, limited liability company, corporation (including foreign, domestic, and nonprofit), collective, cooperative, receiver, trustee, guardian, or other representative appointed by order of any court.

5.40.160 - Sale.

"Sale" means and includes any sale, exchange, or barter.

Part 2 - General Tax Provisions

5.40.200 - Other licenses, permits, taxes, fees or charges.

Nothing contained in this Chapter 5.40 shall be deemed to repeal, amend, be in lieu of, replace or in any way affect any requirements for any license or permit required by, under or by virtue of any provision of any other title or chapter of this code or any other ordinance of the City or resolution of the City Council, nor be deemed to repeal, amend, be in lieu of, replace or in any way affect any tax, fee or other charge imposed, assessed or required by, under or by virtue of any other title or chapter of this code or any other ordinance of the City or resolution of the City Council. Any references made or contained in any other title or chapter of this code to any licenses, license taxes, fees or charges, or to any schedule of license fees, shall be deemed to refer to the licenses, license taxes, fees or charges, or schedule of license fees, provided for in other titles or chapters of this code.

5.40.210 - Business tax certificate—Required.

- A. There are imposed upon all persons engaged in cannabis cultivation business or other cannabis business in the City taxes in the amounts prescribed in this chapter and Chapter 5.05. It shall be unlawful for any person, either for him or herself or for any other person, to commence, transact or carry on any cannabis cultivation business or other cannabis business in the City without first having procured a business license from the City under Chapter 5.05 and having paid the tax set forth therein, and without complying with any and all provisions contained in this chapter. The carrying on of any cannabis cultivation business or other cannabis business without complying with any and all provisions of this chapter and Chapter 5.05 shall constitute a separate violation of this chapter and Chapter 5.05 for each and every day that such business is so carried on.
- B. The business license required to be obtained under Chapter 5.05 and the taxes required to be paid under this chapter and Chapter 5.05 are declared to be required pursuant to the taxing power of the City solely for the purpose of obtaining revenue and are not regulatory permit fees.

5.40.220 - Payment of tax does not authorize unlawful business.

- A. The payment of a business license tax required by this chapter, and its acceptance by the City, shall not entitle any person to carry on any cannabis cultivation business or other cannabis business unless the person has complied with all of the requirements of this code and all other applicable laws, nor to carry on any such business in any building or on any premises in the event that such building or premises are situated in a zone or locality in which the conduct of such cannabis cultivation business or other cannabis business is in violation of any law.
- B. No tax paid under the provisions of this chapter shall be construed as authorizing the conduct or continuance of any illegal or unlawful business, or any business in violation of any ordinance of the City.

5.40.230 - Application—Form and contents.

Every person required to have a business license under the provisions of Chapter 5.05 shall make application for the same, or for renewal of the same, to the Director. Such application shall be a written statement upon a form or forms provided by the Director and shall be signed by the applicant under penalty of perjury. The application shall set forth such information as may be required and as may be reasonably necessary to properly determine the amount of the tax to be paid by the applicant under Chapter 5.05, together with such other information as is required by the Director to enable the Director to administer the provisions of this chapter.

5.40.240 - Payment—Location.

The tax imposed under this chapter shall be paid to the Director in lawful money of the United States, at the office of the Director, or any other location designated by the Director. Lawful money shall mean any coin, currency or negotiable instrument, exchangeable for said coin or currency, which the United States Congress has declared to be a national legal tender.

5.40.250 - Amount of business tax owed.

A. Tax Rate for cannabis cultivation businesses.

1. In addition to the business tax imposed under Chapter 5.05 of this code and the requirements set forth therein, every person engaged in cannabis cultivation business in the City shall pay a business tax at a rate of up to five dollars (\$5.00) per square foot, as defined in Section 5.40.100, above.
2. Notwithstanding the maximum tax rate of five dollars (\$5.00) per square foot imposed under Subsection A.1., the City Council may, in its discretion, at any time by ordinance, implement a lower tax rate for cannabis cultivation businesses or establish differing tax rates for different categories of cannabis cultivation businesses subject to the maximum rate of five dollars (\$5.00) per square foot. The City Council may, by ordinance, annually increase any such tax rate, provided that any such annual increase does exceed one-fifth (1/5) of the maximum tax rate.
3. The initial tax rate imposed upon persons engaged in a cannabis cultivation business shall be Two Dollars (\$2.00) per square foot, as defined in Section 5.40.100, above.

B. Tax rate for other cannabis businesses.

1. In addition to the business tax imposed under Chapter 5.05 of this code and the requirements set forth therein, every person engaged in any other cannabis business in the City shall pay a business tax at a rate of up to ten percent (10%) of gross receipts.
2. Notwithstanding the maximum tax rate of ten percent (10%) of gross receipts imposed under Subsection B.1., the City Council may, in its discretion, at any time by ordinance, implement a lower tax rate for other cannabis businesses or establish differing tax rates for different categories of other cannabis businesses, as defined in such ordinance, subject to the maximum rate of ten percent of gross receipts. The City Council may, by ordinance, annually increase any such tax rate, provided that any such annual increase does not exceed one-fifth (1/5th) of the maximum tax rate.

3. The initial tax rate imposed upon persons engaged in any other cannabis business shall be Two Percent (2%) of gross receipts, as defined in Section 5.40.090, above.

5.40.260 - Payment—Time limits.

