

AGENDA
RIO DELL CITY COUNCIL
REGULAR MEETING - 6:30 P.M.
TUESDAY, SEPTEMBER 5, 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 embers 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) 2017/0905-01 - Approve Minutes of the August 15 2017 Regular Meeting
(ACTION)

- 2) 2017/0905.02 – Authorize the Finance Director to Sign and Submit the City’s Annual Transportation Development Act (TDA) Claim **(ACTION)** 16
- 3) 2017/0905.03 – Authorize the City Manager to Execute a Continued Contract Agreement with Adult Day Health & Alzheimer Services for Transportation Services for the FY 2017/18 **(ACTION)** 23
- 4) 2017/0905.04 - Approve Resolution No. 1353-2017 Establishing a Live Scan Criminal History Policy **(ACTION)** 26
- 5) 2017/0905.05 - Approve Resolution No. 1354-2017 Approving Notice of Exemption for the Realignment and Preservation of the Historic River Access at the Foot of Davis St. **(ACTION)** 31
- 6) 2017/0905.06- Approve Resolution No. 1355-2017 Adopting an Amended City Master Salary Table and Approving Rio Dell Employees Association Memorandum of Understanding (MOU) **(ACTION)** 38
- 7) 2017/0905.07 - Approve Resolution No. 1356-2017 Adopting the Rio Dell Employee Handbook **(ACTION)** 53
- 8) 2017/0905.08 - Receive and File City’s Audited Financial Statements for FY 2015-2016 **(ACTION)** 117
- 9) 2017/0905.09 - Approve Appointment of Jim Brickely as the Eagle Prairie Arts District (EPAD) Member to the Wildwood Avenue Sculpture Committee **(ACTION)** 162
- 10) 2017/0905.10- Authorize Finance Director to Sign and Submit Regional Transportation Program (RSTP) Claim for FY 2016-2017 in the Amount of \$22,358 **(ACTION)** 165
- 11) 2017/0905.11- Approve Change Order No. 4 for the Metropolitan Wells Project in the Amount of \$6,185.01 **(ACTION)** 174

G. ITEMS REMOVED FROM THE CONSENT CALENDAR

H. SPECIAL PRESENTATIONS/STUDY SESSIONS

- I. SPECIAL CALL ITEMS/COMMUNITY AFFAIRS
 - 1) 2017/0905.12 - Update on City Hall Architectural Barrier Removal ADA Porch Project **(DISCUSSION/POSSIBLE ACTION)** 180
 - 2) 2017/0905.13 - Update on Wildwood Avenue Sculpture Exhibit and Project **(DISCUSSION/POSSIBLE ACTION)** 181
 - 3) 2017/0905.14 - Discussion on Wildwood Ave. Median Trees **(DISCUSSION/POSSIBLE ACTION)** 183
- J. ORDINANCES/SPECIAL RESOLUTIONS/PUBLIC HEARINGS
 - 1) 2017/0905.15- Second Reading (by title only) and Adoption of Ordinance No. 361-2017 Prohibiting Recreational Cannabis Sales, Chapter 5.40 of the Rio Dell Municipal Code (RDMC) **(DISCUSSION/POSSIBLE ACTION)** 185
- K. REPORTS/STAFF COMMUNICATIONS
- L. COUNCIL REPORTS/COMMUNICATIONS
- M. ADJOURNMENT

*The next regular City Council meeting is scheduled for
Tuesday, September 19, 2017 at 6:30 p.m.*

**RIO DELL CITY COUNCIL
REGULAR MEETING
AUGUST 15, 2017
MINUTES**

The regular meeting of the Rio Dell City Council was called to order at 6:30 p.m. by Mayor Wilson.

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

 Absent: Councilmember Garnes (excused)

 Others Present: City Manager Knopp, Finance Director Woodcox, Interim Chief of Police Beauchaine, Community Development Director Caldwell, Water/Roadways Superintendent Jensen, City Clerk Dunham and Acting City Attorney Plotz

PUBLIC PRESENTATIONS

Dave Griffith, Sr. addressed the Council regarding his ongoing efforts to clean up cigarette butts along Wildwood Ave. and asked that City workers do their part by getting rid of the weeds along the sidewalks. He also donated two historical photos of Rio Dell to the City.

Pat Higgins, Managing Director of the Eel River Recovery Project addressed the Council and said he was present because of his interest in the access issue to the Eel River. He said he also wanted to apprise the Council of other things their organization does such as monitoring the fish population, river flows and algae so in the event there is going to be access to the river, this information is needed. He noted that they expect to have 50,000 Chinook in the Eel River this fall and they work with citizens to keep any eye on things and monitor the important vital signs of the river.

He shared some brochures and information on the Salmon runs in the Eel River basin.

Nick Angeloff provided a brief update on Chamber of Commerce activities and said they were in contact with sales representatives regarding LED Christmas lights and the possibility of solar noting there will be thousands of lights this holiday season; reported on the success of Wildwood Days; and commended the Fire Department for their quick response to a fire on Ash St. over the weekend with Chief Wilson being the real hero in saving the life of the resident in the home.

An Eeloa Ave. resident commented on vehicles exiting from Highway 101 onto Eeloa Ave./Wildwood Ave. and continuing right back on the 101 onramp because there is no signage identifying services downtown.

CONSENT CALENDAR

Motion was made by Johnson/Marks to approve the consent calendar including:

1. Approval of Minutes of the August 1, 2017 Regular Meeting;
2. Approval of Pay Request No. 6 to Wahlund Construction in the amount of \$234,470.32 for work related to the Metropolitan Wells Project;
3. Receive and File the Measure Z Funding 4th Quarter Report and Year-End Summary;
4. Approval of Resolution No. 1349-2017 Amending the Operating and Capital Budget for FY 2017/18 to Include Additional Appropriations of \$17,750 in the Sewer Capital Fund for the Purchase of a Sewer Machine;
5. Approval of Resolution No. 1350-2017 Approving Billable Rates for Staff Time for FY 2017/18;
6. Approval of Resolution No. 1351-2017 Amending and Adopting the City Master Salary Table and Approval and Authorization for the City Manager to Sign the Wastewater Superintendent Trainee Contract and the Third Amendment to the Finance Director's Employment Agreement; and
7. Receive and File the Check Register for July 2017.

Motion carried 4-0.

SPECIAL PRESENTATIONS/STUDY SESSIONS

Public Works Update and Approval of Resolution No. 1352-2017 to Increase FY 2017/18 Appropriations for Public Works and Authorizing the City Manager to Sign a Scope of Services for the Development of a Sanitary Sewer Evaluation Study (SSES) and Related Presentation from the City Engineer, GHD, Inc.

City Manager Knopp provided a staff report and explained the request for the increase in appropriation for Public Works is for a water treatment plant backwash drain realignment project (\$14,000), a preliminary engineering evaluation for upsizing the sewer line to the wastewater treatment plant (\$12,000), and also authorizes GHD to initiate a Sanitary Sewer Evaluation Study (SSES). He noted that these projects are necessary to improve the efficiency of the water and wastewater operating systems and the wastewater collection system and to be in compliance with the Regional Water Quality Control Board.

He stated that Rebecca Crow from GHD was present to provide a general project update.

Rebecca Crow provided a power point presentation with a City Engineer Update including the following: (Attachment 2 to these minutes)

- Water System
 - Metropolitan Wells Project
 - Drinking Water SRF Planning Project
 - Backwash Drain Realignment

- Wastewater System
 - Sanitary Sewer Evaluation Study Grant Application
 - Sewer Line Upsizing Evaluation

- Rio Dell Safety Improvement and Community Outreach Project

Related to the Metropolitan Wells Project, Rebecca noted that the project is nearing completion with the final completion date set for September 20, 2017.

The Drinking Water SRF Planning Project was reported to be lagging some due to the State. It was explained that the Scope of Work under the \$433,300 grant includes evaluation of the Painter Street Tank, the Redwood Douglas St., Redwood Tank No. 2, distribution system piping and improvements to the SCADA system, CEQA permitting and design.

Rebecca indicated the application is going through credit review and according to the State Water Resources Control Board (SWRCB) the final agreement should be complete by October 2017.

Next was discussion of the Backwash Drain Realignment. Rebecca commented that the City has to backwash its water filters regularly to keep them functioning to filter the City's raw water which is causing some operational issues during peak flows. She said the plan is to reroute the filter backwash to the existing unused concrete tanks left from the old wastewater plant which will allow solids to settle out before water is sent to the wastewater plant and also allow the City to control back flows to the plant and reduce peak flows.

Mayor Pro Tem Johnson asked how many thousands of gallons will be put into the tanks during the backwash process and whether the tanks will be adequate.

Water/Roadways Superintendent Jensen noted that it takes approximately 36,000 gallons for each backwash and they normally backwash four times depending on turbidity. He said the existing concrete tanks should be sufficient to handle the process.

Rebecca then reported that the State Water Resources Control Board (SWRCB) has been putting pressure on the City to evaluate stormwater inflow and groundwater infiltration (I & I) coming into the system which can cause overflows.

She noted that there is still Proposition 1 Planning dollars in the Clean Water State Revolving Fund for a potential grant to evaluate the City's sewer collection system and develop a preliminary design for improvement projects. She said the proposed Scope of Services will allow GHD to complete the SSES including preparation of the grant application at no cost to the City.

With regard to the Sewer line Upsizing Evaluation she reported that the I & I issues are causing serious collection system surcharging problems during wet weather at the manhole at the foot of Painter St. which needs to be addressed before the Sanitary Sewer Evaluation Study (SSED) is completed. She said the proposed Scope of Services is for the engineering evaluation for upsizing the sewer pipe from the Painter St. manhole to the treatment plant at a cost of \$12,000 for the evaluation.

The final update was on the Safety and Community Outreach Project. Rebecca reported that the City was awarded \$1.5 million of ATP Cycle 2 funds for this project out of the total \$6.7 million awarded for Humboldt County projects. She noted that the non-infrastructure phase of the project can be initiated anytime between now and the start of construction which is anticipated for April 2019 at the earliest. She also announced the next public meeting to review the project plans is scheduled for September 13, 2017 at 4:30 pm at the Rio Dell School prior to their 5:30 pm Board meeting.

Mayor Wilson called for public comment on the presentation and proposed resolution. No public comment was received.

Motion was made by Johnson/Marks to approve ***Resolution No. 1352-2017 For a Transfer of Reserve Amounts Amending the Operating Budget for the Fiscal-Year 2017-2018 for Water Backwash Drain Realignment Project, and Engineering Evaluation of Upsizing Sewer Line, with Further Authorization for the City Manager to Sign Scope of Services for Development of a Sanitary Sewer Evaluation Study (SSES).*** Motion carried 4-0.

SPECIAL CALL ITEMS/COMMUNITY AFFAIRS

Evaluation of Minor Trail Alteration Improvements at the Foot of Davis Street to Preserve Pre-Existing Pedestrian Access to the Eel River via Public Right-of-Way

City Manager Knopp provided a staff report and said as the Council will recall, several complaints were received from citizens about the property owner of River's Edge RV Park restricting access to the river over his property. As such, staff has been working with various regulatory agencies to find a way to realign the existing historical public access to the Eel River at the foot of Davis St. He said the trail currently crosses private property and the owner has expressed his desire to terminate access to the river. He added that access to the river from the foot of Davis St. has been available to residents for decades.

He noted that a potential solution has been identified to move the trail over approximately 55 feet to the public right-of-way, creating a new trail adjacent to the current trail allowing for a pedestrian path to the river.

City Manager Knopp reported that the California Conservation Corp and the State Department of Fish & Game came down and looked at the area and that staff is currently consulting with the Army Corp of Engineers and the State Water Resources Control Board.

He noted that the proposed trail improvements are very moderate involving typical shovel work and it was determined that the area is filled with invasive species. He said the City was however; advised to not conduct any work until August 15th due to the bird nesting season. He said staff would like to work with the City Engineer to identify any issues, identify the CEQA exemption and return to the Council on September 5, 2017.

Mayor Wilson questioned the cost to develop the trail.

City Manager Knopp stated that the cost will be relatively minor unless a full Environmental Impact Report (EIR) is required and in that case, staff would bring it back to Council for further discussion and consideration.

Mayor Wilson called for public comment on the matter.

Pat Higgins expressed support for public access to the river and said people need to have access noting that many other areas along the Eel River already have restricted access. He said the Eel River Recovery Project is a membership based organization formed out of community concern about decreasing flows, water quality and toxic algae that threaten our water supply, dwindling recreation opportunities, and fisheries that are so important to our culture and economy.

Karen Underwood addressed the Council and said that although she lives in Hydesville, she belongs to the Fortuna Senior Hiking Group and they have hiked on the river bar. She strongly encouraged the Council to keep the access open and mentioned the idea of eco-tourism noting that when they access the river they frequent the local businesses.

Ranada Laughlin thanked the City for agenizing the item because access to the river is something that she is very passionate about. She also thanked Chief Hill and Water/Roadways Superintendent Jensen for opening up access. She added that there are volunteers available to help with whatever the City needs and pointed out that this is a quality of life issue and is really important to residents. She indicated that she recently walked to the river and observed that there wasn't an abundance of trash on the river bar.

Dave Reid expressed support for opening access to the river and stated that more citizens would probably be in attendance to speak on this matter if they knew about it. He said when they have visitors come and stay they mention the beautiful Eel River that people basically can't access.

Kim Reid said as an artist she enjoys going down to the river to paint and in fact just finished a painting of the old abandoned train trestle. She commented that she also likes to walk and that it would be nice to be able to walk a complete loop of the river bar.

Julie Woodall questioned the City's prescriptive rights and said historically there was vehicular access to the river from Davis St. She commented that some people are not able to hike down to the river and if they could drive down it would provide access to more people.

Nick Angeloff spoke on behalf of the Chamber of Commerce and said the access absolutely needs to be open. He said he likes the idea of being able to drive down to the river but pedestrian access is also good. He commented on the recreational aspect of the river and the health benefit to kids.

Mayor Pro Tem Johnson commented on historical access to the river and said when his son was growing up he went fishing and swimming there and they would launch the boat at Stafford and Paul Grundman would pick them up at Davis St.

He said he also has jogged on the river bar for years and looks forward to continuing that.

Mayor Wilson asked if the plan is to abandon the right-of-way through the RV Park.

City Manager Knopp said this is perhaps a discussion for closed session but did explain that the City needs to weigh the cost to litigate prescriptive rights. As an affordable alternative the plan is to blaze a trail through the City's right-of-way to provide pedestrian access.

Mayor Wilson noted that there currently is some vehicular access at Edwards Dr. as well as a pedestrian trail from Eeloa Ave.

Councilmember Strahan commented that the RV Park was actually put in by her father and at that time there was full access to the river. She said vehicular traffic does create a problem at Davis St. and agreed with pedestrian access at Davis St. and Eeloa Ave. She noted that there is access at Edwards Dr. but agreed it needs some improvements made to make it more accessible for vehicles.

Mayor Wilson said there was discussion in the past regarding the installation of a man gate at the foot of Painter St. and asked why that project did not move forward.

Water/Roadways Superintendent Jensen explained that there were discussions with the property owner but there was little or no cooperation. He said the existing gate was installed within the City's right-of-way by the property owner without consent of the City.

Muriel Spencer commented that when she was denied access to the river at Davis St. she went to Edwards Dr. and found it to be too dangerous to walk there.

Consensus of the Council was to direct staff to evaluate minor trail alterations at the foot of Davis St. to preserve pre-existing pedestrian access to the Eel River via public right-of-way and return to the Council for further discussion of the matter on September 5, 2017.

Discussion and Review of Employee Handbook Update

City Manager Knopp provided a staff report and said staff has been talking about updating the Employee Handbook for some time and noted that the last major update was in 2012. He said what is being presented tonight is a draft document from the City Attorney. He noted that there will be ample time for the employee groups to review and comment on the proposed changes before the final adoption of the handbook, possibly on September 5th.

He commented that Ryan Plotz from City Attorney Gans office was present to review the proposed changes and answer any questions.

Ryan provided a brief overview of the proposed changes and said the main thrust of the revisions was to further elaborate on what the federal and state statutes require related to discrimination; disability leave and other related statutes as well as some updated definitions.

He noted that the handbook is by no means intended to be an exhausted or complete recitation of what the federal and state laws require but rather general information to provide to employees on such things as the definition of harassment and what the entitlements are of the pregnancy disability statute. Also some of the revisions were to provide some additional consistency in terms of structure and formatting. He added that most of the policies of the City are retained in the revised handbook however; they did move around some things within the document.

Councilmember Strahan asked if the employees had reviewed the draft handbook.

City Manager Knopp said the City is required to provide a 5-day noticing period so employees have had access to the document since publication of the agenda packet. He said they will also have an additional three weeks until the next regular meeting on September 5th to review and comment on the revisions.

Mayor Wilson asked the City Manager if he would be sitting down with the employees and discussing the proposed revisions.

City Manager Knopp noted that he is required to meet and confer on any issues involving employment practices and if he receives a request by the employee groups to meet and discuss the revisions he will do so.

Mayor Wilson also questioned the removal of the grievance procedure.

Ryan explained that the grievance procedures were deleted for a number of reasons and said under the City Manager form of government the City Manager is ultimately responsible for all employment decisions. To the extent there is a dispute between employees, the former handbook allowed grievance procedures in which the City Council conducted fact finding adjudication. He said in the revised handbook the language is more consistent with the City

City Manager Ordinance in allowing the City Manager to retain authority over employment matters.

He noted that in addition, there is the Whistleblower Policy that allows employees to bring forward complaints or disputes. Under the general provisions, an employee shall first contact his/her supervisor to make a complaint or dispute. If that dispute involves that supervisor then the employee goes to the City Manager. If the City Manager is involved in the dispute, the employee then goes to the Mayor.

Ryan further clarified that in terms of labor disputes, there are provisions under the meet- and-confer provisions that essentially say that those types of negotiations shall be done in accordance with State law and the meet-and-confer provisions of the Government Code.

He said as the Council may recall, there was an issue last year where a grievance was filed regarding wages and ultimately determined by the Brown Act that the right of the Rio Dell Employees Association to have a closed session with the City Council was not consistent with the Brown Act which was another reason for deleting the grievance procedures from the handbook; to make it consistent with the Brown Act.

Mayor Wilson referred to the deleted provision for outside employment and asked for clarification on whether employees are allowed to have outside employment.

Ryan said that part of the task in revising the handbook was to take out things that are not necessary and that particular provision essentially allowed employees to engage in outside employment so long as it did not affect their job performance. He said it wasn't necessary to include it in the handbook as other provisions, particularly the disciplinary provision states that inadequate performance is grounds for disciplinary action and/or termination. The same applied to carelessness on the job.