The business tax imposed by this chapter shall be due and payable as follows:

- A. Each person engaged in a cannabis cultivation business or other cannabis business shall, on or before the last day of the month following the close of each fiscal year quarter, prepare and submit a tax statement on the form prescribed by the Director and remit to the Director the tax due. The tax due shall be no less than the quarterly installment due. Each person shall pay on or before the last day of the month following the close of each calendar quarter.
- B. If the cannabis business tax is owed by a person engaged in a cannabis cultivation business the tax due shall be paid based on the square foot, as defined in Section 5.40.100, above. The tax statement may include a request for adjustment of the tax due to square foot authorized but not utilized for cultivation, and/or crop loss, along with evidence substantiating the square footage utilized and/or crop loss. The decision to prorate or adjust the tax will be made at the sole discretion of the City. A fee may be adopted by the City Council and collected by the Director to pay for the cost of investigating, verifying, and opining on such request for adjustment of the tax.
- C. All tax statements shall be completed on forms prescribed by the Director.
- D. Tax statements and payments for all outstanding taxes owed the City are immediately due to the Director upon cessation of business for any reason.
- E. The Director may, at his or her discretion, establish shorter or longer report and payment periods for any taxpayer as the Director deems necessary to insure collection of the tax.
- F. The Director may, as part of administering the tax and in his or her discretion, modify the form of payment and take such other administrative actions as needed to facilitate collection of the tax.

5.40.270 - Payment—When taxes deemed delinquent.

Unless otherwise specifically provided under other provisions of this chapter, the taxes required to be paid pursuant to this chapter shall be deemed delinquent if not paid on or before the due date specified in Section 5.40.260.

5.40.280 - Notice not required by City.

The Director is not required to send a delinquency or other notice or bill to any person subject to the provisions of this chapter and failure to send such notice or bill shall not affect the validity of any tax or penalty due under the provisions of this chapter.

5.40.290 - Payment—Penalty for delinquency.

- A. Any person who fails or refuses to pay any business tax required to be paid pursuant to this chapter on or before the due date shall pay penalties and interest as follows:
 - 1. Original Delinquency. A penalty equal to twenty-five percent (25%) of the amount of the tax in addition to the amount of the tax, plus interest on the unpaid tax calculated from the due date of the tax at the rate of one percent per month or fraction thereof on the amount of the tax, exclusive of penalties, from the date on which the remittance first became delinquent until paid; and
 - 2. Continued Delinquency. An additional penalty equal to twenty-five percent (25%) of the amount of the tax if the tax remains unpaid for a period exceeding one (1) calendar month beyond the due date, plus interest on the unpaid tax calculated at the rate of one percent (1%) per month or fraction thereof on the amount of the tax, exclusive of penalties, from the date on which the remittance first became delinquent until paid.
- B. Whenever a check is submitted in payment of a business tax and the check is subsequently returned unpaid by the bank upon which the check is drawn, and the check is not redeemed prior to the due date, the taxpayer will be liable for the tax amount due plus penalties and interest as provided for in this section plus any amount allowed under state law.
- C. The business tax due shall be that amount due and payable from the first date on which the person was engaged in cannabis cultivation business or other cannabis business in the City, together with applicable penalties and interest calculated in accordance with subsection A. above.

5.40.300 - Waiver of penalties.

The Director may waive the first and second penalties of twenty-five percent (25%) each imposed upon any person if:

- A. The person provides evidence satisfactory to the Director that failure to pay timely was due to circumstances beyond the control of the person and occurred notwithstanding the exercise of ordinary care and the absence of willful neglect, and the person paid the delinquent business tax and accrued interest owed the City prior to applying to the Director for a waiver.
- B. The waiver provisions specified in this subsection shall not apply to interest accrued on the delinquent tax and a waiver shall be granted only once during any twenty-four-month period.

5.40.310 - Refunds—Credits.

- A. No refund shall be made of any tax collected pursuant to this chapter except as provided in Section 5.40.320.
- B. No refund of any tax collected pursuant to this chapter shall be made because of the discontinuation, dissolution or other termination of a business.

- C. Any person entitled to a refund of taxes paid pursuant to this chapter may elect in writing to have such refund applied as a credit against such person's business taxes for the next calendar month.

5.40.320 - Refunds and procedures.

- A. Whenever the amount of any business tax, penalty or interest has been overpaid, paid more than once, or has been erroneously or illegally collected or received by the City under this chapter, it may be refunded to the claimant who paid the tax provided that a written claim for refund shall be presented to the Director within one year of the date of payment, and in the manner prescribed by Part 3 of Division 3.6 of Title 1 of the California Government Code (commencing with section 900 thereof) for the claims to which that part applies by its own terms, as those provisions now exist or shall hereafter be amended, and as further provided by this section.
- B. All claims shall be made in writing and verified under the penalty of perjury by the claimant or by his or her guardian, conservator, executor or administrator. All tax refund claims shall be filed on the refund claim form prescribed by the Director. In the event that the Director has not prescribed a form of claim, the tax refund claim shall contain:
 - 1. The information required by California Government Code Section 910; and
 - 2. The specific amount claimed to have been overpaid, paid more than once, or erroneously or illegally collected or received by the City; and
 - 3. The grounds upon which the claim is founded, with specificity sufficient to enable the Director and other responsible City officials to understand and evaluate the claim; and
 - 4. Documentation supporting the amount of the refund sought.

The foregoing reference to Government Code Section 910 shall not be construed to authorize a class claim, and no claim may be filed on behalf of a class of persons unless verified by every member of that class.

- C. The Director or the Director's authorized agent shall have the right to examine and audit all the books and business records of the claimant in order to determine the eligibility of the claimant to the claimed refund. No claim for refund shall be allowed if the claimant therefor refuses to allow such examination of claimant's books and business records after request by the Director to do so.
- D. In the event that the business tax was erroneously paid and the error is attributable to the City, the entire amount of the tax erroneously paid shall be refunded to the claimant. If the error is attributable to the claimant, the City shall retain an administrative fee as set forth in a resolution of the City Council from the amount to be refunded to cover the City's expenses.
- E. The Director shall initiate a refund of any business tax which has been overpaid or erroneously collected whenever the overpayment or erroneous collection is uncovered by a City audit of business tax receipts. In the event that the business tax was erroneously paid and the error is attributable to the City, the entire amount of the tax erroneously paid shall be refunded to the claimant. If the error is attributable to the claimant, the City shall retain an administrative fee as set forth in a resolution of the City Council from the amount to be refunded to cover the City's expenses.