Mayor Wilson noted that under *Vacation Benefits*, it states that an employee may accrue vacation up to a maximum of 120 hours and said he recalled that being changed.

City Manager Knopp commented that it was modified in some of the employee contracts noting that if language in the contracts differs from the handbook, the language in the contract supersedes.

Mayor Wilson called for public comment on update of the employee handbook.

Sharon Wolff encouraged the Council to keep something in the handbook related to outside employment and said at the County employees are required to report any outside employment with their supervisor due to disclosure rules and potential conflicts of interest. She added that Rio Dell has had firsthand experience where staff has utilized city equipment to do outside jobs.

Mayor Wilson clarified that there was a lot of added language regarding conflicts of interest to the proposed handbook as well as added language regarding improper use of city equipment.

Julie Woodall said she was glad the Mayor brought up the issue of grievances as the Council did have problems in the past regarding a grievance involving the City Manager so there needs to be outlined procedures with regard to resolving disputes.

She also referred to Section 2.06 *Immigration Law Compliance* and said it might be worthwhile to add the E-Verify Policy which is an internet based system that compares information from an employee's Form I-9, Employment Eligibility Verification, to data from U.S. Department of Homeland Security and Social Security Administration records to confirm employment eligibility. She noted that the program is authorized by the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (IIRIRA).

City Manager Knopp confirmed that e-verify is something that staff can look into if that is the direction of the Council.

He commented that the Employee Handbook is a living document and can be modified from time to time to be consistent with federal and state law.

Mayor Wilson stressed the importance of having the ability to resolve employee disputes without taking legal action.

Joanne Farley addressed the Council and noted that at the last meeting, the Council approved the Rio Dell Peace Officers Association MOU and in that contract it specifically states that sick leave shall be in accordance with the Rio Dell Employee Handbook. She said there is the same reference regarding the Grievance Policy and if those items are taken out of the Employee Handbook those sections of the contract are basically null and void.

Ryan Plotz stated that to the extent of a conflict between the MOU and the Employee Handbook, the MOU controls. He also noted for clarification that the revised handbook doesn't strike the sick leave provision but rather re-categorizes it under Section 5.

City Manager Knopp stated that the idea was to present the draft document, receive input from the Council and the public, make any necessary modifications and bring it back on the consent calendar on September 5th for adoption.

Draft Scope of Services between the City of Rio Dell and Dan McCauley, Dan's Custom Metals Related to Wildwood Ave. Sculpture Exhibit

City Manager Knopp provided a staff report and said the Council, at their meeting of August 1st discussed the draft agreement with artist Dan McCauley. He said at that time, the Council asked that the City Attorney review the agreement and make some amendments.

He said the item is back on the agenda because partial funding has been identified through a grant from PG&E. He noted that staff has not yet received a formal written letter of commitment although has received a series of emails indicating \$2,000 in grant funding is expected. He said in addition, Harry Smith from Root 101 committed another \$1,000 for the sculptures.

He said in terms of the City executing the contract, there appears to be a funding commitment of \$3,000 toward the \$4,000 fee proposed by Mr. McCauley and at this point the City has not made a commitment of funds toward the project. He noted that Mr. McCauley expressed willingness to contribute to the cost of constructing the two additional pedestals but he would need to make a formal proposal to the City with a specified dollar amount. He said this will allow staff to put together a budget amendment for construction of the pedestals and bring it back to the Council for consideration.

City Manager Knopp commented that the City Attorney added standard liability and indemnity provisions to the agreement as discussed and at this time the recommendation is to authorize the City Manager to execute the agreement pending the identification of funding.

Mayor Pro Tem Johnson asked if staff had discussed the draft agreement with Mr. McCauley.

City Manager Knopp commented that Mr. McCauley was ill and unable to attend the meeting but had no problem with the proposed agreement.

Councilmember Strahan said she would like to see the actual cost for constructing the pedestals.

Councilmember Marks asked who will be raising the money for the additional \$1,000.

City Manager Knopp said staff did apply for the grant through PG&E however; would not be raising additional funds noting that it is basically a function of the Sculpture Committee.

Mayor Wilson agreed and said the artist is very committed and has donated to several events such as Safe and Sober Grad Night and the Beer Fest in Fortuna. He said he was very amenable to do whatever possible to promote the project including a possible fund raiser.

Mayor Wilson called for public comment.

Nick Angeloff commented that the McLean Foundation Fund already expressed support for the project and willingness to provide funding but wanted to see other committed funds. He noted there were other possible grant opportunities so was confident the project could be funded.

Motion was made by Johnson/Marks to authorize the City Manager to execute the agreement pending the identification of funding. Motion carried 4-0.

Discussion on Wildwood Avenue Median Trees

City Manager Knopp provided a staff report and said the City has been in discussions with the owner of Root 101 regarding the planting of the five replacement trees in the City as a result of the removal of the median in front of his business.

He said staff invited Doug Duppe, a landscape architect with Miller Farms Nursery to advise the City and provide an analysis of the trees in the center median in which he responded through a letter, recommending that trees not be planted in the gateway unless they are Cypress or Palm trees, or without significant modification to the soil.

He further stated that at the last meeting, a suggestion was made to look around the City and identify other potential sites for planting of the trees. Suggested sites included:

- The Community Garden
- CalTrans Right-of-Ways on Painter St.
- Rio Dell School District Property
- Fireman's Park
- City Hall or Blue Star Park
- City Owned Properties on Monument Road and Belleview Ave.

City Manager Knopp pointed out that only the last two suggestions involve properties that the City owns and all other suggested locations will require outside approval and coordination.

He said staff is looking for direction from the Council regarding the location for planting the trees and possibly the type(s) of trees.

Mayor Wilson provided pictures of some suggested trees (Attachment 2 to these minutes) located at the Christian School behind Westside Pizza on Newburg Road in Fortuna commenting that they are very attractive and easy to grow.

Mayor Pro Tem Johnson expressed support for planting the trees at City Hall.

Mayor Wilson stated that Councilmember Garnes championed this item and since it is not time sensitive suggested the Council table the item until Councilmember Garnes is present so she can be involved in the decision.

He then called for public comment; no public comment was received.

Consensus of the Council was to table the item as suggested.

ORDINANCES/SPECIAL RESOLUTIONS/PUBLIC HEARINGS

Second Reading (by title only) and Adoption of Ordinance No. 358-2017 Establishing Personal Cannabis Cultivation Regulations, Section 17.030.235 of the Rio Dell Municipal Code (RDMC)
Community Development Director Caldwell provided a staff report and said the ordinance was introduced at the Council meeting of July 18, 2017 which establishes personal recreational cannabis regulations consistent with the Adult Use Marijuana Act (AUMA). He said included in the ordinance is the ***Personal Cannabis Cultivation Application and Acknowledgement*** which all applicants must complete, agreeing to the conditions as set forth in Section 17.30.235(6) of the Rio Dell Municipal Code (RDMC).

He continued with review of the performance standards for the cultivation of cannabis for personal use. He noted key factors are that outdoor cultivation, cultivation in a greenhouse or residence is prohibited; indoor cultivation shall be limited to detached accessory buildings only and shall not exceed six (6) plants and one-hundred-fifty (150) square feet or less per parcel with a maximum interior ceiling height of ten (10) feet; no odor of cannabis shall be detectable from the property boundaries with the cultivation area properly ventilated; there shall be no sale, trading or dispensing of cannabis; the cultivation of personal recreational cannabis must comply with all applicable state and county laws including building and fire codes; and an annual permit and acknowledgement is required including the consent for on-site compliance and Life-Safety inspections.

Mayor Pro Tem Johnson commended staff and the Planning Commission for bringing forth a well written ordinance.

Mayor Wilson opened a public hearing to receive public comment on the proposed ordinance. There being no public comment, the public hearing closed.

Motion was made by Johnson/Marks to adopt ***Ordinance No. 358-2017 Establishing Personal Cannabis Cultivation Regulations, Section 17.30.235 of the Rio Dell Municipal Code (RDMC)***. Motion carried 4-0.

Second Reading (by title only) and Adoption of Ordinance No. 360-2017 Establishing Chapter 15.25 of the Rio Dell Municipal Code (RDMC) to Establish Expedited Permit Procedures for Electric Vehicle (EV) Charging Stations

Community Development Director Caldwell provided a staff report and explained that AB 1236, adopted in October 2016, requires jurisdictions with a population of less than 200,000 to establish procedures for expedited, streamlined processes for permitting of electric vehicle (EV) charging stations. He said under this legislation, jurisdictions must adopt an ordinance for this process on or before September 30, 2017. The ordinance must include a requirement to adopt a checklist or guidelines of requirements with which a permit application for an electric vehicle charging station will be eligible for expedited review. He noted that staff prepared "***Submittal Guidelines***" which are included as Attachment 2 to the draft ordinance.

Councilmember Strahan asked if this applies to EV charging stations in new residential structures.

Community Development Director Caldwell explained that this ordinance only applies to free standing electric vehicle charging stations however; under the new 2017 California Building Code it is a requirement for new residences to install at least a level 1 EV charging station.

Mayor Wilson opened a public hearing to receive public comment on the proposed ordinance. There being no public comment the public hearing closed.

Motion was made by Johnson/Marks to adopt ***Ordinance No. 360-2017 Establishing Chapter 15.25 of the Rio Dell Municipal Code (RDMC) to Establish Expedited Permit Procedures for Electric Vehicle (EV) Charging Stations.*** Motion carried 4-0.

Introduction and first Reading (by title only) of Ordinance No. 361-2017 Prohibiting Recreational Cannabis Sales, Chapter 5.40 of the Rio Dell Municipal Code (RDMC)

Community Development Director Caldwell provided a staff report and said under Proposition 64 and the Adult Use Marijuana Act (AUMA), adults 21 years of age or older may legally grow, possess and use cannabis for non-medical purposes with certain restrictions. In addition, beginning on January 1, 2018 AUMA makes it legal to sell and distribute cannabis through a regulated business unless jurisdictions adopt regulations to prohibit the sale and distribution.

He said the draft ordinance prohibits the sale of recreational cannabis within the City but does not prohibit the delivery of recreational cannabis to the residents of the City.

Mayor Pro Tem Johnson asked if the draft ordinance was reviewed by the Planning Commission.

Community Development Director Caldwell indicated that it was not since it is not a land use issue.

Mayor Wilson opened a public hearing to receive public comment on the proposed ordinance. There being no public comment the public hearing closed.

Motion was made by Johnson/Marks to introduce and conduct the first reading (by title only) of ***Ordinance 361-2017 Prohibiting Recreational Cannabis Sales, Chapter 5.40 of the Rio Dell Municipal Code (RDMC)*** and continue consideration, approval and adoption of the proposed Ordinance to the meeting of September 5, 2017. Motion carried 4-0.

REPORTS/STAFF COMMUNICATIONS

City Manager Knopp distributed a written City Manager Update of recent activities and events (Attachment 3 to these minutes) and announced the September 13th date for the Open House on the Safe Routes to School project; provided an update on the ADA City Hall Porch Project; provided an update on the Metropolitan Wells Project; announced the hiring of two new Public Works employees including a Wastewater Superintendent Trainee and a Utility Lead; and reported on plans for replacement of the Council Chambers Audio System.

He noted that with regard to the ADA Porch Project, transplanting of the Rhododendron's and other plants in front of City Hall were not part of the DCI Project so at the Council's direction, staff will work with the landscape architect to make a proposal to the City Council which will need to happen very soon if the plants are to be transplanted.

Councilmember Strahan felt it was poor planning on the part of the City and the plants should have been taken into consideration when the project was approved.

Mayor Wilson commented that it was discussed and at that time Councilmember Garnes expressed support in saving the Rhododendron's.

City Manager Knopp commented that the ADA Project is funded by Housing and Community Development (HCD) as part of the CDBG Program and removal of the plants is not covered under the project.

Councilmember Strahan also questioned the removal of the cement and the use of heavy equipment on site.

Community Development Director Caldwell commented that the materials consist mostly of wood although there are some concrete pier blocks below the deck itself.

City Manager Knopp further explained that there likely will be some heavy equipment involved in the porch removal and said the plan is to keep City Hall open during construction but there will be some unavoidable disruptions.

Finance Director Woodcox reported on recent activities and events in the finance department and said with the new auditors here, she and her staff were very busy.

Water/Roadways Superintendent Jensen reported that it was "business as usual" in the public works department.

Interim Chief of Police Beauchaine reported on recent activities and events in the police department and said Wildwood Days activities were pretty quiet with only one arrest to report. He said they utilized additional patrol where they anticipated there may be problems. He also reported the new patrol vehicle was in the Wildwood Days parade but the lights were not yet operable noting that the vehicle was expected to be fully equipped and online by the end of the week.

COUNCIL REPORTS/COMMUNICATIONS

Mayor Pro Tem Johnson reminded Councilmembers of the August 18th quarterly League of California Cities meeting in Fortuna at the River Lodge with a tour of Clendenen's Cider Works and encouraged anyone that can, to attend.

ADJOURNMENT

Motion was made by Johnson/Marks to adjourn the meeting at 8:25 p.m. to the September 5, 2017 regular meeting. Motion carried 4-0.

Frank Wilson, Mayor

Attest:

Karen Dunham, City Clerk



675 Wildwood Avenue
Rio Dell, CA 95562
(707) 764-3532
(707) 764-5480 (fax)
E-mail: knoppk@cityofriodell.ca.gov

**CITY OF RIO DELL
STAFF REPORT
CITY COUNCIL AGENDA
September 5, 2017**

TO: Mayor and Members of the City Council
THROUGH: Kyle Knopp, City Manager *[Signature]*
FROM: Brooke Woodcox, Finance Director *[Signature]*
DATE: September 5, 2017
SUBJECT: Transportation Development Act Claim Submission

RECOMMENDATION

Authorize the Finance Director to sign and submit the City's Annual Transportation Development Act (TDA) Claim

BUDGETARY IMPACT

Receipt of the City's 2017/18 Annual Transportation Development Act allocation in the amount of \$114,217.

BACKGROUND AND DISCUSSION

Each year the City submits a request for approval of its annual transportation claim to HCOAG. Fiscal year 2017/18 projected allocation is \$114,217 in comparison to last year's TDA claim of \$111,856. This is an increase of 3%. Proposed projects outlined in the City's 2017/18 financial plan includes \$42,207 to be provided to Humboldt Transit Authority/Redwood Transit Systems for the City's share of cost, \$6,500 to be provided to the Humboldt Senior Resource Center for senior transportation and Adult Day Health Care, and \$65,015 for ongoing street repair, maintenance, and construction within the City.

ATTACHMENTS

- Claim Request
- Annual Project and Financial Plan
- Statement of Conformance
- HCAOG approving TDA apportionment and allocation

CLAIM REQUEST

Check one:

State Transit Assistance (STA) Fund

Local Transportation Fund (LTF)

Claimant: City of Rio Dell

Address: 675 Wildwood Avenue, Rio Dell, CA 95562

Contact Person: Brooke Woodcox

Title: Finance Director

Phone: (707) 764-3532

E-mail: woodcoxb@cityofriodell.ca.gov

The City of Rio Dell hereby requests, in accordance with the Transportation Development Act of 1971, Chapter 1400, and applicable rules and regulations, that its annual transportation claim be approved in the amount of \$ 114,217 for fiscal year 2017/18. These monies are to be drawn from the local transportation fund of the County of Humboldt for the purposes and amounts shown in the attached "Annual Project and Financial Plan."

When approved, please transmit this claim to the County Auditor of the County of Humboldt for payment. Approval of the claim and payment by the County Auditor to this applicant is subject to such monies being on hand and available for distribution, and to the provisions that such monies will be used only in accordance with the terms of the approved annual financial plan.

Authorized representative of claimant:

By: Brooke Woodcox
(print name)

Title: Finance Director

Signature: _____ Submittal date: _____

APPROVED:

By: _____ Date: _____

Marcella Clem

Executive Director, Humboldt County Association of Governments

ANNUAL PROJECT AND FINANCIAL PLAN

Give each project a title and number in sequence, and briefly describe the transportation projects that your jurisdiction proposes. Indicate proposed expenditures for the ensuing fiscal year for all that apply:

- (i) public transportation operating and capital expenditures;
- (ii) construction of facilities for the exclusive use by pedestrians and bicyclists;
- (iii) construction of local streets and roads; and/or
- (iii) right-of-way acquisition.

Claimant: City of Rio Dell

Fiscal Year: 2017/18

PROJECT (Project number, title, & brief description)	TDA - LTF \$ amount	PUC Article & Section	TDA - STA \$ amount	CCR Section	Local Fund Balance	Other	TOTAL
06-01 HTA/RTS Share of Cost	\$ 42,702	4-99260(a.)	\$ -		\$ -		\$ 42,702
06-02 HSRC Share of Cost	\$ 6,500	8-99400(c.)	\$ -		\$ -		\$ 6,500
06-03 Street Repair, Const. Maint.	\$ 65,015	8-99400(a.)	\$ -		\$ -		\$ 65,015
	\$ -		\$ -		\$ -		\$ -
	\$ -		\$ -		\$ -		\$ -
	\$ -		\$ -		\$ -		\$ -
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	\$ -		\$ -		\$ -		\$ -
	\$ -		\$ -		\$ -		\$ -
	\$ -		\$ -		\$ -		\$ -
TOTAL	\$ 114,217		\$ -		\$ -	\$ -	\$ 114,217

STATEMENT OF CONFORMANCE

Claimant City of Rio Dell

Fiscal Year of Claim: 2017/18

Certify all that apply.

- STATE TRANSIT ASSISTANCE (STA) FUND - TRANSIT CLAIM
TRANSIT OPERATOR ELIGIBILITY**

*Provide information for the
previous two fiscal years.*

	Fiscal year		Fiscal year
	_____		_____
System Operating Costs	\$ -		\$ -
System Revenues	\$ -		\$ -
System Vehicle Service Hours	\$ -		\$ -

<u>HCAOG staff use only</u>	
Subsidy per revenue vehicle hour	_____
Percent difference	_____
Regional CPI	_____

- NON-TRANSIT CLAIM**

The claimant named above hereby certifies that this annual claim for local transportation funds in the amount of \$ 65,015 conforms with the requirements of Article 8, PUC Section 99400, of the Transportation Development Act of 1971, and applicable rules and regulations.