- F. In accordance with California Government Code sections 935(b) and 945.6, all claims shall be presented as provided in this section and acted upon by the City prior to the filing of any action on such claims and no such action may be maintained by a person who has not complied with the requirements of this section.
- G. Any action brought against the City upon any claim or demand shall conform to the requirements of Sections 940 through 949 of the California Government Code. Any action brought against any employee of the City shall conform with the requirements of section 950 through 951 of the California Government Code.

Part 3 - Exemptions

5.40.400 - Exemptions—Application—Issuance condition.

Any person desiring to claim exemption from the payment of the tax set forth in this chapter shall make application therefore upon forms prescribed by the Director and shall furnish such information and make such affidavits as may be required by the Director.

5.40.410 - Exemptions—General.

Except as may be otherwise specifically provided in this chapter, the terms hereof shall not be deemed or construed to apply to any person when imposition of the tax upon that person would violate the Constitution of the United States or that of the state of California or preemptive federal or state law.

5.40.420 - Exemptions—Occasional transactions.

- A. The provisions of this chapter shall not apply to persons having no fixed place of business within the City who come into the City for the purpose of transacting a specific item of business at the request of a specific patient, client or customer, provided that such person does not come into the City for the purpose of transacting business on more than five (5) days during any calendar year.
- B. For any person not having a fixed place of business within the City who comes into the City for the purpose of transacting business and who is not exempt as provided in subsection A. of this section, the business tax payable by such person may be apportioned by the Director in accordance with Section 5.40.520.

Part 4 - Administration and Enforcement

5.40.500 - Enforcement—Duties of Director and Chief of Police.

It shall be the duty of the Director to enforce each and all of the provisions of this chapter, and the Chief of Police shall render such assistance in the enforcement of this chapter as may from time to time be required by the Director.

5.40.510 - Rules and regulations.

For purposes of apportionment as may be required by law and for purposes of administration and enforcement of this chapter generally, the Director, with the concurrence of the City Attorney, may from time to time promulgate administrative rules and regulations.

5.40.520 - Apportionment.

- A. None of the tax provided for by this chapter shall be applied so as to occasion an undue burden upon interstate commerce or be violative of the equal protection and due process clauses of the Constitutions of the United States or the state of California.
- B. If any case where a business tax is believed by a taxpayer to place an undue burden upon interstate commerce or be violative of such constitutional clauses, the taxpayer may apply to the Director for an adjustment of the tax. It shall be the taxpayer's obligation to request in writing for an adjustment within one (1) year after the date of payment of the tax. If the taxpayer does not request in writing within one (1) year from the date of payment, then taxpayer shall be conclusively deemed to have waived any adjustment for that year.
- C. The taxpayer shall, by sworn statement and supporting testimony, show the method of business and the gross volume of business and such other information as the Director may deem necessary in order to determine the extent, if any, of such undue burden or violation. The Director shall then conduct an investigation, and shall fix as the tax for the taxpayer an amount that is reasonable and nondiscriminatory, or if the tax has already been paid, shall order a refund of the amount over and above the tax so fixed. In fixing the tax to be charged, the Director shall have the power to base the tax upon a percentage of gross receipts or any other measure which will assure that the tax assessed shall be uniform with that assessed on businesses of like nature, so long as the amount assessed does not exceed the tax as prescribed by this chapter.
- D. Should the Director determine that the gross receipt measure of tax to be the proper basis, the Director may require the taxpayer to submit a sworn statement of the gross receipts and pay the amount of tax as determined by the Director.

5.40.530 - Audit and examination of records and equipment.

The Director shall have the power to audit and examine all business property, books and records of persons engaged in cannabis cultivation business or other cannabis business including both state and federal income tax returns, California sales tax returns, or other evidence documenting the square foot and/or gross receipts of persons engaged in cannabis cultivation business and/or other cannabis business, and, where necessary, all equipment, of any person engaged in such a business in the City, for the purpose of ascertaining the amount of business tax, if any, required to be paid by the provisions hereof, and for the purpose of verifying any statements or any item thereof when filed by any person pursuant to the provisions of this chapter. If such person, after written demand by the Director, refuses to make available for audit, examination or verification such books, business property, records or equipment as the Director requests, the Director may, after full consideration of all information within his or her knowledge concerning the cannabis cultivation business or other cannabis business and activities of the person so refusing, make an assessment in the manner provided in Sections 5.40.560 through 5.40.580 of any taxes estimated to be due.

5.40.540 - Tax deemed debt to City.

The amount of any tax, penalties and interest imposed by the provisions of this chapter shall be deemed a debt to the City and any person carrying on any cannabis cultivation business or

other cannabis business without first having procured a business license shall be liable in an action in the name of the City in any court of competent jurisdiction for the amount of the tax, and penalties and interest imposed on such business.

5.40.550 - Deficiency determinations.

If the Director is not satisfied that any statement filed as required under the provisions of this chapter is correct, or that the amount of tax is correctly computed, he or she may compute and determine the amount to be paid and make a deficiency determination upon the basis of the facts contained in the statement or upon the basis of any information in his or her possession or that may come into his or her possession. One or more deficiency determinations of the amount of tax due for a period or periods may be made. When a person discontinues engaging in a business, a deficiency determination may be made at any time within three (3) years thereafter as to any liability arising from engaging in such business whether or not a deficiency determination is issued prior to the date the tax would otherwise be due. Whenever a deficiency determination is made, a notice shall be given to the person concerned in the same manner as notices of assessment are given under Sections 5.40.560 through 5.40.580.

5.40.560 - Tax assessment—Authorized when nonpayment—Fraud.