CERTIFIED BY CLAIMANT:

By: Brooke Woodcox

Title: Finance Director

Signature: _____

Date: _____



HUMBOLDT COUNTY ASSOCIATION OF GOVERNMENTS
Regional Transportation Planning Agency
Humboldt County Local Transportation Authority
Service Authority for Freeway Emergencies
611 I Street, Suite B
Eureka, CA 95501
(707) 444-8208
www.hcaog.net

RESOLUTION 17-01
RESOLUTION OF THE HUMBOLDT COUNTY ASSOCIATION OF GOVERNMENTS
APPROVING THE TRANSPORTATION DEVELOPMENT ACT (TDA) LOCAL
TRANSPORTATION FUND (LTF) FISCAL YEAR 2017-2018 FINDINGS OF
APPORTIONMENT AND ALLOCATION

WHEREAS, the Humboldt County Association of Governments is the Regional Transportation Planning Agency for Humboldt County, and is responsible for the administration of the Transportation Development Act of 1971, as amended thereafter; and

WHEREAS, the Humboldt County Association of Governments has established rules and regulations, consistent with existing law, whereby there shall be a set-aside for pedestrian and bicycle allocations equivalent to 2% of the money remaining in the fund after allocations to higher purposes; and

WHEREAS, the Humboldt County Association of Governments did not make a finding for better use; and

WHEREAS, the County of Humboldt, and the Cities of Arcata, Blue Lake, Eureka, Ferndale, Fortuna, Rio Dell and Trinidad are each required to file annual transportation claims for the funds which remain after necessary expenditures for administration, planning and the 2% set aside for pedestrian and bicycle uses from the Local Transportation Fund of Humboldt County, in accordance with their populations, apportioned to them by the Humboldt County Association of Governments, pursuant to the Act; and

WHEREAS, it is the responsibility of the Humboldt County Association of Governments, under the provisions of the Act, to review the annual transportation claims and to make allocations of monies from the Local Transportation Fund; and

WHEREAS, the Auditor of Humboldt County is instructed to pay monies in the fund to the claimants pursuant to allocation instructions received from the Humboldt County Association of Governments; and

WHEREAS, the County Auditor issued an estimate of revenues in the amount of \$4,888,904 for Local Transportation Funds (LTF) for FY 2017-2018.

NOW, THEREFORE, BE IT RESOLVED that the Humboldt County Association of Governments shall make the following allocations based on population estimates determined by the California Department of Finance:

1. To the Humboldt County Association of Governments for TDA administration and for planning and programming in the amount of \$275,000, per Section 99233.1 and 99233.2.
2. To the Humboldt County Auditor Controller for TDA Administration in the amount of \$4,000, per Section 99243.
3. To be reserved by the Humboldt County Auditor's Office for future reimbursements to the Cities and County for pedestrian and bicycle facilities purposes for local agencies as programmed and claimed in the amount equal to 2% of remaining incoming funds estimated to be \$92,198 per Sections 99233.3 and 99234.
4. To the Cities and County in the amounts listed below, upon review of claims filed:

	Population	% of Total Population	FY 2017-18 Estimates	FY 2015-16 Year End Balance	Total Funds Available
Arcata	18,169	13.45%	607,494	67,033	674,527
Blue Lake	1,287	0.95%	43,032	5,758	48,790
Eureka	26,765	19.81%	894,908	110,078	1,004,986
Ferndale	1,434	1.06%	47,947	5,037	52,984
Fortuna	11,848	8.77%	396,147	44,710	440,857
Rio Dell	3,416	2.53%	114,217	12,340	126,557
Trinidad	367	0.27%	12,271	1,608	13,879
Humboldt County	71,830	53.16%	2,401,691	328,728	2,730,419
Total	135,116	100%	\$ 4,517,706	\$ 575,292	\$ 5,092,998

PASSED AND ADOPTED by the Humboldt County Association of Governments, in the City of Eureka, County of Humboldt, State of California, this 16th day of February 2017, by the following vote:

AYES: MEMBERS: *Sundberg, Strehl, Jäger, Jones, Hindley, West, Johnson, Ornelas, Arroyo, Tucker*

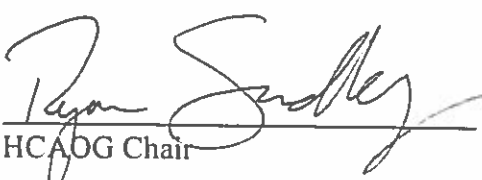
NOES: MEMBERS: *None*

ABSENT: MEMBERS: *None*

ABSTAIN: MEMBERS: *None*

Attest:




 Christie Smith, Executive Assistant


 HCAOG Chair



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
September 5, 2017

TO: Mayor and Members of the City Council
THROUGH: Kyle Knopp, City Manager 
FROM: Brooke Woodcox, Finance Director 
DATE: September 5, 2017
SUBJECT: Adult Day Health & Alzheimer Services Contract

Recommendation

Authorize the City Manager to execute a continued contract agreement with Adult Day Health & Alzheimer Services for transportation services for the fiscal year 2017-2018.

BACKGROUND AND DISCUSSION

The City of Rio Dell has contracted with Adult Day Health Services for many years to provide transportation services for residents of Rio Dell who are disabled and/or 55 years of age and older. The City receives Transportation Development Act (TDA) funding through the Humboldt County Association of Governments (HCAOG) for this purpose.

FISCAL IMPACT

The cost of the upcoming year's services is \$6,500. Funding for said services is provided through the cities TDA allocation and is currently included in the 2017-2018 operating budget.

ATTACHMENTS:

Contract Agreement

**CONTRACT AGREEMENT
TRANSPORTATION SERVICES FOR THE ELDERLY AND
FUNCTIONALLY DISABLED**

This agreement made and entered into and made effective as of July 1, 2017, by and between the City of Rio Dell (hereinafter referred to as "City"), and Adult Day Health & Alzheimer Services, a private, non-profit organization (hereinafter referred to as "Provider"), for the period of July 1, 2017 to June 30, 2017, regarding provision of the following services:

Transportation for Adult Day Health & Alzheimer Services Program Participants

IT IS MUTUALLY AGREED by and between City and Provider as follows:

1. Provider shall perform, in a satisfactory and proper manner, transportation services between the City of Rio Dell and Adult Day Health & Alzheimer Services, to persons fifty-five (55) years of age and older and for disabled individuals.
2. City shall compensate Provider per ride, round trip, up to a total compensation of \$6,500.
3. Services will be available through the entire twelve (12) month period of contract.
4. Any changes in scope of service, including any increase or decrease in compensation which is agreed upon between the parties, shall be effective when incorporated in written amendments to the Agreement. No oral understanding or agreement shall be binding to the parties hereto.
5. Compensation shall be paid to Provider upon receipt of properly completed financial reports. Total annual compensation shall not exceed TDA funds requested and received by the City from HCAOG for this purpose.
6. Provider agrees to comply with all applicable federal, state, and local laws, regulations, standards, policies, and standards of employment, included but not limited to, California Transportation Development Act rules and regulations. Provider also agrees to keep in effect all licenses, permits, notices, certificates, bonds, and insurance required for performing the service.
7. During the terms of this Agreement, Provider shall insure Provider and, as an additional primary insured, shall insure City, its officials, officers, and employees against all damages and claims for damages for bodily injury or property damage arising out of this agreement or the use of any vehicle used to provide transportation hereunder and resulting from Provider's ownership, maintenance, or use of said vehicles, in the minimum amount of \$1,000,000 combined single limit. Provider shall furnish City with properly executed certificates of insurance and provide that such insurance shall not be cancelled, allowed to expire, or be materially reduced in coverage except on thirty (30) day prior notice to City.
8. All vehicles operated in conjunction with the Transportation Development Act funds shall be subject to the following conditions:

Provider shall accept accountability and responsibility for operation of the vehicle(s);

Provider shall be responsible for all repair, rehabilitation, and maintenance costs for the vehicle(s);

Provider shall operate the vehicles(s) in compliance with all federal, state, and local laws and regulations, and keep in effect all licenses, permits, notices, bonds and certificates. The driver of any vehicles designed to carry more than ten (10) persons, including the driver must have a Class B license (California Administrative Code – Title 13, Subchapter 6.5).

- 9. Provider shall expend funds received solely for the purposes of this project.
- 10. Termination of Suspension for Cause. Upon breach of this Agreement, City shall have the right to 1) suspend the project found under this Agreement; or 2) terminate this Agreement, by giving written notice to Provider of such suspension or termination. City shall specify in writing the effective date thereof, at least five (5) days before the effective date of such suspension or termination.
- 11. Termination for Convenience. Either City or provider may terminate this Agreement upon thirty (30) days written notice to the other party.

IN WITNESS THEREOF, City and Provider executed this Agreement

this _____ day of _____, 2017.

PROVIDER:

Program Director

CITY OF RIO DELL:

Kyle, Knopp, City Manager

ATTEST:


Karen Dunham, City Clerk


675 Wildwood Avenue
Rio Dell, CA 95562



STAFF REPORT

TO: Rio Dell City Council

FROM: John Beauchaine, Interim Chief of Police 

THROUGH: Kyle Knopp, City Manager 

DATE: September 5, 2017

RE: Criminal History and Live Scan Policy

RECOMMENDATION

Approve Resolution No. 1353-2017 Establishing a Criminal History and Live Scan Policy.

BUDGETARY IMPACT

None

BACKGROUND AND DISCUSSION

The Penal Code authorizes cities, counties, districts and joint powers authorities to obtain state summary criminal background information from the Department of Justice provided the City Council has authorized such access for the purpose of employment, licensing or certification.

A policy to ensure that the City of Rio Dell, its employees, volunteers, and members of the public are protected and to help minimize potential liability, the City Council would adopt this resolution authorizing the City to obtain state summary criminal background information from the Department of Justice for employment purposes.

ATTACHMENTS:

Resolution No. 1353-2017

**RESOLUTION NO. 1353-2017
A RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF RIO DELL**

CRIMININAL HISTORY AND LIVE SCAN POLICY

WHEREAS, Penal Code Sections 11105(b)(11) and 13300(b)(11) authorize cities, counties, districts and joint powers authorities to access state and local summary criminal history information for employment, licensing or certification purposes; and

WHEREAS, Penal Code Section 11105(b)(11) authorizes cities, counties, districts and joint powers authorities to access federal level criminal history information by transmitting fingerprint images and related information to the Department of Justice to be transmitted to the Federal Bureau of Investigation; and

WHEREAS, Penal Code Sections 11105(b)(11) and 13300(b)(11) require that there be a requirement or exclusion from employment, licensing, or certification based on specific criminal conduct on the part of the subject of the record; and

WHEREAS, Penal Code Sections 11105(b)(11) and 13300(b)(11) require the city council, board of supervisors, governing body of a city, county or district or joint powers authority to specifically authorize access to summary criminal history information for employment, licensing, or certification purposes.

NOW THEREFORE, BE IT RESOLVED, that the City of Rio Dell is hereby authorized to access state and federal level summary criminal history information for employment including volunteers and contract employees and not to disseminate the information to a private entity.

Live Scan Criminal History Policy

Purpose

To establish a policy to ensure that the City of Rio Dell, its employees and volunteers, and members of the public are protected and to help minimize potential liability, the City Council has authorized a resolution authorizing the City to obtain state summary criminal background information from the Department of Justice for employment purposes. The City desires to identify those employees, prospective employees and volunteers who have a criminal history so that such information may be used in employment decisions.

POLICY:

1. Authority - Under federal and state law, public agencies may enact policies that disqualify applicants with certain criminal convictions from employment positions if the conviction is relevant to the position in question. Furthermore, California Penal Code Section 11105 permits cities to obtain state summary criminal background information from the Department of Justice if the City Council has authorized such access and if the criminal background information is required to implement a statute, ordinance or regulation that contains requirements or exclusions based on specified criminal conduct. The City Council authorized the City to access such information pursuant to Resolution Number 1353-2017.

2. General - The City shall not consider for employment a person or volunteer who has been convicted of a felony or a misdemeanor involving moral turpitude (see Section 4 for specific penal code convictions). Such conviction shall be cause for termination of any employee or volunteer, if the felony or misdemeanor is for a crime specified below, or, if the crime is not actually listed, the City determines that the crime is substantially similar in nature to those specified below. The conviction may be disregarded if it is found and determined by the appointing authority that mitigating circumstances exist, such as, but not limited to, evidence of rehabilitation, length of time elapsed since such conviction, the age of such person at the time of conviction, or the fact that the classification applied for is unrelated to such conviction, and federal or state law does not require such disqualification or termination.

3. Criminal Record Background Checks - The City shall obtain criminal background information pursuant to the procedures set forth below on all prospective employees and volunteers, all current employees and volunteers who work with or supervise minors, and all employees formally considered for promo

Procedure for Criminal Background Records Checks

A. Criminal record checks conducted pursuant to this policy shall comply with applicable federal and state law and the following:

A. A Live Scan fingerprint summation shall be made to the Department of Justice accompanied by any other forms or information required by the Department of Justice in order to obtain the criminal background information.

B. Any information obtained from the Department of Justice shall be used to determine whether the applicant, employee or volunteer is disqualified or subject to termination pursuant to this policy.

C. The City may hire a prospective employee contingent upon the results of the criminal background information received during the employee's probationary period. Any employee, including an employee hired pending the receipt of criminal background information, will be terminated if the employee is found to have falsified or omitted criminal background information on the employee application

D. Every employee or volunteer who has been hired or promoted subsequent to the adoption of this policy, who passed the initial screening, must sign an acknowledgment that conviction of crimes listed herein or determined to be substantially similar by the City shall be grounds for disciplinary action up to and including termination.

E. The City shall enter into a contract with the Department of Justice to obtain any subsequent conviction or arrest information concerning an employee or volunteer.

Confidentiality- State summary criminal history information is confidential and shall not be disclosed, except to those individuals designated to make employment decisions. Persons with access to such information shall sign a form acknowledging that the information is confidential and that civil and criminal penalties, as well as dismissal from employment, may result if the confidential information is misused.

Pursuant to Penal Code Section 11077, the Attorney General is responsible for the security of Criminal Offender Record Information (CORI), and has the authority to establish regulations to assure the security of CORI from unauthorized disclosures. The following are requirements as prescribed by the State of California, Department of Justice, Bureau of Criminal Identification and Information, Field Operations and Record Security for any agency that maintains or receives criminal history information:

- A. Records Security - Any inquires regarding the release, security or privacy of Criminal Offender Record Information (CORI) is to be resolved by the Custodian of record.
- B. Record Storage - CORI shall be under lock and key and accessible only to the Custodian of Record assigned to be committed to protect CORI from unauthorized access, use or disclosure. Fingerprint records such as fingerprint cards, "no criminal history" notifications and CORI history shall be destroyed by shredding once a qualification/disqualification determination has been made.
- C. Record Dissemination - CORI shall be used only for the purpose for which it was requested by the hiring department.
- D. Record Destruction - Upon determination of employment, CORI and copies of the same shall be destroyed to the extent the identity of the person can no longer be reasonably ascertained.
- E. Record Reproduction - CORI may not be reproduced for dissemination. Department Head and employees with access to CORI are required:

- 1. To read and abide by this policy.
- 2. To have on file a signed copy of the Employee Statement Form for the Use of Criminal Record Information, which acknowledges an understanding of laws prohibiting misuse of CORI.

G. Penalties - Misuse of CORI is a criminal offense. Violation of this policy regarding CORI may result in suspension, dismissal and/or criminal or civil prosecution.

PASSED AND ADOPTED by the City Council of the City of Rio Dell on this 5th day of September, 2017 By the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

Frank Wilson, Mayor

Attest:


Karen Dunham, City Clerk



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

September 5, 2017

TO: Rio Dell City Council

FROM: Kyle Knopp, City Manager 

SUBJECT: Approval of Resolution No. 1354-2017 Approving Notice of Exemption for the Realignment and Preservation of the Historic River Access at the Foot of Davis Street

IT IS RECOMMENDED THAT THE CITY COUNCIL:

Approve of Resolution No. 1354-2017.

BACKGROUND AND DISCUSSION

Staff has been working with various regulatory agencies regarding a minor realignment of an existing historical public access to the Eel River at the foot of Davis Street. The trail currently crosses private property and the owner has expressed his desire to terminate access to the river over his property.

A solution has been identified to use a public right-of-way to build a new trail adjacent to the current one.

Staff has worked with the City Engineer to identify exemptions to the California Environmental Quality Act in order to move the project forward. Since the project involves the minor realignment of an existing historical use footpath, it is not expected to create new or undesirable impacts. The footpath has historically served residents in the immediately adjacent neighborhood for decades.

///



RESOLUTION NO. 1354-2017

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RIO DELL
AUTHORIZING AND APPROVING A NOTICE OF EXEMPTION
TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)
FOR THE DAVIS STREET RIVER ACCESS PRESERVATION TRAIL**

WHEREAS, river access at the eastern terminus of Davis Street has been used historically by the public for many decades to access the Eel River via foot to enjoy the river and thereby enrich the community; and

WHEREAS, this historic river access is under threat of closure from a landowner who wishes to deny public access through his private property; and

WHEREAS, suitable and reasonable alternatives exist to maintain public access to the river by implementing a minor realignment of the existing trail, and existing public use just 55 feet to the south; and,

WHEREAS, This minor realignment of an existing public use trail does not negatively impact the environment but will actually help consolidate public access into one clearly defined trail; and

WHEREAS, the City finds no reasonable area of concern for this realignment, whether it is environmental, regulatory or private concern; and

WHEREAS, the public has voiced their opinion clearly through petitions and public meetings that they desire for public access to the river be maintained at the foot of Davis Street.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Rio Dell as follows:

The City Council hereby approves the attached CEQA Notice Of Exemption and authorizes the City Manager to Execute this document.

PASSED, APPROVED AND ADOPTED by the City Council of the City of Rio Dell on this 5th day of September, 2017 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

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 Resolution No. 1354-2017 adopted by the City Council of the City of Rio Dell on September 5, 2017.