- A. Under any of the following circumstances, the Director may make and file a Notice of Assessment of the amount of tax owed by a person under this chapter:
 - 1. If the person has not filed any statement or return required under the provisions of this chapter;
 - 2. If the person has not paid any tax due under the provisions of this chapter;
 - 3. If the person has not, after demand by the Director, filed a corrected statement or return, or furnished to the Director adequate substantiation of the information contained in a statement or return already filed, or paid any additional amount of tax due under the provisions of this chapter;
 - 4. If the Director determines that the nonpayment of any business tax due under this chapter is due to fraud, a penalty of fifty percent of the amount of the tax shall be added thereto in addition to penalties and interest otherwise stated in this chapter.
- B. The notice of assessment shall separately set forth the amount of any tax known by the Director to be due or estimated by the Director, after consideration of all information within the Director's knowledge concerning the business and activities of the person assessed, to be due under each applicable section of this chapter, and shall include the amount of any penalties or interest accrued on each amount to the date of the notice of assessment.

5.40.570 - Tax assessment—Notice requirements.

The Notice of Assessment shall be served upon the person either by handing it to him or her personally, or by a deposit of the notice in the United States mail, postage prepaid thereon, addressed to the person at the address of the location of the business appearing on the face of the business license issued under Chapter 5.05 or to such other address as he or she shall register with the Director for the purpose of receiving notices provided under this chapter; or, should the person have no business license issued and should the person have no address registered with the

Director for such purpose, then to such person's last known address. For the purposes of this section, a service by mail is complete at the time of deposit in the United States mail.

5.40.580 - Tax assessment—Hearing—Application and determination.

Within ten days after the date of service the person may apply in writing to the Director for a hearing on the assessment. If application for a hearing before the City is not made within the time herein prescribed, the tax assessed by the Director shall become final and conclusive. Within thirty days of the receipt of any such application for hearing, the Director shall cause the matter to be set for hearing before him or her not later than thirty (30) days after the date of application, unless a later date is agreed to by the Director and the person requesting the hearing. Notice of such hearing shall be given by the Director to the person requesting such hearing not later than five (5) days prior to such hearing. At such hearing said applicant may appear and offer evidence why the assessment as made by the Director should not be confirmed and fixed as the tax due. After such hearing the Director shall determine and reassess the proper tax to be charged and shall give written notice to the person in the manner prescribed in Section 5.40.570 for giving notice of assessment.

5.40.590 - Conviction for chapter violation—Taxes not waived.

The conviction and punishment of any person for failure to pay the required tax shall not excuse or exempt such person from any civil action for the tax debt unpaid at the time of such conviction. No civil action shall prevent a criminal prosecution for any violation of the provisions of this chapter or of any state law requiring the payment of all taxes.

5.40.600 - Violation deemed misdemeanor—Penalty.

Any person violating any of the provisions of this chapter or any regulation or rule passed in accordance herewith, or knowingly or intentionally misrepresenting to any officer or employee of the City any material fact in procuring the business license provided for in Chapter 5.05 shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be punishable by a fine of not more than five hundred dollars (\$500.00) or by imprisonment for a period of not more than six (6) months, or by both such fine and imprisonment.

5.40.610 - Effect of state and federal reference/authorization.

Unless specifically provided otherwise, any reference to a State or Federal statute in this chapter shall mean such statute as it may be amended from time to time, provided that such reference to a statute herein shall not include any amendment thereto, or to any change of interpretation thereto by a State or Federal agency or court of law with the duty to interpret such law, to the extent that such amendment or change of interpretation would, under California law, require voter approval of such amendment or interpretation, or to the extent that such change would result in a tax decrease. To the extent voter approval would otherwise be required or a tax decrease would result, the prior version of the statute (or interpretation) shall remain applicable; for any application or situation that would not require voter approval or result in a decrease of a tax, provisions of the amended statute (or new interpretation) shall be applicable to the maximum possible extent.

To the extent that the City's authorization to collect or impose any tax imposed under this chapter is expanded as a result of changes in state or federal law, no amendment or modification of this chapter shall be required to conform the tax to those changes, and the tax shall be imposed and collected to the full extent of the authorization up to the full amount of the tax imposed under this chapter.

5.40.620 - Subject to annual City audits.

The revenues from the tax imposed by this chapter shall be subject to the annual audit performed by the City's independent auditor of the City's municipal books, records, accounts and fiscal procedures.

5.40.630 - Remedies cumulative.

All remedies and penalties prescribed by this chapter or which are available under any other provision of law or equity, including, but not limited to, the California False Claims Act (Government Code section 12650 et seq.) and the California Unfair Practices Act (Business and Professions Code section 17070 et seq.), are cumulative. The use of one or more remedies by the City shall not bar the use of any other remedy for the purpose of enforcing the provisions of this chapter.

5.40.640 - Amendment or repeal.

Chapter 5.40 of the Rio Dell Municipal Code may be repealed or amended by the City Council without a vote of the people. However, as required by Article XIIC of the California Constitution, voter approval is required for any amendment provision that would increase the maximum rate of any tax levied pursuant to this chapter. The people of the City of Rio Dell affirm that the following actions shall not constitute an increase of the rate of a tax:

- A. The restoration of the rate of the tax to a rate that is no higher than that set by this chapter, if the City Council has acted to reduce the rate of the tax;
- B. An action that interprets or clarifies the methodology of the tax, or any definition applicable to the tax, so long as interpretation or clarification (even if contrary to some prior interpretation or clarification) is not inconsistent with the language of this chapter;
- C. The establishment of a class of person that is exempt or excepted from the tax or the discontinuation of any such exemption or exception (other than the discontinuation of an exemption or exception specifically set forth in this chapter); or
- D. The collection of the tax imposed by this chapter, even if the City had, for some period of time, failed to collect the tax.

5.40.650 – Severability.


Should any provision, section, paragraph, sentence or word of this ordinance be rendered or declared invalid by any final court action in a court of competent jurisdiction or by reason of any preemptive legislation, the remaining provisions, sections, paragraphs, sentences and words of this ordinance as hereby adopted shall remain in full force and effect.


675 Wildwood Avenue
Rio Dell, CA 95562
(707) 764-3532



For Meeting of: March 7, 2017

To: City Council

From: Kevin Caldwell, Community Development Director 

Through: Kyle Knopp, City Manager 

Date: February 27, 2017

Subject: Introduction of Ordinance No. 355-2017 amending Section 17.30.020 *Accessory Uses and Buildings* of the Rio Dell Municipal Code (RDMC) to include Cargo/Shipping Containers used as Accessory Structures.

Recommendation:

That the City Council:

1. Receive staff's report regarding amending Section 17.30.020 *Accessory Uses and Buildings* of the Rio Dell Municipal Code (RDMC); and
2. Open the public hearing, receive public input and deliberate; and
3. Introduce (first reading) Ordinance No. 355-2017 amending Section 17.30.020 *Accessory Uses and Buildings* of the Rio Dell Municipal Code (RDMC) to (1) prohibit cargo/shipping containers in residential zones; (2) establish developments standards for cargo/shipping containers in other zones and to (3) allow for exceptions by the Planning Commission when certain findings can be made and continue consideration, approval and adoption of the proposed Ordinance to your meeting of March 21, 2017 for the second reading and adoption.

Discussion

Staff has been contacted a number of times the past few years from those who would like to place and utilize cargo/shipping containers on their parcels and those who have expressed concern regarding the visual appearance of cargo

containers. The City does not currently have any regulations regarding the use of cargo/shipping containers used as accessory structures.

Millions of cargo/shipping containers have been manufactured in recent years to accommodate trade between North America and Asia. Used ones are plentiful and inexpensive. Not surprisingly, many property owners have found new uses for them as auxiliary storage buildings. Shipping containers are an increasingly common sight in the City and throughout the nation. In response many jurisdictions have enacted regulations regarding the placement and use of cargo/shipping containers the past few years to protect the character of neighborhoods and communities, reduce the potential for health and safety hazards, maintain and protect the visual qualities and property values of an area.

The Planning Commission held three public hearings discussing the use of cargo/shipping containers as accessory storage structures. The Planning Commission initially was supportive of the use of cargo/shipping containers in residential zones. However, at their meeting of February 28th, after a lengthy discussion, the Commission made some significant changes, including recommending to your Council that cargo/shipping containers not be allowed in residential zones. The Commission felt that these industrial containers detract from the residential character of our neighborhoods. The Commission, recommendations are included in Attachment 1.

Staff and the Planning Commission is also recommending that Chapter 17.10, Definitions of the RDMC be amended to include the following definition of "Cargo/Shipping Container":

Cargo/Shipping Container means a container made of steel or similar material which is designed for securing and protecting items for transport or storage. Cargo/Shipping containers include, but are not limited to, containers commonly used as shipping containers on ships and railroads, and/or tractor trailers, PODS (Portable On Demand Storage) and other similar units.

Procedural Requirements

Pursuant to Section 17.35.010 of the City of Rio Dell Municipal Code, the following City procedures are required to amend the Ordinance:

- An amendment may be initiated by one or more owners of property affected by the proposed amendment, as set out in Section 17.35.010(3), or by action of the Planning Commission, or the City Council.
- The application of one or more property owners for the initiation of an amendment shall be filed in the office of the City Clerk on a form provided, accompanied by a filing fee.
- Subject only to the rules regarding the placing of matters on the Planning Commission agenda, the matter shall be set for a public hearing.

- Notice of hearing time and place shall be published once in a newspaper of general circulation at least ten calendar days before the hearing or by posting in at least three public places.
- At the public hearing, the Planning Commission shall hear any person affected by the proposed amendment. The hearing may be continued from time to time.
- Within 40 days of the conclusion of the hearing, the Planning Commission shall submit to the City Council a written report of recommendations and reasons therefore.
- Subject only to the rules regarding the placing of matters on its agenda, the City Council, at its next regular meeting following the receipt of such report, shall cause the matter to be set for a public hearing. Notice of the time and place of the hearing shall be given as provided in Section 17.35.010(5), hereof.
- At the public hearing, the City Council shall hear any person affected by the proposed amendment. The hearing may be continued to a specified future date, but shall be concluded within 60 days of the commencement thereof.
- The City Council shall not make any change in the proposed amendment until the proposed change has been referred to the Planning Commission for a report, and the Planning Commission report has been filed with the City Council.

Zone Reclassification Required Findings

1. The proposed amendment is consistent and compatible with the General Plan and any implementation programs that may be affected.

There are no policies in the General Plan which preclude or discourage the recommended minor text amendments. As such, the proposed amendments are consistent and compatible with the General Plan.

2. The proposed amendments have been processed in accordance with the California Environmental Quality Act (CEQA).

Based on the nature of the project, staff has determined that the project is Statutorily Exempt pursuant to Section 15061(b) (3) of the CEQA Guidelines, Title 14, Chapter 3 of the California Code of Regulations. Pursuant to Section 15061(b) (3) of the CEQA Guidelines this exemption is covered by the general rule that CEQA applies only to projects which have the potential for causing a **significant** effect on the environment. Where it can be seen with certainty that there is no possibility that the project in question may have a significant effect on the environment, the project is not subject to CEQA. Based on the nature of the proposed minor text amendments, staff believes there is no evidence to suggest that the minor amendments will have a **significant** effect on the environment.

Attachments

Attachment 1: Planning Commission's Recommendations.

Attachment 2: Draft Ordinance No. 355-2017 amending Section 17.30.020 Accessory Uses and Buildings of the Rio Dell Municipal Code (RDMC) to (1) prohibit cargo/shipping containers in residential zones; (2) establish developments standards for cargo/shipping containers in other zones and to (3) allow for exceptions by the Planning Commission when certain findings can be made.