Karen Dunham, City Clerk

CEQA NOTICE OF EXEMPTION

To: X Office of Planning and Research
P.O. Box 3044
Sacramento, CA 95812-3044
Or 1400 Tenth Street, Room 212
Sacramento, CA 95814



To: X County Clerk, County of Humboldt

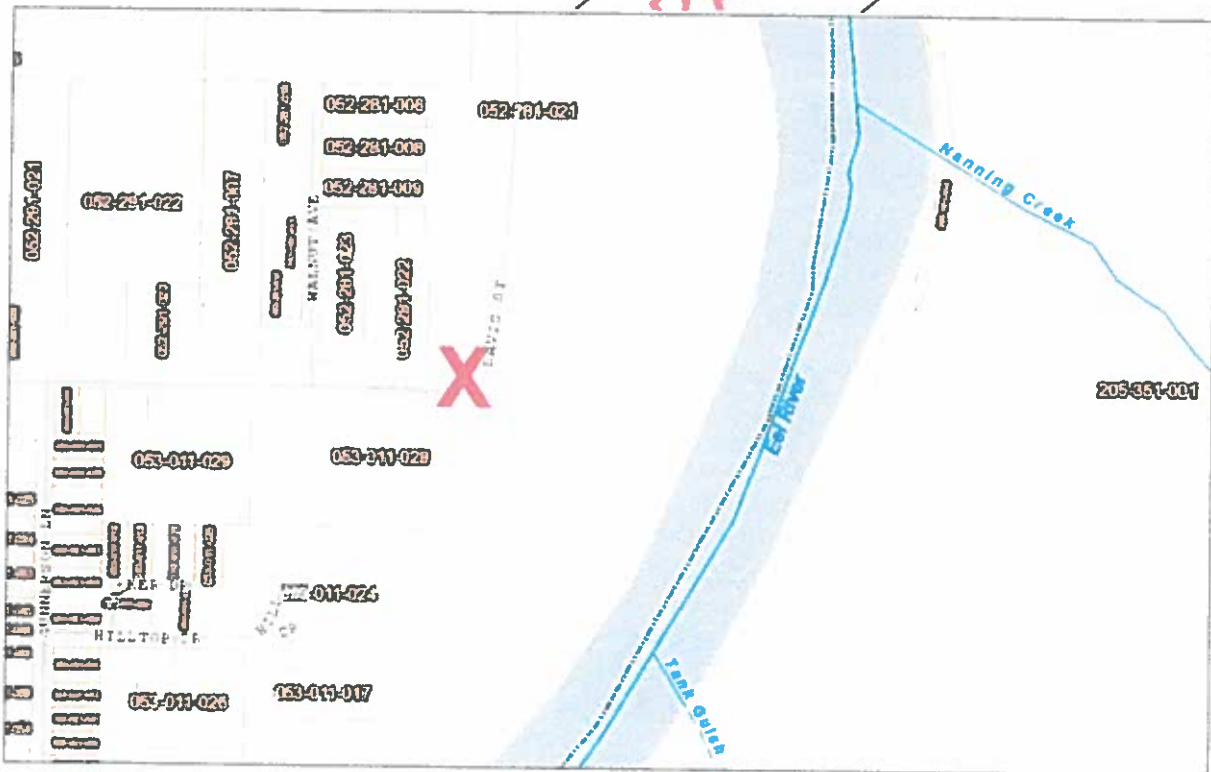
From: City of Rio Dell
675 Wildwood Drive
Rio Dell, CA 95562

Project Title: Davis Street River Access Preservation

Project Applicant: City of Rio Dell

Project Location: Davis Street River Access Preservation (DSRAP) is located at the eastern terminus of Davis Street in the City of Rio Dell California. See Image 1 below

Image 1 Location of Proposed River Access Preservation



Project Location - City: Rio Dell

Project Location - County: Humboldt

Description of Project: The project replaces an existing 200 foot pedestrian public river access trail by moving it approximately 55 feet to the south of its current location. The project would move this facility from private land to public land. The trail would cross no water course, fell no tree and would be

accomplished using only hand tools – shovels, chain saws (fallen trees) and weed eaters. This trail preserves existing and historical public access by foot to the Eel River from the foot of Davis Street. A small sign will be installed in the public right-of-way to inform the public of the pedestrian river access.

Name of Public Agency Approving Project: City of Rio Dell

Name of Person or Agency Carrying Out Project: City of Rio Dell

Exempt Status: (check one)

- Ministerial (Sec. 21080(b)(1); 15268);
- Declared Emergency (Sec. 21080(b)(3); 15269(a));
- Emergency Project (Sec. 21080(b)(4); 15269(b)(c));
- Categorical Exemption (type and section): **Class I, Section 15301; Class II, Section 15302; Class IV, Section 15304; Class XI, Section 15311.**
- Statutory Exemption (Sec. 21080(b)(3); 15269(a));

Reasons why project is exempt:

- **Class 1 Repair and Maintenance of Existing Facilities (15301):**

DSRAP represents a minor alteration of a existing and historical river access currently provided via private property. The existing access through private property would be permanently closed in favor of moving the access approximately 55 feet to the South along a public right of way. DSRAP represents no expansion of existing use, only a minor realignment of the river access trail and its accompanying public pedestrian foot traffic.

- **Class 2 Replacement or Reconstruction (15302):**

DSRAP proposes to close an existing public river access through private property at the foot of Davis Street and reconstruct the same facility approximately 55 feet to the south at the foot of Davis Street. The site of the river access remains the same: the foot of Davis Street.

- **Class 4 Minor Alteration to Land (15304):**

DSRAP makes minor alterations to the land and vegetation. No trees will be removed. Only hand tools will be used. The trail will serve as a fire break in the area which is heavily vegetated with invasive non-native species.

- **Class 11 Accessory Structures (15311):**

DSRAP proposes to place a small river access sign on City owned right-of-way.

Analysis of Exceptions to Categorical Exemptions:

15300.2(a): The projects impact upon the environment is insignificant. Trails regularly traverse from the river bar to individual homes along the river bank. DSRAP helps consolidate such travel into one

designated public path. The project makes only minor alterations to the ground and primarily removes vegetation and eases pedestrian access to the river.

15300.2(b): There are no successive projects planned.

15300.2(c): There are no unusual circumstances surrounding DSRAP's location or proposed alignment. There is no reasonable possibility of such effect upon the environment. No water course is crossed and the vegetation is primarily composed of non-native invasive species.

15300.2(d): The area is not adjacent to a scenic highway.

15300.2(e): Site is not a hazardous waste facility or location.

15300.2(f): The project location has no historical resources.

Lead Agency Contact Person: Mr. Kyle Knopp

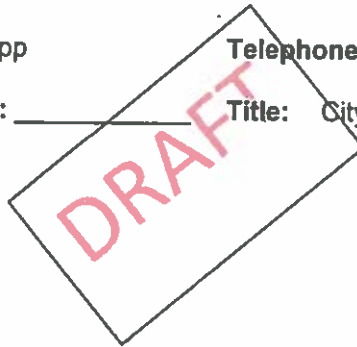
Telephone: (707) 764-3532

Signature: _____

Date: _____

Title: City Manager

X Signed by Lead Agency





Davis Street Trail

 Existing Trail on Ehrlich's Parcel

 Existing Trail on City Property to be Improved






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

September 5, 2017

TO: Rio Dell City Council

FROM: Kyle Knopp, City Manager 

SUBJECT: Adoption of Resolution No. 1355-2017 Amending and Adopting City Master Salary Table and Approval of Memorandum of Understanding with the Rio Dell Employees Association (RDEA)

IT IS RECOMMENDED THAT THE CITY COUNCIL:

Approve adoption of Resolution No. 1355-2017 amending and adopting City Master Salary Table and approval and authorization for the City Manager to sign a memorandum of understanding with the Rio Dell Employees Association.

BACKGROUND AND DISCUSSION

Summary of significant changes:

Rio Dell Employees Association

- One year contract with a 3% cost of living adjustment
- A 3% longevity increase for association members with ten or more years working of the City of Rio Dell
- Extension of a 4-10 schedule through June 30, 2018

Attached:

Resolution 1355-2017 with proposed salary table
Copy of the proposed track-changes MOU with the RDEA

///

RESOLUTION NO. 1355-2017
A RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF RIO DELL
AMENDING AND ADOPTING CITY MASTER SALARY TABLE

WHEREAS, the City of Rio Dell recognizes the value of adopting a salary schedule that promotes the recruitment and retention of employees; and

WHEREAS, an pay structure with competitive salaries is essential in attracting and retaining a skilled, motivated work force, thereby increasing the level of service to the City's residents; and

WHEREAS, a salary table helps provide transparency in compensation; and

WHEREAS, Section 36506 of the Government Code of the State of California provides that the City Council shall, by Resolution or Ordinance, fix the compensation for all appointive officers and employees.

NOW THEREFORE BE IT RESOLVED, that the City Council of the City of Rio Dell hereby amends and adopts the following Master Salary Table and that All prior resolutions (Resolution No. 1318-2017, 1348-2017, 1351-2017) concerning compensation for City employees that are in conflict with this Resolution or the attached Master Salary Tables are hereby repealed, and this Resolution shall be effective September 5, 2017:

Peace Officers Association

JOB TITLE	Salary Range				
	A	B	C	D	E
Police Officer	43,705	45,016	46,367	47,758	49,190
Police Corporal	48,075	49,517	51,003	52,533	54,109
Sergeant	53,895	55,512	57,178	58,892	60,659

Rio Dell Employee's Association

JOB TITLE	Salary Range				
	A	B	C	D	E
Accountant I	44,622	45,961	47,340	48,760	50,233
Accountant II	49,084	50,557	52,074	53,636	55,245
Administrative Assistant	30,356	31,266	32,204	33,170	34,166
Administrative Technician	36,848	37,954	39,092	40,265	41,437
Fiscal Assistant I	29,919	30,816	31,741	32,693	33,674
Fiscal Assistant II	33,542	34,548	35,584	36,652	37,751
Office Assistant	24,839	25,584	26,352	27,142	27,956

Public Works Leadman	34,678	35,718	36,789	37,893	39,030
Records Technician	34,140	35,164	36,219	37,306	38,425
Senior Fiscal Assistant	38,457	39,611	40,799	42,023	43,284
Utility Worker I	27,400	28,222	29,069	29,941	30,839
Utility Worker II	30,154	31,059	31,991	32,951	33,939
Water/Wastewater Plant Operator I	36,334	37,424	38,547	39,703	40,894
Water/Wastewater Plant Operator II	39,968	41,167	42,402	43,674	44,984

Contract Employees

JOB TITLE	Salary Range				
	A	B	C	D	E
City Clerk	53,644	55,253	56,911	58,618	60,377
City Manager	106,875	110,081	113,384		
Chief of Police	79,540	81,926	84,384		
Finance Director	67,473	69,497	71,582		
Community Development Director	73,394	75,595	77,863	81,756	85,623
Wastewater Superintendent Trainee	49,192				
Wastewater Superintendent	54,717	56,359	58,050	59,791	61,585
Water/Streets Superintendent	61,556	63,403	65,305	67,264	69,282

PASSED AND ADOPTED by the City of Rio Dell on this 5th day of September, 2017, by the following roll call vote:

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

Frank Wilson, Mayor

ATTEST:

Karen Dunham, City Clerk

Rio Dell Employee's Association

JOB TITLE	Salary Range				
	A	B	C	D	E
Accountant I	43,323	44,622	45,961	47,340	48,760
Accountant II	47,655	49,084	50,557	52,074	53,636
Administrative Assistant	29,472	30,356	31,266	32,204	33,170
Administrative Technician	35,775	36,848	37,954	39,092	40,265
Fiscal Assistant I	29,047	29,919	30,816	31,741	32,693
Fiscal Assistant II	32,565	33,542	34,548	35,584	36,652
Office Assistant	24,115	24,839	25,584	26,352	27,142
Public Works Leadman	33,668	34,678	35,718	36,789	37,893
Records Technician	33,146	34,140	35,164	36,219	37,306
Senior Fiscal Assistant	37,337	38,457	39,611	40,799	42,023
Utility Worker I	26,602	27,400	28,222	29,069	29,941
Utility Worker II	29,276	30,154	31,059	31,991	32,951
Water/Wastewater Plant Operator I	35,276	36,334	37,424	38,547	39,703
Water/Wastewater Plant Operator II	38,804	39,968	41,167	42,402	43,674

Rio Dell Employee's Association

JOB TITLE	Salary Range				
	A	B	C	D	E
Accountant I	44,622	45,961	47,340	48,760	50,223
Accountant II	49,084	50,557	52,074	53,636	55,245
Administrative Assistant	30,356	31,266	32,204	33,170	34,166
Administrative Technician	36,848	37,954	39,092	40,265	41,473
Fiscal Assistant I	29,919	30,816	31,741	32,693	33,674
Fiscal Assistant II	33,542	34,548	35,584	36,652	37,751
Office Assistant	24,839	25,584	26,352	27,142	27,956
Public Works Leadman	34,678	35,718	36,789	37,893	39,030
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Water/Wastewater Plant Operator I	36,334	37,424	38,547	39,703	40,894
Water/Wastewater Plant Operator II	39,968	41,167	42,402	43,674	44,984

Following the ratification and approval of a new MOU the City will provide a one-time payment of \$600.00 to members of the Rio Dell Employees Association (City employees) within the first two pay periods.

Memorandum of Understanding
Between



The City of Rio Dell

and

The Rio Dell Employee's Association

Through June 30, 20187

ARTICLE 1: PREAMBLE

The City of Rio Dell hereinafter the “City,” and representatives of the Rio Dell Employees’ Association, hereinafter the “Association,” having met and conferred in good faith, have mutually agreed to recommend to the City Council of the City of Rio Dell and the general membership of the Association that the following Memorandum of Understanding (MOU) be adopted and that the terms and conditions set forth herein be implemented.

ARTICLE 2: RECOGNITION

The City Council of the City of Rio Dell hereby recognizes the Rio Dell Employees’ Association as the employee organization representing the bargaining unit consisting of employees other than management, other than contract employees and other than Police Department employees of the City of Rio Dell.

ARTICLE 3: TERM

This MOU shall be effective July 1, 2017 and will continue in effect through June 30, 2018. In the event this MOU is not replaced by a successor MOU on or before June 30, 2018, this MOU shall be extended so long as good faith negotiations continue.

ARTICLE 4: NON-DISCRIMINATION

It is agreed that neither the City nor the Association shall discriminate against any employee because of race, national origin, age, sex, and disability or union membership.

ARTICLE 5: ASSOCIATION SECURITY

When a person is hired in any of the classifications represented by the Association, the City shall notify that person that the Rio Dell Employees Association is the recognized bargaining group for the employee by providing the employee with a copy of the current MOU. Upon receipt of an agreement and authorization for dues deduction signed by an individual employee, the City will withhold legitimate Association dues consistent with the terms of said authorization through payroll deduction and will remit funds so collected to the employee Association on a quarterly basis.

The City shall provide and the Association shall have access to available bulletin board space in employee work areas for the purposes of posting notices of official Association business and information of interest to employees.

Duly appointed and identified representatives of the Association are authorized access to City work locations for the purpose of conducting Association business within the scope of representation. Conduct of business shall occur during employee lunch and other non-duty time, unless otherwise authorized by the City Manager. The Association will notify the City Manager in advance when any City facility is requested to be used for employee meetings.

Employees of the City of Rio Dell other than management or contract employees and Police Department employees are required to either join the Rio Dell Employees' Association or pay the Rio Dell Employees' Association a service fee in an amount not to exceed the dues paid by members of the Association. However, any employee of the City of Rio Dell represented by the Rio Dell Employees' Association who is a member of a bona fide religious body or sect, which has historically held conscientious objection to joining or financially supporting public employment organizations, shall not be required to join or financially support the Rio Dell Employees' Association as a condition of employment. Such employees shall be required to pay a sum equal to Association dues to a non-religious, non-labor, charitable fund exempt from taxation under Section 501(c)(3) of the IRS Code as designated by the objecting employee.

ARTICLE 6: TIME OFF FOR ASSOCIATION BUSINESS

The Association shall notify the City Manager of the names of representatives selected to represent the Association prior to any formal meet and confer session or grievance process. A maximum of three employees shall be allowed reasonable time off, subject to approval of the employee's Department Head, which shall not be unreasonably withheld, without loss of compensation or other benefits when formal meeting with City representatives on matters within the scope of representation.

ARTICLE 7: EMPLOYEE HEALTH & SAFETY

In order to provide a safe and healthy work place each party hereto shall comply with all applicable State and Federal laws establishing minimum standards for occupational health and safety.

ARTICLE 8: SALARY SCHEDULE

The salary schedule for employees represented by the Association shall be as follows:

Rio Dell Employee's Association

JOB TITLE	Salary Range				
	A	B	C	D	E
Accountant I	43,323	44,622	45,961	47,340	48,760
Accountant II	47,655	49,084	50,557	52,074	53,636
Administrative Assistant	29,472	30,356	31,266	32,204	33,170
Administrative Technician	35,775	36,848	37,954	39,092	40,265
Fiscal Assistant I	29,047	29,919	30,816	31,741	32,693
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Office Assistant	24,115	24,839	25,584	26,352	27,142
Public Works Leadman	33,668	34,678	35,718	36,789	37,893
Records Technician	33,146	34,140	35,164	36,219	37,306
Senior Fiscal Assistant	37,337	38,457	39,611	40,799	42,023
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Rio Dell Employee's Association

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Water/Wastewater Plant Operator I	36,334	37,424	38,547	39,703	40,894
Water/Wastewater Plant Operator II	39,968	41,167	42,402	43,674	44,984

Following the ratification and approval of a new MOU the City will provide a one-time payment of \$600.00 to members of the Rio Dell Employees Association (City employe

es) within the first two pay periods following adoption of this MOU by the City Council. This payment shall be subject to all standard payroll deductions.

Members of the Rio Dell Employee's Association in good standing who possess ten (10) years of continuous uninterrupted employment with the City of Rio Dell shall receive a 3% increase to their base salary.

ARTICLE 9: TRAINING

The City Manager and Department Heads will work with Association representatives on training needs for represented employees. Travel time will be treated as regular hours worked.

ARTICLE 10: INSURANCE

MEDICAL, DENTAL AND VISION INSURANCE: Medical, dental, life and vision insurance benefits shall be provided by the City for all employees of this unit and their dependents. The contribution amount by the City will be 100% of the premium for the employee and 70% of the premium for their dependents until June 30th, 2017. Should the City choose alternative medical coverage during the effective period of this MOU, that alternative insurance shall be of equal or greater comprehensive coverage, than that which is currently in place. Employees may elect to substitute compensation for health, dental, and vision insurance coverage. The level of compensation shall be \$125.00 a pay period for health, vision and dental coverage. Proof of health insurance must be provided to employer.

LIFE INSURANCE: A \$50,000 life insurance policy shall be provided by the City for each regular employee of the unit during the term of employment with the City and the period of this Memorandum of Understanding.

ARTICLE 11: DEFERRED COMPENSATION

The Employer does not yet participate in and is not a party to the Public Employees Retirement System of the State of California. The Employer participates in a deferred Compensation Plan. The Employer shall contribute and pay an amount equal to ten percent (10%) of the Employee's salary to the Deferred Compensation Plan to the extent accrued proportional to the amount of time worked during any given year.

ARTICLE 12: SICK LEAVE

Sick leave earnings at the rate of eight hours per month shall be granted. Rules pertaining to the use of sick leave are detailed in the Rio Dell Personnel Rules.

Upon the employee's separation from City service, he or she shall be paid for any accrued sick leave beginning after five years of full time employment based upon the following schedule:

5 – 7 years	-	10%
8 – 12 years	-	15%

13 – 20 years	-	20%
21 + years	-	25%

The amount paid out under this Article shall not exceed 240 hours.

ARTICLE 13: JURY DUTY

An employee who is required to report for jury duty shall receive full pay for such absence from work. Mileage expenses will be paid to the employee by the court directly and are therefore ineligible for reimbursement by the City. Upon being excused from jury duty, if four or more hours are left in the employee’s workday the employee shall report back to work. The employee shall provide the employer documentation from the court detailing the time served for each day the employee is required to report for jury duty.

ARTICLE 14: VACATION LEAVE

All full-time employees shall be entitled to annual vacation leave with full pay. The times during which an employee may take vacation time shall be determined by the Department Head with due regard for the employee’s request. No accrued vacation time may be used prior to completion of probation, unless authorized by the City Manager. ~~Vacation leave shall be taken in minimum increments of four hours.~~ All employees shall accrue vacation pursuant to the following schedule, based on continuous years of service:

<u>Tenure</u>		<u>Vacation</u>	<u>Vacation</u>
<u>Greater than</u>		<u>hours</u>	<u>hours per</u>
<u>Or equal to:</u>	<u>Less than:</u>	<u>per year</u>	<u>pay period</u>
Date of hire	6 full years	80	3.077
6 full years	11 full years	120	4.615
11 full years	16 full years	160	6.154
16 full years	17 full years	168	6.462
17 full years	18 full years	176	6.769
18 full years	19 full years	184	7.077
19 full years	20 full years	192	7.385
20+ full years		200	7.692

Employees who terminate employment shall be entitled to receive vacation leave pay in a lump sum for all accrued vacation leave earned prior to the effective date of termination not to exceed the one year accrual limit up to a maximum of 120 hours.

Holidays occurring during vacation leave shall not be counted as days of vacation. Vacation credit shall continue to accrue when an employee is on vacation or the first thirty days of sick leave. Employees shall not be recalled from vacation time unless the City has declared that a state of emergency exists.

SECTION 15. ACCRUED VACATION LEAVE

The amount of vacation time allowed to be accrued at the end of any pay period shall not exceed the annual amount of vacation time for the year of service up to a maximum of 120 hours. Upon reaching the applicable vacation accrual maximum, the employee will not accumulate additional vacation time until such time that the employee's accrued leave is below the applicable vacation accrual maximum.

ARTICLE 16: HOLIDAYS

The following days shall be recognized and observed as paid holidays during the fiscal year:

1. New Year's Day, January 1
2. Martin Luther King, Jr. Day, third Monday in January
3. Presidents' Day, third Monday in February
4. Memorial Day, last Monday in May
5. Independence Day, July 4th
6. Labor Day, first Monday in September
7. Veterans' Day, November 11th
8. Thanksgiving Day, fourth Thursday in November
9. Friday following Thanksgiving Day
10. Christmas Day, December 25th
11. Day before or after Christmas Day
12. One Floating Holiday per Fiscal Year
13. One holiday on the employee's birthday.

The Association shall inform the City Manager at least thirty days prior to December 25 regarding the choice to take the day before or day after Christmas as a holiday. When a holiday falls on a Saturday, the preceding Friday shall be a paid holiday. When a holiday falls on a Sunday, the Monday following shall be a paid holiday.

[The RDEA shall refer to the Employee Handbook for guidance on holiday hours associated with voluntary alternative workweek schedules.](#)

An Association employee required to work on a holiday provided for herein, shall receive holiday pay which shall be either:

1. Their regular pay plus compensatory time off at the rate of one hour of compensatory time for each hour worked.
2. Their regular rate of pay plus one hour of pay for each hour worked.

ARTICLE 17: WORK SCHEDULE AND OVERTIME

A. PUBLIC WORKS

For employees holding the Job Title of Utility Worker I/II, Water/Wastewater Plant Operator I/II and Public Works Leadman, employees shall be scheduled to work not more than five days per "workweek," as that term is defined below, and not more than eight hours per day.

Overtime shall mean the time that an employee is required to work in excess of eight hours per day or forty hours per week. The workweek shall begin at 12:01 am on Saturday each week. Employees required to work more than eight hours per day or forty hours in a workweek shall be eligible for overtime pay at one and one-half time their regular rate of pay or compensatory time off at the option of the employee.

Compensatory time shall accrue at the rate of time and one-half to a maximum amount not to exceed ~~sixteen~~ thirty-two (32+6) hours. In the event of an occurrence which required an extraordinary amount of overtime the City Manager can approve an increase in the maximum amount of compensatory time accrued and a reasonable extension of time in which to use it. An employee desiring to use earned compensation time off must first obtain department head approval, which will not be unreasonably withheld. Compensation time off-hours shall be paid to an employee upon separation from City service.

B. ALL OTHER NON-PUBLIC WORKS ASSOCIATION EMPLOYEES

For employees holding the job title of Accountant I/II, Administrative Assistant, Administrative Technician, Fiscal Assistant I/II, Office Assistant, Records Technician, and Senior Fiscal Assistant, employees, shall be scheduled to work not more than four days per "workweek", as that term is defined above, and not more than ten hours per day. Each employee shall be regularly scheduled to work one of the following three schedules: Monday, Tuesday, Wednesday, and Thursday from 7:00a.m. to 5:30p.m. ~~or~~ Tuesday, Wednesday, Thursday, and Friday from 7:00a.m. to 5:30p.m. or Monday, Tuesday, Thursday, Friday from 7:00am to 5:30p.m. The City Manager shall determine which schedule will constitute each employee's regular schedule. Once determined, each employee's regular schedule shall not be altered except upon mutual agreement of the employee and the City Manager or upon the giving of one (1) week prior notice to the affected employee when the interests of the City so require. The City Manager, in his or her sole discretion, also may provide a work schedule not exceeding eight hours per day to accommodate any employee who is hired after the adoption of this MOU and who is unable to work any the schedule established herein. The City Manager will also explore any available reasonable alternative means of accommodating an employee's religious beliefs or observances that conflict with an the workweek schedule, as required by law.

Overtime shall mean the time that an employee is required to work in excess of ten hours per day or forty hours per week. Employees required to work more than ten hours per day or forty hours in a workweek shall be eligible for overtime pay at one and one-half time their regular rate of pay or compensatory time off at the option of the employee. Compensatory time shall accrue at the rate of time and one-half to a maximum amount not to exceed ~~sixteen~~ thirty-two (32+6) hours. In the event of an occurrence which required an extraordinary amount of overtime the City Manager can approve an increase in the maximum amount of compensatory time accrued and a reasonable extension of time in which to use it. An employee desiring to use earned compensation time off must first obtain department head approval, which will not be unreasonably withheld. Compensation time off-hours shall be paid to an employee upon separation from City service.

The parties hereto acknowledge and agree that the alternative work schedule established under this Article 17, B, is made at the request of the Association. The parties acknowledge that the alternative work scheduled is adopted on a trial basis starting ~~February 6, 2017 (02-06-2017)~~ upon execution of this contract until June ~~30th 2nd, 20187~~ (06-30-20187) for the purpose of continued evaluation of ~~ag~~ the feasibility of

such a schedule and the effects, if any, on City services. The Association expressly agrees that the adoption of this alternative schedule shall not vest the Association, or any member thereof, with any right to continue the alternative schedule beyond June 30-2, 20187.

ARTICLE 18: PUBLIC WORKS SCHEDULING

Public Works employee work weeks shall be scheduled at least 14 days in advance with due consideration given to factors such as seniority and qualifications when scheduling Saturday, Sunday and holiday duty.

ARTICLE 19: STAND-BY AND CALL-OUT

An employee called-out for work during off duty hours shall be compensated with a minimum of two hours of overtime, regardless of actual hours worked. An employee required to be on call after hours shall be compensated \$150.00 for every seven (7) days of on call duty regardless of actual hours worked. A second on-call employee shall be compensated \$100.00 for every seven (7) days of on-call duty, regardless of actual hours worked.

ARTICLE 20: ACTING PAY

An employee covered by this MOU shall only be required to perform the supervisory duties of his or her supervisor when the supervisor is absent from the position and upon specific written assignment by the City Manager. Employees so assigned shall be compensated at an additional rate of one-half the difference between his or her pay and that of the supervisor; provided, however, that the employee shall only receive such additional compensation when the assignment is for eleven consecutive work days or more. The City shall not rotate employee shifts for the purpose of avoiding payment of such compensation.

ARTICLE 21: UNIFORM AND SAFETY EQUIPMENT

Whenever a full-time Public Woks employee is required to have, or while on duty, wear protective clothing as defined by IRS Publication 529, he or she shall be reimbursed for the purchase of said protective gear in an amount not to exceed \$500 per fiscal year upon presentation of applicable expense receipts. Protective clothing as defined by the IRS includes: safety boots, safety glasses, hard hats, work gloves, etc.

ARTICLE 22: LAYOFF AND RE-EMPLOYMENT

Whenever it becomes necessary for employees to be laid off because of lack of work or lack of funds, all probationary employees of the department shall be laid-off before any regular full-time employees. If additional reductions are necessary, regular full-time employees shall be laid off in reverse order of their seniority within a department in the same job classification. Employees laid off shall be given written notice of such layoff at least thirty days prior to the effective date of the layoff. The names of employees laid off shall be placed on a re-employment list for the position. Persons on such lists shall retain eligibility for appointment there from in order of accumulated seniority for a period of two years from the date their names were placed on the list. Persons notified for rehire must respond in writing to such notice within seven calendar days of receiving such notification. Notice shall be deemed to have been received when sent

to the last known address on file with the City and attempted delivery or delivery is certified by the Postal Service.

SECTION 23: AUTOMOBILE

For those employees who are required to have a valid driver's license and operate City vehicles failure to maintain a valid driver's license or failure to maintain an insurable driving standard as defined by City's insurance coverage shall be cause for termination. Subject employees shall provide employer with a Department of Motor Vehicle H-6 report annually to verify minimum driving standards.

If employee's duties require that they have the use of employee's automobile to perform Employer's business. Employee's use of their private vehicle for City business shall be reimbursed to Employee at the current standard mileage rate as published by the IRS. Subject to all of the provisions of City's separate Travel and Reimbursement Resolution, Employee shall be responsible for paying for all gas, maintenance, and repair of said automobile. Employee shall be responsible for paying for all liability, property damage, and comprehensive insurance on said automobile. Proof of said insurance in force during the period of employment must be provided to employer. Failure to maintain a valid driver's license shall be cause for termination.

[The City will remove the requirement for a Class B California Driver's License from the requirements for the position of Utility Worker II.](#)

ARTICLE 24: PERSONNEL RULES APPLICABLE

Rather than duplicate personnel rules applicable to all employees, this article incorporates by reference the Rio Dell Personnel Rules Resolution and Rio Dell Employer-Employee Organization Relations Resolution regarding the following subjects: Disciplinary Actions, Grievance Procedure, Impasse Procedure, Counseling and Unfavorable Reports, Employee Performance Evaluation, Personnel Files, Family Sick Leave and Bereavement Leave, Leave of Absence, Maternity Leave and Worker's Compensation Leave.

ARTICLE 25: MAINTENANCE OF BENEFITS

All written rights, privileges, benefits, terms and conditions of employment within the scope of representation as of the date of this MOU which are not specifically set forth in this MOU shall remain in full force, unchanged during the term of this MOU except by mutual consent or otherwise allowed or required by law.

ARTICLE 26: IMPLEMENTATION

This MOU constitutes a mutual recommendation by the parties, to the City Council, that one or more resolutions be adopted accepting this Memorandum and effecting the changes enumerated herein relative to wages, benefits, and terms and conditions of employment for the employees represented by the Association. During the term of this MOU, the City and the Association shall not be obligated to, but may by mutual consent, meet and confer on any matter within the scope of representation pursuant to provisions of the Myers-Millias-Brown Act.

ARTICLE 27: PRECEDENCE

Any and all prior or existing MOUs are hereby superseded. In the event of an express written conflict between a specific written provision of this MOU and a written rule, regulation or resolution of the City of Rio Dell, the terms of this MOU shall prevail and said written rule, regulation or resolution shall be deemed physically amended to conform to the specific provisions of this MOU.

ARTICLE 28: CONSITUTIONALITY

If any article, subsection, subdivision, sentence, clause or phrase of this MOU is for any reason held to be illegal or unconstitutional, such decision shall not affect the validity of the remaining portion of this MOU.

This Memorandum of Understanding represents the full and complete understanding between the parties related to the subject matter set forth herein and all negotiations of whatever kind or nature are merged herein. The parties hereto have caused this Memorandum of Understanding to be executed.

ARTICLE 29: NO STRIKE CLAUSE

During the term of this agreement the Association, despite any sanctions or instructions by the Association, agrees that they will not engage in, encourage or approve any strike, slowdown or other work stoppage growing out of any dispute relating to the terms of this agreement. The Association will take whatever lawful steps are necessary to prevent any interruption of work in violation of this agreement, recognizing, with the City, that all matters of controversy within the scope of this agreement shall be settled by established grievance procedures.

**RIO DELL EMPLOYEES’
ASSOCIATION**

CITY OF RIO DELL

Austin Evans, President Date

Kyle Knopp, City Manager Date

Joanne Farley, Vice President Date

Approved as to form:

Russ Gans, City Attorney Date

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



September 5, 2017

TO: Rio Dell City Council
FROM: Kyle Knopp, City Manager *3*
SUBJECT: Adoption of Resolution No. 1356-2017 Adopting the Rio Dell Employee's Handbook

IT IS RECOMMENDED THAT THE CITY COUNCIL:

Approve Resolution No. 1356-2017

BACKGROUND AND DISCUSSION

From time to time, the Rio Dell Employee Handbook requires updating. The employee handbook last received a significant update in 2012, though there have been alterations in 2013 and 2015.

The Council last reviewed the document on August 15, 2017 and staff met with representatives of the RDEA on the 30th at their request. Some changes have been made to the document since the 30th, concerning:

- HIPPA clarification
- Incorporation of prior amendments adopted by the City Council on January 3, 2013 concerning acting pay, probationary periods, and appointments
- Clarification on various employee benefits
- Clarification on holiday pay for those on an alternative workweek schedule

///



RESOLUTION NO. 1356-2017
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RIO DELL, CALIFORNIA
ADOPTING AND APPROVING THE EMPLOYEE HANDBOOK

WHEREAS, the Employee handbook needs to be updated from time-to-time; and

WHEREAS, the City Attorney and City Manager have drafted recommended changes for the consideration of the Council; and

WHEREAS, the primary purpose of this update is to help the handbook conform to current state and federal laws; and,

WHEREAS, the Employee Handbook helps to provide clarity on employer-employee relations; and,

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Rio Dell hereby adopt and approve the changes to the employee handbook attached to this Resolution.

PASSED, APPROVED AND ADOPTED by the City Council of the City of Rio Dell on this 5th day of September, 2017 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

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 Resolution No. 1356-2017 adopted by the City Council of the City of Rio Dell on September 5, 2017.

Karen Dunham, City Clerk

**ACKNOWLEDGMENT OF RECEIPT
OF EMPLOYEE HANDBOOK**

I acknowledge that I have received a copy of the City of Rio Dell Employee Handbook dated ~~May 2012~~ March 2016. I have read and understand my rights to and responsibilities for fostering a safe, professional, and discrimination-free work environment as set forth in the Handbook. In particular, I have read the policy against Harassment as well as the Drug-Free Workplace policy. I agree to abide by these policies, as well as the other policies contained in the Handbook. I have also had an opportunity to discuss any questions with my supervisor or Department Head.

In addition, I understand that, because the City of Rio Dell cannot anticipate every issue that may arise during my employment, if I have questions regarding any of the City of Rio Dell's policies or procedures, I will consult my Supervisor, my Department Head or the City Manager.

I agree and understand that my relationship with the City of Rio Dell is "at-will," which means that my employment is for no definite period and may be terminated by the City of Rio Dell or me at any time for any reason, with or without cause or advance notice. I further understand that the City of Rio Dell may demote or discipline me or otherwise alter the terms of my employment at any time and at its sole discretion, with or without cause or advance notice. I understand that only the City Manager may change this at-will employment relationship, and then only if it is in writing.

I further understand that the policies contained in the Handbook are guidelines only and are not intended to create any contractual rights or obligations, express or implied. Similarly, these policies shall not be construed to create any type of "fair" procedure prior to termination or other disciplinary action. I further understand that the City of Rio Dell has the right to amend, interpret, modify, or withdraw any of the provisions of the Handbook at any time in its sole discretion, with or without notice, except for its policy of at-will employment.

I also understand and agree that if the terms of this Acknowledgment of Receipt are inconsistent with any policy or practice of the City of Rio Dell now or in the future, the terms of the Acknowledgment of Receipt shall control.

Lastly, I understand and agree that this Acknowledgment of Receipt contains a full and complete statement of the agreements and understandings that it recites, that no one has made any promises or commitments to me contrary to the above, and that this Acknowledgment of Receipt supersedes all previous agreements, whether written or oral, express or implied, relating to the subjects covered by this Acknowledgment of Receipt.

Employee Name (Printed)

Signature

Date

SECTION 1: PRELIMINARY STATEMENTS

1.01 INTRODUCTION

This Handbook is intended to help employees get acquainted with the City of Rio Dell ("City") and provide information about its employment practices. The ~~City of Rio Dell~~ shall conduct its business in a professional, courteous, and ethical manner. This Handbook exists to ensure the ~~City of Rio Dell~~ is sensitive to, and responsible for, the efficient, economical, and legal implementation of its business operations.

The purpose of the Handbook is to emphasize that, as ~~City of Rio Dell~~ employees, we have a responsibility to the public, to our stakeholders, partners, and colleagues, and to ourselves to conduct all facets of our business in a professional and ethical manner. It explains some of our philosophies and beliefs, and describes, in general terms, some of our employment policies. This Handbook is not intended in any way to create an employment contract, or any other contract, express or implied, nor is it intended to otherwise create any legally enforceable obligations on the part of the ~~City of Rio Dell~~ or its employees. If at any time there should be a conflict between a description in this Handbook and other employment contracts, the terms of any superseding contract will govern. Although this Handbook is not intended to be an official policies and procedures manual, we hope that it will serve as a useful reference document for employees throughout their employment. In addition to this Handbook, law enforcement officers employed by the City of Rio Dell Police Department should also refer to the California Public Safety Officers Procedural Bill of Rights Act (California Government Code §§ 3300-3312), which bestows certain rights upon specified peace officers, as stated in the Act. Furthermore, law enforcement officers employed by the City of Rio Dell Police Department are expected to perform their job duties in accord with the Rio Dell Police Department Policy Manual.

This Handbook supersedes and replaces all previous handbooks, personnel policies, practices, and guidelines.

Because the ~~City of Rio Dell~~ is a constantly-changing organization, it, acting through the City Council, reserves complete discretion to add to, modify, or delete provisions of this Handbook, or the policies and procedures on which they may be based, at any time without advance notice, with the exception of its At-Will Employment policy. Employees will be advised of changes that occur.