Planning Commission Recommendations in Blue and Underlined

17.30.020 Accessory Uses and Buildings

(1) A use legally permitted in the zone that is accessory to and subordinate to the principal use of the site and serves a purpose which does not change the character of the principal use. Accessory uses, as defined herein, shall be permitted as appurtenant to any permitted use, without the necessity of securing a use permit, unless particularly provided in this chapter; provided, that no accessory use shall be conducted on any property in any urban residential, suburban residential or suburban zone unless and until the main building is erected and occupied, or until a use permit is secured. [Ord. 252 § 6.02, 2004.]

(2) Detached accessory buildings in suburban residential, urban residential, residential multifamily and suburban zones shall conform to the following development standards. See "Building Height" definition, Section 17.10.010.

(a) Maximum Building Height

(i) Fifteen feet (15') on lots 20,000 square feet or less.

(ii) Twenty feet (20') on lots larger than 20,000 square feet.

(b) Maximum Gross Floor Area

(i) 1,000 square feet on lots 20,000 square feet or less.

(ii) 1,500 square feet on lots larger than 20,000 square feet.

(3) Exceptions. The Planning Commission may modify by use permit, the height and floor area requirements of this part, upon a showing of good cause. For any such modification, the Planning Commission shall be required to make the following findings:

(a) The proposed modification will not adversely affect the health, peace, comfort, or welfare of persons residing or working in the surrounding area;

(b) The proposed modification will not be materially detrimental to the use, enjoyment, or valuation of property of other persons located in the vicinity of the site; and

(c) The proposed modification will not jeopardize, endanger, or otherwise constitute a menace to the public health, safety, or general welfare.

(d) In issuing a use permit, the Planning Commission may require such changes or alterations to the building as it may deem necessary to satisfy the findings specified in this part. Such changes or alterations may include, but shall not be limited to the following:

- Building height
- Building area
- Setback from property line
- Screening or landscaping

(4) Detached accessory buildings may not be located within five feet of any main building, nor within five feet of a side line, nor as to encroach on any easement. Minimum yards: side, five feet, shall have the street side yard of 20 feet; rear, 10 feet.

(5) Detached accessory buildings used as second dwelling units shall not be located within 10 feet of lot lines or within five feet of an alley. The second dwelling unit shall be subject to the minimum yard requirements of the zoning district in which it is located.

(5) Accessory buildings attached to main buildings shall be structurally a part thereof and shall comply with main building yard requirements except as follows:

(a) A passive solar addition to a main building, as defined herein, may be permitted in the required front, rear, or side yard, except street side yard; provided, that no such addition shall reduce the distance between the main building and the front or rear property line to less than 15 feet, nor less than five feet from a side property line, and that no such addition shall occupy more than five percent of the area of the front or rear yard, nor more than 10 percent of the side yard area. [Amended during 2010 codification; Ord. 252 § 6.21.5, 2004.]

(6) Cargo/Shipping Containers used as accessory structures in Suburban Residential, Urban Residential, Residential Multifamily, Suburban, Rural and Town Center zones are prohibited.

(a) Existing Cargo/Shipping Containers shall not be considered a legal non-conforming use and/or structure and shall be removed within 180 days after adoption of the implementing ordinance.

(7) Cargo/Shipping Containers used as accessory structures in Natural Resource zones shall conform with the following development standards:

(a) A Building Permit is required, electrical service is prohibited;

(b) Parcel must be developed with the primary use;

(b) No more than one (1) container per parcel;

(c) Container shall be no more than 8' x 20';

(d) Container must be placed on a gravel, decomposed granite or other all-weather surface as approved by the Director of Public Works;

(e) Unit(s) must be placed on the rear half of the parcel and screened from public view;

(f) Must not exceed allowable lot coverage;

(g) Must comply with the setback requirements of the zone;

(h) May not be placed within any easements;

(i) Must be painted a solid neutral color (i.e. beige, taupe and browns) or a color(s) to match the residence;

(j) No signage is allowed on the container;

(k) Existing Cargo/Shipping Containers shall not be considered a legal non-conforming use and/or structure and shall be relocated and/or modified to comply with the provisions of this section within 180 days after adoption of the implementing ordinance.

(8) Cargo/Shipping Containers used as accessory structures in Community Commercial and Neighborhood Center zones shall conform to the following development standards:

(a) The allowable number of containers on a parcel shall be based on the size of the parcel as follows:

<u>Parcel Size</u>	<u>Number of Containers</u>
<u>10,000 square feet or less</u>	<u>1</u>
<u>10,001 to 20,000 square feet</u>	<u>2</u>
<u>20,000 to 1 acre</u>	<u>3</u>
<u>Parcels larger than 1 acre</u>	<u>4</u>

(b) A Building Permit is required, electrical service is prohibited;

(c) Parcel must be developed with the primary use;

(d) Unit(s) must be placed on the rear half of the parcel and screened from public view;

(e) Container must be placed on a gravel, decomposed granite or other all-weather surface as approved by the Director of Public Works;

(f) Must not exceed allowable lot coverage;

(g) Must comply with the setback requirements of the zone;

(h) May not be placed within any easements;

(i) Must be painted a solid neutral color (i.e. beige, taupe and browns) or a color(s) to match the primary building;

(j) Containers cannot be stacked;

(k) Existing Cargo/Shipping Containers shall not be considered a legal non-conforming use and/or structure and shall be relocated and/or modified to comply with the provisions of this section within 180 days after adoption of the implementing ordinance.

(9) Cargo/Shipping Containers used as accessory structures in the Industrial Commercial zone shall conform to the following development standards:

(a) Parcel must be developed with the primary use;

(b) A Building Permit is required, electrical service is prohibited;

(c) Must not exceed allowable lot coverage;

(d) Must comply with the setback requirements of the zone;

(e) May not be placed within any easements;

(f) Container must be placed on a gravel, decomposed granite or other all-weather surface as approved by the Director of Public Works;

(g) Must be painted a solid neutral color (i.e. beige, taupe and browns) or a color(s) to match the primary building;

(h) No signage is allowed on the container;

(i) Containers cannot be stacked;

(j) Existing Cargo/Shipping Containers shall not be considered a legal non-conforming use and/or structure and shall be relocated and/or modified to comply with the provisions of this section within 180 days after adoption of the implementing ordinance.