To obtain information regarding specific employment policies or procedures, whether or not they are contained in this Handbook, employees should contact their Supervisor or Department Head, or the City Manager. If ~~you~~ any employee needs an explanation in another language, ~~the employee should~~ please contact ~~your~~ this or her Supervisor or Department Head for assistance. The ~~City of Rio Dell~~ wants all employees to understand the City's policies and procedures and the services that the ~~City of Rio Dell~~ provides to the public. ~~Employees~~ You are encouraged to bring suggestions for improvement to the attention of your Supervisor or Department Head.

No one, other than the City Manager, has the authority to enter into any employment or other agreement that modifies ~~City of Rio Dell~~ policy. Any such modification must be in writing and signed by the City Manager and the affected employee and approved by the City Council.

This Handbook is the property of the ~~City of Rio Dell~~, and it is intended for personal use and reference only by employees of the ~~City of Rio Dell~~. Circulation of this Handbook outside of the workplace requires the prior written approval of the City Manager.

Employees are required to sign the Acknowledgment of Receipt form that will be distributed at the time employees receive this Handbook. This should be returned to ~~you~~ the employee's Department Head, the Finance Director or the City Manager as soon as possible. This completed form will be retained in each employee's official personnel file and will provide the ~~City of Rio Dell~~ with a record that each employee has received this Handbook. This Handbook is intended to apply to all employees.

SECTION 2: EQUAL EMPLOYMENT OPPORTUNITY

2.01 ACCOMMODATION REQUESTS

The ~~City of Rio Dell~~ will seek to provide reasonable accommodation for the disclosed or otherwise known physical and mental limitations of a qualified disabled employee or applicant as required by ~~the Americans with Disabilities Act or applicable~~ applicable federal and state law, including, but not limited to, the Americans with Disabilities Act and the Fair Employment and Housing Act. Reasonable accommodation varies depending on the individual circumstances and will be evaluated on a case-by-case basis.

A qualified individual with a disability is defined by federal and state law, but generally includes ~~is~~ anyone who can perform the essential functions of his or her job with or without reasonable accommodation for the disability. A disability is a physical or mental impairment that substantially limits one or more major life activities that may include walking, seeing, speaking, working, or caring for one's self.

To make an accommodation request, ~~employees should please~~ communicate ~~they~~ your request to ~~your~~ their Supervisor/Department Head. If ~~the employee you~~ feels uncomfortable making an accommodation request to the person(s) previously listed or ~~you~~ the employee believes that the ~~your~~ accommodation request was not properly managed, report to City Manager.

2.02 DISABILITY DISCRIMINATION POLICY

The ~~City of Rio Dell~~ City prohibits and does not tolerate discrimination against any qualified individual because of his or her ~~with a~~ disability. All ~~qualified~~ individuals with a disability are guaranteed the same employment opportunities as other employees or applicants. No person, no matter his or her title or position, has the authority, expressed, actual, apparent or implied to discriminate against an qualified employee or applicant with a disability.

The ~~City of Rio Dell~~ City will make all decisions concerning recruitment, placement, selection, training, hiring, advancement, discharge or other terms, conditions, or privileges of employment based on job-related qualifications and abilities.

The ~~City of Rio Dell~~ City prohibits verbal, physical, or visual conduct that belittles or demeans any qualified individual because of his or her ~~with a disability~~ her disability.

Violators of this policy are subject to disciplinary action, up to and including discharge, for any act of disability discrimination reasonably believed to have been committed.

If ~~any employee-you has have~~ any questions, problems, or complaints regarding a violation of this policy, or disability discrimination in general, ~~the employeeyou~~ must communicate ~~yourhis or her~~ concerns to ~~your his or her~~ Supervisor/Department Head. If ~~youthe employee~~ feels uncomfortable doing so or if ~~your his or her~~ supervisor is the source of the problem, condones the problem, or ignores the problem, report to the City Manager.

~~YouEmployees~~ are not required to directly confront the person who is the source of ~~yourthe~~ report, question, or complaint before notifying any of those individuals listed. Nevertheless, ~~you~~ employees are required to make a reasonable effort to make disability discrimination known should it exist.

2.03 EMPLOYEE RELATIONS

Our experience has shown that when employees deal openly and directly with management, the work environment can be excellent, communications can be clear, and attitudes can be positive. We believe that the ~~City of Rio DellCity~~ fully demonstrates its commitment to employees by responding effectively to employee concerns. If ~~you any employee has have~~ concerns about work conditions or compensation, ~~the Citywe~~ strongly encourages ~~you~~ to express these concerns openly with ~~your the employee's~~ Employee Association President and with ~~the employee'syour~~ Supervisor/Department Head. In addition, ~~the Citywe~~ affirms ~~its our~~ commitment to retaining positive relationships with all existing bargaining associations.

2.04 EQUAL EMPLOYMENT OPPORTUNITY POLICY

The ~~City of Rio DellCity~~ is an equal opportunity employer. It is our policy to grant equal employment opportunities to qualified persons without regard to race, religion, color, national origin, sex, sexual orientation, pregnancy, age, veteran or military status or non-job physical or mental handicap or disability or other classification protected by applicable federal, state or local laws, except where there is a bona fide occupational disability. The ~~City of Rio DellCity~~ will provide equal opportunities in employment, promotion, wages, benefits and all other privileges, terms and conditions of employment. All recruiting, hiring, training and promoting for all job classifications is done without regard to race, color, religion, sex, age or national origin except when a bona fide occupational qualification exist. All decisions on employment are made to further the principal of equal employment. All promotion decisions will continue to be made in accordance with Equal Employment Opportunity principals, and only valid job requirements will be used.

The ~~City of Rio DellCity~~ prohibits and does not tolerate discrimination against anyone on the basis of race, color, religion, sex, age, national origin, veteran status, ~~or disability, pregnancy, sexual orientation, ancestry, marital status or other classifications prohibited by state or federal law.~~ The ~~City of Rio DellCity~~ prohibits verbal, physical, or visual conduct that belittles or demeans any individual on the basis of race, color, religion, sex, age, national origin, veteran status, ~~or disability, pregnancy, sexual orientation, ancestry, marital status or other classifications prohibited by state or federal law.~~ . No person, no matter his or her title or position, has the authority, express, actual, apparent or implied, to discriminate against any employee or applicant of the ~~City of Rio DellCity~~.

2.05 HARASSMENT POLICY

The ~~City of Rio Dell~~City prohibits and does not tolerate harassment of any employee or applicant or the creation of a hostile or intolerable working environment because of race, color, religion, sex, age, national origin, veteran status, disability, pregnancy, sexual orientation, ancestry, marital status or other classifications prohibited by state or federal law, or as a result of filing a complaint against the ~~City of Rio Dell~~City. No person, no matter his or her title or position, has the authority, expressed, actual, apparent or implied, to harass any employee or applicant of the ~~City of Rio Dell~~City.

Romantic or sexual relationships between supervisors and subordinate employees are discouraged. There is an inherent imbalance of power and potential for exploitation in such relationships. The relationship may create an appearance of impropriety and lead to charges of favoritism by other employees. A welcome sexual relationship may change, with the result that sexual conduct that was once welcome becomes unwelcome and harassing.

By definition sexual harassment is not within the course and scope of an individual's employment with the City. The City will not pay defense costs or a judgment if an employee commits sexual harassment.

Harassment is defined by state and federal law, but generally includes, but is not limited to, the following:

1. Verbal Harassment. Includes, but is not limited to, derogatory comments communicated to the employee on the basis of race, religious creed, color, national origin, ancestry, physical or mental handicap, medical condition, marital status, sex, sexual orientation, or age.
2. Physical Harassment. Includes, but is not limited to, assaulting, impeding or blocking movement, or any physical interference with normal work or movement of the employee when directed at the employee on the basis of race, religious creed, color, national origin, ancestry, physical or mental handicap, medical condition, marital status, sex, sexual orientation, or age.
3. Visual Forms of Harassment. Includes, but is not limited to, derogatory posters, notices, bulletins, cartoons, or drawings on the basis of employee's race, religious creed, color, national origin, ancestry, physical or mental handicap, medical condition, marital status, sex, sexual orientation, or age.
4. Sexual Harassment. Includes, but is not limited to, unwelcome, sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature directed at an employee, applicant, or contractor which is conditioned upon an employment benefit, or creates a work environment that is hostile.

Harassment behavior will be assessed under the totality of the circumstances regarding each incident of harassment. Guidelines for identifying harassment behavior include, but are not limited to: (1) whether the behavior is repetitive or severe; (2) whether the behavior is unwelcomed; (3) whether the behavior is one-sided; and (4) whether a complaint stopped the behavior.

The City of Rio Del understands that victims of harassment are often embarrassed and reluctant to report acts of harassment out of fear of being blamed, concern about being retaliated against, or because it is difficult to discuss sexual matters openly with others. However, no employee should have to endure harassing conduct, and the City therefore encourages employees to promptly report any incidents of harassment so that corrective action may be taken.

If an employee believes that he or she is being harassed, the employee shall report the act of harassment to his or her Supervisor/Department Head immediately. Supervisors who receive complaints or who observe harassing conduct should immediately inform the appropriate Department Head or the City Manager. If the employee feels uncomfortable doing so or if the employee's Supervisor/Department Head is the source of the problem, condones the problem, or ignores the problem, report to the City Manager. If the claim of harassment relates to the City Manager, the complaint should be submitted to the then current Mayor for the ~~City of Rio Dell~~City.

Employees are not required to directly confront the person who is the source of the report, question, or complaint before notifying any of those individuals listed, but are encouraged to make attempts, if possible, to inform the person alleged to have violated this policy that the behavior is unwelcome.

Every reported complaint of harassment will be investigated thoroughly and promptly. Typically, the investigation will include the following steps:

1. An interview of the employee who initiated the harassment complaint to obtain complete details regarding the alleged harassment;
2. Interviews of any employees who may have witnessed, or who may have knowledge of, the alleged harassment. The employee responsible for the investigation will notify the employee who initiated the harassment complaint of the results of the investigation. The investigation will be handled in as confidential a manner as possible consistent with a full, fair, and proper investigation.

In addition to notifying the ~~City of Rio Dell~~City about harassment or retaliation complaints, affected employees may also direct their complaints to the federal Equal Employment Opportunity Commission (EEOC) and/or the California Department of Fair Employment and Housing ("DFEH"), which has the authority to conduct investigations of the facts. The deadline for filing complaints with the EEOC is generally one hundred and eighty (180) days from the date the alleged unlawful employment practice occurred and the DFEH is generally one year from the date of the alleged unlawful conduct. Employees may contact the EEOC or DFEH offices.

The ~~City of Rio Dell~~City will not tolerate retaliation against any employee for making a complaint of harassment or for cooperating in an investigation. If harassment or retaliation is shown to have occurred, the City will take corrective action commensurate with the severity of the offense. This may include, without limitation, training, referral to counseling, or disciplinary action ranging from a verbal or written warning to termination of employment, depending on the circumstances. With regard to acts of harassment by customers or vendors, corrective action will be taken after consultation with the appropriate management personnel.

~~If you are harassed, you must report the act of harassment to your Supervisor/Department Head immediately. If you feel uncomfortable doing so or if your Supervisor/Department Head is the source of the problem, condones the problem, or ignores the problem, report to the City Manager.~~

~~You are not required to directly confront the person who is the source of your report, question, or complaint before notifying any of those individuals listed. If the claim of harassment relates to the City Manager, your complaint should be submitted to the then current Mayor for the City of Rio Dell. Nevertheless, you are required to make a reasonable effort to make harassment known should it exist.~~

2.06 IMMIGRATION LAW COMPLIANCE

The ~~City of Rio Dell~~City does not unlawfully discriminate on the basis of citizenship or national origin but, at the same time is committed to employing only U.S. citizens and aliens who are authorized to work in the U.S. In compliance with the Immigration Reform and Control Act of 1986, each new employee, as a condition of employment, must complete the Employment Eligibility Verification Form I-9 and present documentation establishing identity and employment eligibility.

2.07 JOB POSTING AND EMPLOYEE REFERRALS

~~Our~~The City's job posting program gives ~~you~~employees the opportunity to show ~~your~~their interest in open jobs and to advance within the organization according to ~~their~~your skills and experience. In general, ~~we~~the City posts all regular, full-time job openings, although the ~~City of Rio Dell~~City reserves its right to not post a particular opening.

Job openings will be publicly posted and normally remain open for 10 days. Each job posting notice will include the dates of the posting period, job title, department, location, grade level, job summary, essential duties, and qualifications (required skills and abilities).

To be eligible to apply for a posted job, ~~you~~an employee must have performed competently for at least 90 calendar days in ~~his or her~~your current position. ~~You~~An employee is ~~are~~not eligible to apply for a posted job if ~~the employee~~you have ~~has~~ a written warning on file, or ~~is~~are on suspension. ~~You~~An employee may only apply for posted jobs for which ~~he or she~~you possess~~es~~ the required skills, competencies, and qualifications.

To apply for an open position, ~~the employee must~~ submit a job posting application to the Department Head. ~~The employee must list~~ your ~~his or her~~ job-related skills and accomplishments on the application. Also tell how ~~his or her~~your education and ~~your~~ work experience here or elsewhere makes ~~you~~the employee qualified for the new position.

We encourage ~~you~~employees to talk with ~~their~~your Supervisor/Department Head about ~~your~~their career plans. We also encourage ~~your~~ Supervisors/Department Heads to support ~~employees~~your efforts to gain experience and advance within the ~~City of Rio Dell~~City.

After applying for a job, the Supervisor/Department Head may be contacted for information about performance, skills, and attendance. Any staffing limitations or other circumstances that might affect a possible transfer may also be discussed.

Job posting is a way to inform ~~you~~employees of open jobs. In addition to posting, the ~~City of Rio Dell~~City may use other recruiting sources to fill open jobs.

2.08 PREGNANCY DISCRIMINATION POLICY

The ~~City of Rio Dell~~City prohibits and does not tolerate discrimination against anyone on the basis of pregnancy. The City will treat women who are affected by pregnancy, childbirth, or related medical conditions in the same manner as other applicants or employees who are similar in their ability or inability to work, with or without reasonable accommodation, with respect to all aspects of work, including firing, hiring, promotions, and fringe benefits (such as leave and health insurance benefits). Pregnant workers are protected from discrimination based on current pregnancy, past pregnancy, and potential pregnancy. The City will treat all applicants and employees who are pregnant the same as any other applicant or employee with regard to job-related functions, benefits, opportunities, and purposes. No person, or employee, no matter his or her title or position has the authority, expressed, actual, apparent or implied, to discriminate against or harass any applicant or pregnant employee on the basis of pregnancy or pregnancy disability, or applicant of the City of Rio Dell.

The ~~City of Rio Dell~~City will not deny a job or remove a pregnant employee from a position because the employee is pregnant, considering pregnancy, or experiencing any pregnancy-related problems. All decisions regarding a pregnant employee's placement in or continuation in a job will be based on the same considerations that govern all employment decisions – the employee's ability to satisfactorily perform the essential duties of the job and the safety and health of the employee, other employees, and third parties, with or without reasonable accommodation.

Violators of this policy are subject to disciplinary action, up to and including discharge, for any act of pregnancy discrimination reasonably believed to have been committed.

If ~~employees~~you have a question, complaint, or problem concerning pregnancy discrimination, ~~they~~you should relate such question, complaint, or problem to ~~their~~your Supervisor/Department Head. If ~~you—an employee~~ feels uncomfortable doing so or if ~~your~~his or her Supervisor/Department Head is the source of the problem, condones the problem, or ignores the problem, report to the City Manager. If the complaint relates to the City Manager, ~~the employee's~~your complaint should be submitted to the then current Mayor for the ~~City of Rio Dell~~City.

~~An employee~~You ~~is~~are not required to directly confront the person who is the source of ~~your~~the report, questions, or complaint before notifying any of those individuals listed. Nevertheless, an employee is you are required to make a reasonable effort to make pregnancy discrimination known should it exist.

2.09 PREGNANCY-RELATED ABSENCES

Employees of the ~~City of Rio Dell~~City shall be entitled to maternity/paternity leave for the birth or adoption of a child and complications of pregnancy as mandated by state and federal law.

The ~~City of Rio Dell~~City shall not refuse to allow an employee who either becomes pregnant or their spouse becomes pregnant while employed with the ~~City of Rio Dell~~City, or is involved with the child birth procedure, adoption procedure or related medical conditions to either:

- A. Receive the same benefits or privileges of employment granted by the City to other persons not so affected who are similar in their ability or inability to work, including taking disability or sick leave or any other accrued leave which is made available by the employer to temporarily disabled employees;
- B. Take leave on account of pregnancy related disability as defined by state and/or federal law.

2.10 PREGNANCY LEAVE

Maternity/paternity leave shall be taken subject to the following conditions and regulations:

Under the California Family Rights Act of 1993 (CFRA), if an employee has more than 12 months of service with the ~~City of Rio Dell~~City and have worked at least 1,250 hours in the 12-month period before the date the employee wants to begin pregnancy disability leave, the employee may have a right to an unpaid family care or medical leave (CFRA leave). This leave may be up to 12 workweeks in a 12-month period for the birth, adoption, or foster care placement of the employee's child.

Even if the employee is not eligible for CFRA leave, if disabled by pregnancy, childbirth or related medical conditions, the employee is entitled to take pregnancy disability leave (PDL) of up to four months, or the working days in one-third of a year or 17 1/3 weeks, depending on the employee's period(s) of actual disability. Time-off needed for prenatal or postnatal care; doctor-ordered bed rest; gestational diabetes; pregnancy-induced hypertension; preeclampsia; childbirth; postpartum depression; loss or end of pregnancy; or recovery from childbirth or loss or end of pregnancy would all be covered by PDL.

If the employee is taking a leave for the birth, adoption or foster care placement of a child, the basic minimum duration of the leave is two weeks and the employee must conclude the leave within one year of the birth or placement for adoption or foster care.

The ~~City of Rio Dell~~City will reasonably accommodate employee's medical needs (such as allowing more frequent breaks) and to transfer to a less strenuous or hazardous position if it is medically advisable because of an employee's pregnancy. When medically necessary, leave may be taken on an intermittent or a reduced work schedule.

If an employee is CFRA-eligible, the employee has certain rights to take BOTH PDL and a separate CFRA leave for reason of the birth of the employee's child.

Maternity/paternity leave shall be taken subject to the following conditions and regulations:

- A. If possible, the employee must provide at least 30 days advance notice for foreseeable events (such as the expected birth of a child). For events that are unforeseeable, the employee must notify the City, at least verbally, as soon as the employee learns of the need for the leave. Requests for pregnancy disability leave must be submitted in writing and must be approved by the employee's Supervisor or Department Head before the leave begins. The request must be supported by a written certification from the attending physician stating that the employee is disabled from working by pregnancy, childbirth or a related medical condition. The certification must state the expected duration of the disability and the expected date of return to work. If possible, all leaves must be confirmed in writing, have an agreed-

upon specific date of return, and be submitted to the Department Head prior to being taken. Requests for an extension of leave must be submitted in writing to the Department Head prior to the agreed date of return and must be supported by a written certification of the attending physician that the employee continues to be disabled by pregnancy, childbirth, or a related medical condition Failure to comply with these notice rules is grounds for, and may result in, deferral of the requested leave until the employee complies with this notice policy;

- B. Pregnancy leaves are without pay. However, the employee may first use accrued sick leave, vacation leave, and then any other accrued paid time off during the leave;
- C. An employee on pregnancy disability leave may receive any group health insurance coverage that was provided before the leave;
- D. Sick and vacation leave do not accrue while an employee is on unpaid pregnancy disability leave;
- E. Upon the expiration of pregnancy leave and the City's receipt of a written statement from the health care provider that the employee is fit to return to work, the employee will be reinstated to her original or an equivalent position, subject to any defense allowed under the law;
- F. If upon return from leave an employee is unable to perform the essential functions of the employee's job because of a physical or mental disability, the City will initiate an interactive process with the employee in order to identify a potential reasonable accommodation;
- G. An employee who fails to return to work after the termination of the employee's leave loses employee's re-instatement rights.

- ~~A. An employee who is disabled because of pregnancy, childbirth, or a related medical condition is entitled to an unpaid pregnancy leave for up to 4 months;~~
- ~~B. Requests for pregnancy disability leave must be submitted in writing and must be approved by the employee's Supervisor or Department Head before the leave begins. The request must be supported by a written certification from the attending physician stating that the employee is disabled from working by pregnancy, childbirth or a related medical condition. The certification must state the expected duration of the disability and the expected date of return to work;~~
- ~~C. All leaves must be confirmed in writing, have an agreed upon specific date of return, and be submitted to the Department Head prior to being taken. Requests for an extension of leave must be submitted in writing to the Department Head prior to the agreed date of return and must be supported by a written certification of the attending physician that the employee continues to be disabled by pregnancy, childbirth, or a related medical condition;~~
- ~~D. Pregnancy leaves are without pay. However, the employee may first use accrued sick leave, vacation leave, and then any other accrued paid time off~~

- ~~_____ during the leave;~~
- ~~_____ E. An employee on pregnancy disability leave may receive any group health insurance coverage that was provided before the leave;~~
- ~~_____ F. Sick and vacation leave do not accrue while an employee is on unpaid pregnancy disability leave;~~
- ~~_____ G. Upon the expiration of pregnancy leave and the City's receipt of a written statement from the health care provider that the employee is fit to return to work, the employee will be reinstated to her original or an equivalent position, so long as it was not eliminated for a legitimate business reason during the leave;~~
- ~~_____ H. If upon return from leave an employee is unable to perform the essential functions of the employee's job because of a physical or mental disability, the City will initiate an interactive process with the employee in order to identify a potential reasonable accommodation;~~
- ~~_____ I. An employee who fails to return to work after the termination of the employee's leave loses employee's re-instatement rights.~~

~~Paternity leave is the time a father may take off to care of his pregnant spouse if she is incapacitated, at the birth or following the birth or adoption of a child. The leave can fall under the rules of FMLA or employee may possibly use accumulated sick leave. The employee may be able to take up to six-twelve weeks leave. If the employee would like to apply for paternity leave, please speak with employee's Department Head or the City Manager.~~

~~This is intended to be a summary of employees' rights and obligations under the Fair Employment and Housing Act (FEHA) and the CFRA. Additional rights and obligations may be afforded under the Americans with Disabilities Act (ADA). The ADA and the FEHA prohibit employers from denying, interfering with, or restraining employees' exercise of these rights. For more information about these rights and obligations, contact the City Manager, look at the Department of Fair Employment and Housing's website at www.dfeh.ca.gov, or contact the Department at (800) 884-1684. The text of the FEHA and the regulations interpreting it are available on the Fair Employment and Housing Commission's website at www.dfeh.ca.gov.~~

~~**2.11 — SEXUAL HARASSMENT POLICY**~~

~~The City of Rio Dell prohibits and does not tolerate sexual harassment. The City provides procedures for victims of sexual harassment to report sexual harassment and disciplinary penalties for those who commit sexual harassment. No person, no matter his or her title or position, has the authority, expressed, actual, apparent or implied, to commit sexual harassment.~~

~~Sexual harassment includes any unwelcome sexual advances, requests for sexual favors, and any other verbal or physical conduct of a sexual nature where:~~

- ~~• Submission is made an express or implied term or condition of employment or status;~~
- ~~• Submission to or rejection of the behavior is used to make an employment decision (such as hiring, promotion, or termination); and~~

- ~~The conduct has the purpose or effect of unreasonable interfering with a person's work performance or creates an intimidating, hostile, or offensive environment for work.~~

~~The City of Rio Dell prohibits and does not tolerate any employee, manager, vendor, or visitor, male or female, to harass any employee or applicant or to create a hostile or intolerable working environment by exhibiting, committing, or encouraging:~~

- ~~Direct or implied threats that submission to sexual advances will be condition of employment;~~
- ~~Material such as pornographic or sexually explicit posters, calendars, graffiti, or objects;~~
- ~~Unwanted, unwelcome, and unwarranted sexual advances, including, but not limited to, requests, comments, or innuendoes regarding sex, including sexual jokes, gestures, statements, or stalking;~~
- ~~Intentional or malicious physical conduct that is sexual in nature, including, but not limited to touching, pinching, patting, brushing and/or pulling against another's body or clothes; and~~
- ~~Physical assaults on other employees, including but not limited to rape, sexual battery, molestation, or any attempt to commit such acts or assaults.~~

~~The City of Rio Dell will determine what constitutes sexual harassment based on a review of the facts and circumstances of each situation. The City of Rio Dell hereby provides notice of its right to use third parties to investigate claims of sexual harassment.~~

~~Violators of this policy are subject to disciplinary action, up to and including discharge, for any act of sexual harassment reasonably believed to have been committed.~~

~~If you are sexually harassed, you must report the act of harassment to your Supervisor/Department Head immediately. If you feel uncomfortable doing so or if your Supervisor/Department Head is the source of the problem, condones the problem, or ignores the problem, report to the City Manager. If the complaint relates to the City Manager, your complaint should be submitted to the then current Mayor for the City of Rio Dell.~~

~~You are not required to directly confront the person who is the source of your report, questions, or complaint before notifying any of those individuals listed. Nevertheless, you are required to make a reasonable effort to make sexual harassment known should it exist.~~

2.131 WORKPLACE ETIQUETTE

The ~~City of Rio Dell~~City can be a better place to work when all employees show respect and courtesy to each other. Sometimes there are problems when employees do not realize that they are bothering or annoying other people. If this happens to ~~any employee~~you, ~~you~~the employee should first try to solve the problem by politely ~~alerting~~telling ~~they~~your co-worker of the problem. ~~what is bothering you.~~

In most cases, if ~~you~~employees use courtesy and common sense, the problem can be fixed. ~~The City~~We encourages ~~you~~all employees to keep an open mind. If another employee tells ~~you~~another about something that ~~you are doing~~ that makes it hard for that person to work, ~~employees should~~ try to understand the other person's point of view.

The following are some guidelines and suggestions for how to be considerate of others at work. Employees ~~You~~ will not necessarily be disciplined if ~~you~~they do not follow these suggestions, but the guidelines will help ~~employees~~you get along with others. If ~~you~~any employee has ~~ve~~ comments or suggestions about workplace etiquette, contact the Supervisor/Department Head.

- Employees are to kKeep the area around ~~their~~your work space orderly and picked up.
- Avoid public accusations or criticisms of other employees. Address such issues privately with those involved or your Supervisor/Department Head.
- Be conscious of how your voice travels, and try to lower the volume of your voice when talking on the phone or to others in open areas.
- Keep socializing to a minimum, and try to conduct conversations in areas where the noise will not be distracting to others.
- Try not to block common areas while carrying on conversations.
- Refrain from using inappropriate language (swearing) that others may overhear.
- Avoid discussions of ~~your~~ personal life/issues in public conversations that can be easily overheard.
- Monitor the volume when listening to music, voice mail, or a speakerphone that others can hear.
- Clean up ~~after yourself~~ and do not leave behind waste or discarded papers.
- Conduct should be in a professional manner at all times.
- Dress appropriately.
- Maintain proper hygiene.

Nothing herein shall be interpreted or applied to prohibit employees from discussing wages, hours, and other terms and conditions of employment with fellow employees as well as nonemployees or engage in concerted activities to the extent authorized under applicable law, including, but not limited to, the Meyers-Milias-Brown Act.

SECTION 3: EMPLOYMENT CLASSIFICATIONS, PRACTICES, AND PROCEDURES

3.01 ATTENDANCE AND PUNCTUALITY

We expect all of the ~~City of Rio Dell~~City employees to be reliable and punctual. ~~You~~ Employees should report for work on time and as scheduled. If ~~an employee~~you cannot come to work or ~~you~~ the employee will be late for any reason, ~~you~~the employee must notify ~~you~~this or her Supervisor/Department Head as soon as possible.

~~Unplanned-Unexcused~~ absences can disrupt work, inconvenience other employees, and affect productivity. If ~~you~~ the employee ~~has~~ have a poor excessive unexcused attendance ~~record~~ or ~~excessive~~ tardiness, ~~the employee~~you may be subject to disciplinary action, up to and including termination of employment.

Excessive and unexcused tardiness occurs when an employee is late to work or returning from breaks more than three times during any 30-day period. Excessive unexcused absenteeism occurs when the number of unexcused absences exceeds ~~three~~3 days~~three days~~ in any three-month period. Please note that if an employee is absent for five or more consecutive workdays

and fails to notify the City, the City may assume the employee has abandoned his/her job and he/she will be considered to have voluntarily resigned.

The City of Rio Dell City realizes that, due to illness, a disability, family medical leave or other compelling reason, it may be necessary for an employee to be absent. The employee is required to notify his/her direct supervisor by calling as soon as possible before his/her scheduled starting time. In the case of an emergency or other circumstance where the employee is unable to contact the City, the employee must do so as soon as practical or may have a third-party notify the City of his/her absence or tardiness.

The City may require certification of a licensed physician to verify the basis for any absence on the ground of an illness, disability, medical leave or medical circumstances.

3.02 AMENDMENT AND REVISION OF RULES

Recommendations for amendments and revisions of these rules may be made by the City Manager, elected officials, any duly recognized employee's association and the City Attorney. Proposed amendments or revisions shall be publicly posted for at least five (5) consecutive business days prior to consideration by the City Council at a regularly scheduled City Council meeting. At the time of consideration, any interested party may appear and be heard. Amendments and revisions shall become effective upon adoption by resolution by the City Council following such hearings and as agreed to between the City Council and any duly recognized employee association, if such amendments and revisions are within the scope of meet and confer requirements.

3.03 "AT-WILL" EMPLOYMENT

~~We~~ The City sincerely hopes that ~~your~~ employment relationships with the City of Rio Dell City will be satisfying and mutually beneficial. ~~The City~~ We nevertheless believes there are some things all employees ~~you~~ must know. ~~Your e~~ Employment ~~employment~~ relationships with the City of Rio Dell City ~~is~~ are "at-will." This means that employees ~~you~~ are entirely free to terminate ~~your~~ their employment at any time, either with or without a reason. It also means that the City of Rio Dell City has the very same right ~~as you~~ and can terminate ~~your~~ employment at any time, with or without cause or advance notice.

This represents an integrated agreement with respect to the at-will nature of ~~your~~ the employment relationship. No representative or employee of the City of Rio Dell City, other than the City Manager, has the authority to enter into a contrary agreement. Even then, a contrary agreement is enforceable only if it is set forth in a written agreement that is signed by both ~~you~~ the employee and separately affirmed and adopted by the City Council.

3.04 BACKGROUND/REFERENCE CHECKS

To ensure that individuals who join the City of Rio Dell City are well qualified and have a strong potential to be productive and successful, it is the policy of the City of Rio Dell City to check the employment references of all applicants.

The responses to such inquiries will confirm only dates of employment, wage rates, and positions held.

Prior to making any commitment to prospective full-time employees, the ~~City of Rio Dell~~City shall also (unless prohibited by law) perform a background investigation to evaluate a job candidate's qualifications, character, fitness, and to identify potential hiring risks for safety and security reasons. A background investigation would include criminal history, social security number trace, past employment verification, and credit score. Any offers of employment may be made to prospective employees contingent upon the results of such background check.

3.05 CAUSE OF IMMEDIATE DISCHARGE

Willful or neglectful misuse, damage, or destruction of public or private property, City vehicles, or City equipment or willful violation of any municipal rule or regulation, City ordinance, state or federal law could be the cause for immediate discharge from employment with the ~~City of Rio Dell~~City.

3.06 CELL PHONE POLICY

The ~~City of Rio Dell~~City has established a Cell Phone policy pursuant to Resolution No. 1030-2009 and allows employees whose job duties include the frequent need for a cellular phone to be issued a City-owned cellular phone, or to be entitled to receive extra compensation in the form of a cellular phone allowance to cover business-related use of their personally owned device and service plan. There are three levels of allowances based upon City need and usage criteria. Employees should contact their Supervisor for specific information regarding cellular phone allowances.

In the interest of safety, employees (excepting law enforcement officers) are expressly forbidden from using cell phones while driving either on City business or during City hours. This includes writing, sending, or reading text-based communications, such as text messages or e-mail.

If ~~your a~~ job requires ~~you~~the employee to keep your cell phone turned on at times while ~~the employee is~~you are driving, ~~you~~the employee must use a hands-free device or safely pull off the road and park ~~your~~the vehicle before talking on the phone. Employees are expressly prohibited from placing any phone calls while operating a motor vehicle while driving on City business and/or City time.

Failure to comply with this policy may result in discipline, up to and including termination.

3.07 CODE OF ETHICS

~~1.~~ Purpose

~~A.~~—It is the policy of the City to uphold, promote, and demand the highest standards of ethics from all of its employees and officials, whether elected, appointed, or hired. City officials and employees shall maintain the utmost standards of personal integrity, truthfulness, honesty, and fairness in carrying out their public duties; avoid any improprieties in their roles as public servants including the appearance of impropriety; and never use their City position or powers for improper personal gain. It is further the policy of the City that the public's right to know of complaints of violations of the Code of Ethics by City-elected officials far outweighs any right

that these matters remain secret and private and that full access to information concerning the interests that seek to influence governmental decision-making must be assured as a fundamental and necessary precondition to the sound governance of a free society.

For further information, refer to Rio Dell Municipal Code (RDMC) Title 1, Chapter 1.10.

Governing Authorities

The following is a list of agencies responsible for enforcing federal, state, and local laws and investigating issues surrounding improper governmental actions:

Rio Dell Police Department
(707)-764-5642

Humboldt County Grand Jury
(707) 764-2475

District Attorney's Office
(800) 962-8261

Fair Labor & Housing
(800) 884-1684

3.08 COMMUNICATIONS POLICY

Electronic communications, including the contents of the City-owned computers, ~~and~~ and telephones and other similar devices are the properties of the ~~City of Rio Dell~~City. Employees have no expectation of privacy with respect to City-owned computers, telephones and other similar devices. This policy is meant to set forth guidelines regarding access to and disclosure of information/messages sent or received by the ~~City of Rio Dell~~City employees using the system. This policy may be changed at any time. The Internet, electronic mail, phone mail, or any other communication or information system of the ~~City of Rio Dell~~City is not to be used in any way that any of the following ways:

1. Downloading, uploading, sharing, viewing, or knowingly browsing offensive content including sexually explicit or violent materials;
2. Threatening or violent behavior;
3. Any illegal activities;
4. Commercial solicitations (non-business related); may be disruptive, offensive to others, or harmful to morale.

The ~~City of Rio Dell~~City electronic communication systems, including computers, ~~and~~ and telephones and other similar devices (including all hardware and software and all contents) are the exclusive property of the ~~City of Rio Dell~~City.

~~The City of Rio Dell treats all computer files, including electronic mail (e-mail) sent or received, as business information.~~ The City has the capability to access, review, copy, and/or delete any computer files, including e-mail sent or received. If employees make incidental use of the

computer system for personal files or e-mail, employees should not expect personal files or e-mail to be protected from review by other employees. Accordingly, employees should not use the City of Rio Dell City's computer system to create or transmit any information they wish to keep private.

Confidential Information: Employees must exercise extreme caution when creating or transmitting ~~City of Rio Dell City~~ confidential information. Confidential information should not be transmitted to any individual not authorized to receive such information and shall not be transmitted by e-mail.

E-mail: When transmitting messages via e-mail on City-owned computers, telephones or other similar devices, employees should consider that e-mail messages can be read by persons other than the addressee and that the message may be later disclosed to outside parties or a court in connection with litigation. Because of these concerns, ~~the City of Rio Dell employees are required to maintain the highest standards of courtesy and professionalism when transmitting e-mail.~~ employees should exercise good judgment regarding the reasonableness of business and personal use of email, and should consult with their supervisor for guidance. No communication should ever violate the law or City policies.

~~City of Rio Dell City~~ computer systems should not be used to solicit or proselytize for commercial ventures, religious or political causes, or outside organizations that are not authorized by the ~~City of Rio Dell City~~, except where otherwise protected under the law.

Internet: The ~~City of Rio Dell City~~ provides employees with access to the Internet from City-owned computers, telephones and similar devices for City business-related purposes. The ~~City of Rio Dell City~~ has the capability to review web-site access. Employees should not have any expectation of privacy regarding the web-sites accessed through the ~~City of Rio Dell City~~ computer system. Computer systems may "leave tracks" at web-sites visited. Because of the nature of ~~City of Rio Dell City~~ business, any incidental use of the Internet for personal use must be conducted with the highest levels of professionalism. Any viewing of sexually suggestive or illicit social media sites is expressly prohibited.

Employees may not use ~~the City's Internet connection~~ City-owned computers, telephones and other similar devices to download games or other entertainment software, or to play games over the Internet.

Software: —The ~~City of Rio Dell City~~ prohibits the unauthorized use of software. The ~~City of Rio Dell City~~ expects its employees to conduct themselves responsibly in this regard. Employees should refrain from making or using unauthorized copies of software programs. Employees may not install any non-City owned software programs on any City computer, telephone or other similar device without the approval of the City Manager.