(10) Exceptions. The Planning Commission may modify by use permit, the number and/or location requirements of this part, upon a showing of good cause. For any such modification, the Planning Commission shall be required to make the following findings:

(a) The proposed modification will not adversely affect the health, peace, comfort, or welfare of persons residing or working in the surrounding area;

(b) The proposed modification will not be materially detrimental to the use, enjoyment, or

valuation of property of other persons located in the vicinity of the site; and

(c) The proposed modification will not jeopardize, endanger, or otherwise constitute a menace to the public health, safety, or general welfare.

(d) In issuing a use permit, the Planning Commission may require such changes or alterations as it may deem necessary to satisfy the findings specified in this part. Such changes or alterations may include, but shall not be limited to the following:

- Location
- Screening
- Setback from property line

ORDINANCE NO. 355-2017



AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF RIO DELL AMENDING SECTION 17.30.020 ACCESSORY USES AND BUILDINGS OF THE RIO DELL MUNICIPAL CODE (RDMC) TO (1) PROHIBIT CARGO/SHIPPING CONTAINERS IN RESIDENTIAL ZONES; (2) ESTABLISH DEVELOPMENTS STANDARDS FOR CARGO/SHIPPING CONTAINERS IN OTHER ZONES AND TO (3) ALLOW FOR EXCEPTIONS BY THE PLANNING COMMISSION WHEN CERTAIN FINDINGS CAN BE MADE.

THE CITY COUNCIL OF THE CITY OF RIO DELL ORDAINS AS FOLLOWS:

WHEREAS staff has been contacted a number of times the past few years from those who would like to place and utilize cargo/shipping containers on their parcels and those who have expressed concern regarding the visual appearance of cargo containers; and

WHEREAS the City does not currently have any regulations regarding the use of cargo/shipping containers used as accessory structures; and

WHEREAS shipping containers are an increasingly common sight in the City and throughout the nation; and

WHEREAS in response many jurisdictions have enacted regulations regarding the placement and use of cargo/shipping containers the past few years to protect the character of neighborhoods and communities, reduce the potential for health and safety hazards, maintain and protect the visual qualities and property values of an area; and

WHEREAS the Planning Commission recommends allowing cargo/shipping containers in certain zones subject to specific development standards intended to protect the character of neighborhoods and maintain and protect the visual qualities and property values of an area; and

WHEREAS the City has reviewed and processed the proposed amendment in conformance with Sections 65350 – 65362 of the California Government Code; and

WHEREAS the City has reviewed and processed the proposed amendment in conformance with Section 17.35.010 of the City of Rio Dell Municipal Code; and

WHEREAS the City finds that based on evidence on file and presented in the staff report that the proposed amendments is consistent and compatible with the General Plan and any implementation programs that may be affected; and

WHEREAS the proposed amendments have been processed in accordance with the applicable provisions of the California Government Code and the California Environmental Quality Act (CEQA); and

Section 1. Chapter 17.10, Definitions of the RDMC is amended to include the following definition of “Cargo/Shipping Container”:

Cargo/Shipping Container means a container made of steel or similar material which is designed for securing and protecting items for transport or storage. Cargo/Shipping containers include, but are not limited to, containers commonly used as shipping containers on ships and railroads, and/or tractor trailers, PODS (Portable On Demand Storage) and other similar units.

Section 2. Section 17.30.020(2) of the Rio Dell Municipal Code is amended to read in as follows:

17.30.020 Accessory Uses and Buildings

(1) A use legally permitted in the zone that is accessory to and subordinate to the principal use of the site and serves a purpose which does not change the character of the principal use. Accessory uses, as defined herein, shall be permitted as appurtenant to any permitted use, without the necessity of securing a use permit, unless particularly provided in this chapter; provided, that no accessory use shall be conducted on any property in any urban residential, suburban residential or suburban zone unless and until the main building is erected and occupied, or until a use permit is secured. [Ord. 252 § 6.02, 2004.]

(2) Detached accessory buildings in suburban residential, urban residential, residential multifamily and suburban zones shall conform to the following development standards. See “Building Height” definition, Section 17.10.010.

(a) Maximum Building Height

- (i) Fifteen feet (15’) on lots 20,000 square feet or less.
- (ii) Twenty feet (20’) on lots larger than 20,000 square feet.

(b) Maximum Gross Floor Area

- (i) 1,000 square feet on lots 20,000 square feet or less.
- (ii) 1,500 square feet on lots larger than 20,000 square feet.

(3) Exceptions. The Planning Commission may modify by use permit, the height and floor area requirements of this part, upon a showing of good cause. For any such modification, the Planning Commission shall be required to make the following findings:

(a) The proposed modification will not adversely affect the health, peace, comfort, or welfare of persons residing or working in the surrounding area;

(b) The proposed modification will not be materially detrimental to the use, enjoyment, or valuation of property of other persons located in the vicinity of the site; and

(c) The proposed modification will not jeopardize, endanger, or otherwise constitute a menace to the public health, safety, or general welfare.

(d) In issuing a use permit, the Planning Commission may require such changes or alterations to the building as it may deem necessary to satisfy the findings specified in this part. Such changes or alterations may include, but shall not be limited to the following:

- Building height
- Building area
- Setback from property line
- Screening or landscaping

(4) Detached accessory buildings may not be located within five feet of any main building, nor within five feet of a side line, nor as to encroach on any easement. Minimum yards: side, five feet, shall have the street side yard of 20 feet; rear, 10 feet.

(5) Detached accessory buildings used as second dwelling units shall not be located within 10 feet of lot lines or within five feet of an alley. The second dwelling unit shall be subject to the minimum yard requirements of the zoning district in which it is located.

(5) Accessory buildings attached to main buildings shall be structurally a part thereof and shall comply with main building yard requirements except as follows:

(a) A passive solar addition to a main building, as defined herein, may be permitted in the required front, rear, or side yard, except street side yard; provided, that no such addition shall reduce the distance between the main building and the front or rear property line to less than 15 feet, nor less than five feet from a side property line, and that no such addition shall occupy more than five percent of the area of the front or rear yard, nor more than 10 percent of the side yard area. [Amended during 2010 codification; Ord. 252 § 6.21.5, 2004.]

(6) Cargo/Shipping Containers used as accessory structures in Suburban Residential, Urban Residential, Residential Multifamily, Suburban, Rural and Town Center zones are prohibited.

(a) Existing Cargo/Shipping Containers shall not be considered a legal non-conforming use and/or structure and shall be removed within 180 days after adoption of the implementing ordinance.

(7) Cargo/Shipping Containers used as accessory structures in Natural Resource zones shall conform with the following development standards:

- (a) A Building Permit is required, electrical service is prohibited;
- (b) Parcel must be developed with the primary use;
- (b) No more than one (1) container per parcel;
- (c) Container shall be no more than 8' x 20';
- (d) Container must be placed on a gravel, decomposed granite or other all-weather surface as approved by the Director of Public Works;
- (e) Unit(s) must be placed on the rear half of the parcel and screened from public view;
- (f) Must not exceed allowable lot coverage;
- (g) Must comply with the setback requirements of the zone;
- (h) May not be placed within any easements;
- (i) Must be painted a solid neutral color (i.e. beige, taupe and browns) or a color(s) to match the residence;
- (j) No signage is allowed on the container;
- (k) Existing Cargo/Shipping Containers shall not be considered a legal non-conforming use and/or structure and shall be relocated and/or modified to comply with the provisions of this section within 180 days after adoption of the implementing ordinance.

(8) Cargo/Shipping Containers used as accessory structures in Community Commercial and Neighborhood Center zones shall conform to the following development standards:

(a) The allowable number of containers on a parcel shall be based on the size of the parcel as follows:

<u>Parcel Size</u>	<u>Number of Containers</u>
<u>10,000 square feet or less</u>	<u>1</u>
<u>10,001 to 20,000 square feet</u>	<u>2</u>

<u>20,000 to 1 acre</u>	<u>3</u>
<u>Parcels larger than 1 acre</u>	<u>4</u>

(b) A Building Permit is required, electrical service is prohibited;

(c) Parcel must be developed with the primary use;

(d) Unit(s) must be placed on the rear half of the parcel and screened from public view;

(e) Container must be placed on a gravel, decomposed granite or other all-weather surface as approved by the Director of Public Works;

(f) Must not exceed allowable lot coverage;

(g) Must comply with the setback requirements of the zone;

(h) May not be placed within any easements;

(i) Must be painted a solid neutral color (i.e. beige, taupe and browns) or a color(s) to match the primary building;

(j) Containers cannot be stacked;

(k) Existing Cargo/Shipping Containers shall not be considered a legal non-conforming use and/or structure and shall be relocated and/or modified to comply with the provisions of this section within 180 days after adoption of the implementing ordinance.

(9) Cargo/Shipping Containers used as accessory structures in the Industrial Commercial zone shall conform to the following development standards:

(a) Parcel must be developed with the primary use;

(b) A Building Permit is required, electrical service is prohibited;

(c) Must not exceed allowable lot coverage;

(d) Must comply with the setback requirements of the zone;

(e) May not be placed within any easements;

(f) Container must be placed on a gravel, decomposed granite or other all-weather surface as approved by the Director of Public Works;

(g) Must be painted a solid neutral color (i.e. beige, taupe and browns) or a color(s) to match the primary building;

(h) No signage is allowed on the container;

(i) Containers cannot be stacked;

(j) Existing Cargo/Shipping Containers shall not be considered a legal non-conforming use and/or structure and shall be relocated and/or modified to comply with the provisions of this section within 180 days after adoption of the implementing ordinance.

(10) Exceptions. The Planning Commission may modify by use permit, the number and/or location requirements of this part, upon a showing of good cause. For any such modification, the Planning Commission shall be required to make the following findings:

(a) The proposed modification will not adversely affect the health, peace, comfort, or welfare of persons residing or working in the surrounding area;

(b) The proposed modification will not be materially detrimental to the use, enjoyment, or valuation of property of other persons located in the vicinity of the site; and

(c) The proposed modification will not jeopardize, endanger, or otherwise constitute a menace to the public health, safety, or general welfare.

(d) In issuing a use permit, the Planning Commission may require such changes or alterations as it may deem necessary to satisfy the findings specified in this part. Such changes or alterations may include, but shall not be limited to the following:

- Location
- Screening
- Setback from property line

Section 3. Severability

If any provision of the ordinance is invalidated by any court of competent jurisdiction, the remaining provisions shall not be affected and shall continue in full force and effect.

Section 4. Limitation of Actions

Any action to challenge the validity or legality of any provision of this ordinance on any grounds shall be brought by court action commenced within ninety (90) days of the date of adoption of this ordinance.

Section 5. Effective Date

This ordinance becomes effective thirty (30) days after the date of its approval and adoption.

I HEREBY CERTIFY that the forgoing Ordinance was duly introduced at a regular meeting of the City Council of the City of Rio Dell on February 7, 2017 and furthermore the forgoing Ordinance was passed, approved and adopted at a regular meeting of the City Council of the City of Rio Dell, held on the February 21, 2017 by the following vote:

- AYES:
- NOES:
- ABSENT:
- ABSTAIN:

Frank Wilson, Mayor

ATTEST:

I, Karen Dunham, City Clerk for the City of Rio Dell, State of California, hereby certify the above and foregoing to be a full, true and correct copy of Ordinance No. 355-2017 which was passed, approved and adopted at a regular meeting of the City Council of the City of Rio Dell, held on the February 21, 2017.

Karen Dunham, City Clerk, City of Rio Dell