Violators of this policy are subject to disciplinary action, up to and including discharge, for any violation reasonably believed to have been committed.

3.09 E-MAIL RETENTION POLICY (City of Rio Dell Resolution No. 1000-2008)

Generally, e-mail messages are temporary communications which are non-vital and should be discarded routinely. However, depending on the content of the e-mail, it may be considered public record. Accordingly, employees have the same responsibilities for e-mail messages as

they do for any other public record and must distinguish between records and non-record information.

Except as otherwise stated herein, While City electronic e-mail retention is for a maximum period of 180 days, ~~but an~~ e-mail communications should be deleted as soon as practicable from the system. It is the policy of the ~~City of Rio Dell~~ City that e-mail is not to be used to retain or store public records of any department. Communications or records intended or required by law to be retained shall be printed in a hard copy and filed or stored as appropriate and the native electronic version of the e-mail should be ~~or~~ saved to designated electronic files or other media as required by any departmental or city procedures. It is City policy that all departments adhere to their legal record retention requirements. ~~E-mail should be printed and filed in the appropriate location if any law requires a communication to be kept for a period greater than 180 days.~~ Employees should seek guidance from their Department Heads in order to ascertain the specific time requirements applicable to the documents generated, received and or maintained by their department.

E-mail should be considered a communication tool, not a storage mechanism. Back-up tapes are for disaster recovery purpose only. Retention is the responsibility of the sender of the message, not the back-up process. Backup copies are *not* for the purpose of records retention. Back-up tapes should be retained no more than six months except as required by law to be retained.

Regardless of retention requirements set forth herein, the native electronic version of the e-mail and all other electronic or paper documents pertaining to threatened or actual legal proceedings must be retained until the litigation is finally concluded.

The definition of public records includes any writing containing information relating to the conduct of the public's business prepared, owned, used or retained by the City. The definition includes electronic records, including e-mails. The definition does *not* include preliminary drafts, notes, or interagency or intra-agency memoranda that are not retained by the City in the ordinary course of business.

Except as otherwise set forth herein, bBecause of system capacity concerns, personal correspondence and interdepartmental and intradepartmental e-mails should routinely be deleted unless either the sender or the recipient would have retained the writing had it been sent in any other form. E-mail from outside the City should be retained by the recipient, if he or she would have retained the document if it had been sent in any other form or as otherwise required by law.

The sender of the e-mail is responsible for ensuring proper retention of e-mails sent within the City. All other copies are duplicates and may be deleted. However, if a record e-mail was sent by an outside agency, a member of the public or anyone outside the City, the recipient is responsible for retention if required, except as otherwise set forth herein or as required by law.

E-mail itself is not considered a record category; it is a means of transmission of messages or information. Retention or disposition of e-mail messages must be related to the information they contain or the purpose they serve. Thus, the retention period is determined by the content of the e-mail, not the medium. Except as otherwise set forth herein or as required by law, Record e-mails may be deleted upon expiration of the statutory retention period (or after 180 days if there is no statutory retention period) or as appropriate on authorization of the City Council.

Attachments should be retained or disposed of according to the content of the attachment itself, not the e-mail which transmits the attachment. Thus, attachments should be retained if they constitute a document which the recipient or the sender would ordinarily retain in the ordinary course of business.

~~E-mail will be deleted after 180 days.~~

~~E-mail is not used to store public records.~~

~~E-mail that requires storage for a period of greater than 180 days should be printed and filed or saved as a document for electronic storage in your network folders.~~

3.10 EMPLOYEE CATEGORIES

1. All personnel hired for positions within the ~~City of Rio Dell~~City will be placed at the time of hiring in one of the following categories:

- a. ~~Full-time~~Regular/Permanent Employees — ~~Personnel hired for employment to fill allocated Full-time/permanent employees positions are those who work 40 hours per workweek.~~ All such employees will be on probationary status for the required period of time ~~and as otherwise described set forth in Section 3.340~~ of these policies, below, and will ~~be retained~~complete the probationary period in City employment only upon receipt of a satisfactory (or better) performance review and written recommendation that the person be retained by his Department Head and approval by the City Manager. Time spent in a part-time permanent status immediately prior to full-time employment in the same class will be credited to the employee in computing the probationary period. Employees not recommended for retention will have their employment terminated without benefits.

- b. Part-Time/Permanent Employees - Part-time/permanent employees ~~are those who work less than 35 hours per workweek, but who still earn and accrue~~ ~~than full-time allocated positions and do earn and accrue~~ benefits. Part-time/permanent employees are eligible for health insurance on a pro-rated basis where the denominator is 40 and the numerator is the normal number of hours assigned per week, which will be paid by the City and the balance paid by the employee, provided such employee is eligible for such insurance under the terms of the group insurance plan then in effect. Part-time/~~permanent~~ employees shall be allowed designated holidays, provided if the employee is scheduled to work a holiday he/she may shift his/her hours to a non-holiday work day during the same pay period, at the option of the Department Head.

- c. Temporary/~~Intermittent~~ Employees - ~~Temporary/intermittent employees are hired to cover seasonal, emergency or special assignments. Length of employment will be for a specific period of time.~~ Personnel hired for employment of a temporary nature shall not exceed 640 hours in pay status per fiscal year. Personnel in this category will not be hired to fill vacant positions except under the rules of this ~~Section~~. Temporary employees do not earn or accrue any benefits, ~~except that they are entitled to sick leave as set forth in Section 5-15 (B).~~

~~Temporary employees are hired to cover seasonal, emergency or special assignments. Length of employment will be for a specific period of time. Personnel in this category are not eligible for vacation, sick leave or other benefits.~~

~~2. Personnel hired into City employment to fill authorized positions will be further categorized as follows:~~

~~a. Full Time Permanent—Hired to fill an allocated position with hours of work conforming to the basic work week, usually 40 hours/week.~~

~~b. Part-Time Permanent—Hired to fill an allocated position with hours of work to be less than 40 hours per week.~~

3.11 EMPLOYEE CONDUCT AND WORK RULES

We expect you all employees to follow certain work rules and conduct yourself themselves in ways that protect the interests and safety of all employees and the City of Rio Dell City.

While it is impossible to list every action that is unacceptable conduct, the following lists some examples. Employees who break work rules such as these may be subject to disciplinary action, up to and including termination of employment:

- Theft or inappropriate removal or possession of City property ;
- Falsification of timekeeping records;
- Working under the influence of alcohol or illegal drugs ;
- Possession, distribution, sale, transfer, or use of alcohol or illegal drugs in the workplace, while on duty, or while operating employer-owned vehicles or equipment;
- Fighting or threatening violence in the workplace;
- Negligence or improper conduct leading to damage of employer-owned or customer-owned property;
- Violation of safety or health rules;
- Smoking in prohibited areas;
- Unlawful discrimination;
- Sexual or other unlawful ~~or unwelcome~~ harassment;
- Possession of dangerous or unauthorized materials, such as explosives or firearms, in the workplace;
- Excessive unexcused absenteeism or tardiness any absence without notice;
- Unauthorized use of telephones, mail system, or other employer-owned equipment;
- Violation of personnel policies;
- Unsatisfactory performance or conduct.

Employees may terminate their employment at any time they want, with or without cause or advance notice. Likewise, the City of Rio Dell City may terminate your the employment of any employee at any time, with or without cause or advance notice. It is common practice for employees to give two weeks' notice to their your employer before terminating your employment, although there is no right to prior notice.

3.12 APPLICANT/EMPLOYEE MEDICAL EXAMINATIONS AND DRUG AND ALCOHOL TESTING

~~Each prospective employee shall be required to complete a pre-employment health questionnaire and, as determined by the City, take a pre-employment medical examination, which may include drug and alcohol testing depending on whether the employee is expected to engage in high risk or safety-sensitive tasks, after receiving an offer of employment and before beginning his or her first day of duty. The medical examination is provided by the City at its sole expense. Every offer of employment is contingent upon successful completion of the health questionnaire and/or medical examination by the prospective employee.~~

~~Employees of the City of Rio Dell must be in possession of a valid California Driver's license while employed with the City. Employees of the City could be asked to drive a City vehicle at any time to make deliveries or for any number of job situations. For that reason a job applicant will be asked to submit to a medical and drug test before being hired to work for the City.~~

3.13 EMPLOYMENT APPLICATIONS

~~We The City rely~~es on the accuracy of the information ~~you~~employees put on ~~your~~their employment applications. We also expect that ~~you employees~~ and ~~your~~their references give accurate and true information during the hiring process and employment. If ~~the City~~we find that any information is misleading, false, or was left out on purpose, ~~we~~the City may reject an applicant from further consideration. If the person was already hired, it could result in termination of employment. Applications for positions advertised by the City will remain on file for one (1) year.

The hiring department head shall notify an applicant in writing the reason for rejecting their application.

3.14 EMPLOYMENT LIST

After the closing date of an advertised position, the department head shall prepare a list of all candidates that appear from their application and resumes to meet the minimum qualifications as noted in the job description. All positions in the City service must be hired from an employment list, except temporary positions.

3.15 GIFTS AND GRATUITIES

No employee shall solicit or accept any gift, gratuity, or discount for City services rendered, bids or contract awarded, or for any other reason connected with the exercise of his or her duties and responsibilities as an employee.

~~3.16 GRIEVANCE PROCEDURE~~

~~1. Consideration of Grievances~~

~~This procedure is established in order to provide opportunities for City employees to bring forth their view relating to any alleged unfair or improper aspect of their employment situation and to seek a resolution of such matters.~~

Definitions:

~~A "grievance" shall mean a statement by a grievant that a controversy, dispute or disagreement of any kind or character exists arising out of or in any way involving interpretation of rule, policy, M.O.U., ordinance, resolution, or practice, or that an employee has been treated unfairly or inequitably, or that there exists a condition which jeopardizes employee health and safety which is beyond the control of the grievant. The grievance procedure shall not be used for disciplinary appeals.~~

~~A "grievant" shall mean an employee or group of employees filing a grievance.~~

Procedures:

~~In any instance of grievance, the employee concerned shall first make efforts to resolve such grievance with his/her Department Head. If the efforts to resolve the grievance with the Department Head are not satisfactory, the employee may submit his/her complaint in writing to the Department Head.~~

~~Upon receipt of the written complaint, the Department Head shall make such investigation as required under the circumstances and reply in writing to the employee within ten (10) working days after receipt of the statement from the employee.~~

~~If the employee wishes to discuss the grievance further, he/she shall within ten (10) working days of the receipt of the reply from the Department Head submit a written request for a meeting with the City Manager. If the complaint relates to the City Manager, your the complaint should be submitted to the then current Mayor for the City of Rio Dell.~~

~~The requested meeting will be held by the City Manager at the earliest date possible at which the employee, the Department Head, and any other persons invited by the City Manager may be present. The decision made by the City Manager as the result of the findings and conclusions determined at this meeting shall be communicated to the employee within ten (10) days following the meeting. This decision may be appealed to the City Council. Written appeal must be made to the City Council within ten (10) working days of receipt of the City Manager's decision. The City Council shall hear the appeal within thirty (30) days. The City Council's findings and determinations shall be communicated to the employee within ten (10) days following the hearing.~~

~~2. Employee Rights~~

~~No retaliation or reprisals whatsoever shall be invoked against any employee for processing a grievance or participating in the grievance procedure. Paid release time shall be provided when approved by the City Manager for participants in the processing of grievances. Such release time will be given with due consideration of the needs of the City for services including scheduled hearings before the City Council. When scheduling conflicts arise as a result of such needs, reasonable extensions of time shall be granted.~~

~~The employees participating in the grievance procedure may be represented, at the employee's option, by one representatives of a duly Rrecognized Employee Association Organization, as defined in Section 3501 of the California Government Code. Representative at any or all steps of the grievance procedure, provided, however, the Recognized Employee Organization Association Representative has been designated as a representative of the association/organization, in writing, at least ten (10) days in advance of such step in the grievance procedure or as otherwise required by law. The total number of designated City~~

~~employee representatives shall be limited to three in number, one from each of the three City Departments, together with any paid professional nonemployee representative of a duly Recognized Employee Organization association. Designation of employee representatives may be substituted upon ten (10) days advance written notice to the City. Multiple grievants presenting the same or substantially similar issues shall be limited to the same representative in the absence of a legal conflict of interest.~~

~~3. Hearing~~

~~Step 1: The hearing before the City Council shall be informal.~~

~~Step 2: There shall be no formal rules of evidence.~~

~~Step 3: The employee shall present his/her own case or designate a representative who need not be an attorney but may be an attorney.~~

~~Step 4: The City Manager and/or the Department Head shall present his/her own case.~~

~~Step 5: The City Attorney, if he/she is present, shall not serve as an advocate for either party. His/her responsibility would be the same as at a regular City Council meeting, to advise the City Council as to the law and its bearings in the matters under discussion. Nothing herein shall, however, prohibit the City from retaining independent counsel to represent the City's interests.~~

~~Step 6: All hearings shall be closed to the public except at the request of the affected employee. Upon written request for a public hearing, the hearing shall be open.~~

~~Step 7: All appeals proceedings shall be tape recorded. Recordings and records of appeal proceedings shall be maintained by the City Clerk for a period of two (2) years after the final decision is rendered by the Council. Employees may be allowed copies of said tapes at cost at any time within said two (2) year period. Either party may request a stenographic reporter to record the proceedings. The cost of a stenographic reporter shall be borne by the requesting party. In the event a transcript is requested by either party to a proceeding, the original and one (1) copy thereof shall be filed with the City Clerk after its preparation by the stenographic reporter is completed.~~

~~Step 8: Any court action brought by either party must be brought within ninety (90) days of the final decision of the City Council.~~

3.1716 HANDLING OF CONFIDENTIAL INFORMATION

Some employees will work with information that is of a confidential nature. If an employee is given such information, they are expected to keep the information confidential and should not share the information with unauthorized persons.

Violators of this policy are subject to disciplinary action, up to and including discharge, for any violation reasonably believed to have been committed.

Nothing herein shall be applied to prohibit employees from discussing wages, hours, and other terms and conditions of employment with fellow employees as well as nonemployees or engage in concerted activities to the extent authorized under applicable law, including, but not limited to, the Meyers-Milias-Brown Act.

3.1817 INVOLUNTARY DEMOTION

The Department Head may demote an employee whose ability to perform his required duties falls below standard or for disciplinary purposes. No employee shall be demoted to a position for which he does not possess the minimum qualifications. Involuntary demotions shall be made in accordance with the City's progressive discipline policy.

3.1918 JOB DESCRIPTIONS

We try to have accurate job descriptions for all jobs at the ~~City of Rio Dell~~City. A job description includes the following sections: job information; job summary (gives a general overview of the job's purpose); essential duties and responsibilities; supervisory responsibilities; qualifications (includes education and/or experience, language skills, mathematical skills, reasoning ability, and any certification required); physical demands; and work environment.

We use the job descriptions to help new employees understand their jobs and their responsibilities. We also use job descriptions to identify the requirements of a job, set up the hiring criteria, set standards for employee performance evaluations, and establish a basis for making reasonable accommodations for individuals with disabilities.

New job descriptions are created when a new job is created. We review existing job descriptions and change them when a job changes. ~~You~~ Employees can help by making sure that his or her ~~your~~ job description is accurate and describes his or her~~your~~ job duties.

~~Your~~ Job descriptions ~~does~~ not necessarily cover every task or duty that employees~~you~~ might be assigned. Employees~~You~~ may be assigned additional responsibilities as necessary. For~~if~~ you have any questions or concerns about any~~your~~ job description, contact the City Manager.

3.2019 LAY-OFFS

Whenever it becomes necessary for employees to be laid off because of lack of work or lack of funds, all temporary and intermittent employees of the Department shall be laid off before any permanent full-time or part-time employees. If additional reductions are necessary, permanent employees shall be laid off in reverse order of their seniority within a Department in the same job title. Except in emergency situations, all employees laid off shall be given written notice of such lay off at least thirty (30) days prior to the effective date of the layoff. The names of permanent employees laid off shall be placed on a re-employment list for the Department involved in the lay-off. Persons on such lists shall retain eligibility for re-appointment to the position in the lay-off or a lower position in the class series for a period of two (2) years from the date their names were placed on the lists. Probationary employees shall receive credit for time previously served on probation if rehired within said two (2) year period.

3.2120 LINES OF AUTHORITY

Each employee is responsible to his or her Department Head for proper performance of duty conduct on the job, compliance with rules, regulations, and policies applicable to his/her employment. Except as otherwise set forth herein, aAll requests, questions, suggestions, and grievances shall first be submitted to an employee's Department HHead who will take appropriate action in accordance with department policy and these rules.

Line of authority within the administrative organization of the City shall be as follows:

City Council
City Manager
Department Head

3.22—21 MANAGEMENT RIGHTS

The City shall retain, whether exercised or not, solely and exclusively, all express and inherent rights and authority pursuant to law with respect to determining the level of, and the manner in which, the City's activities are conducted, managed, and administered, and it is the exclusive right of the City to establish and maintain departmental rules and procedures for the administration of its departments.

The City has the exclusive right and authority to schedule work and/or overtime work as required in the manner most advantageous to the City.

Every incidental duty connected with operations enumerated in job descriptions is not always specifically described; nevertheless, it is intended that all such duties shall be performed by the employee.

The appointing authority reserves the right to discipline or discharge employees as set forth in the Employee Handbook. The City reserves the right to lay off personnel of the City at any time.

The City shall determine assignments and establish methods and processes by which assignments are performed.

The City shall have the exclusive right to transfer employees within departments and to positions outside a department in a manner most advantageous to the City.

The City shall have the authority, without prior meeting and conferring, to effect reorganizations and reallocation of work of the City.

The City has the right, without prior meeting and conferring, to contract for matters relating to municipal operations, including contracting out bargaining unit work. The right of contracting or subcontracting is vested exclusively in the City.

The inherent and express rights of the City, including those herein specifically referred to that are not expressly modified or restricted by a specific provision hereof, are not in any way, directly or indirectly, subject to meeting and conferring or the Grievance Procedure herein.

3.2322 MEET AND CONFER

Contract negotiations for contract employees shall be the responsibility of the City Manager. The City Manager shall meet and confer with any duly recognized Employee Association under

the Meyer-Milias-Brown Act, on those matters which are subject to the "Meet and Confer" process specified under Section 3505 of the California Government Code or as otherwise agreed to between the ~~City of Rio Dell~~City and any duly ~~Recognized Employee Association~~ Organization as defined in Section 3501 of the California Government Code, pursuant to the terms of any Memorandum of Understanding then in effect.

3.2423 NEPOTISM

Members of the Same Family or household are eligible for employment with the ~~City of Rio Dell~~City. It is the policy of the City to prevent family relationships and relationships involving members of the same household from adversely influencing employment selections, job assignments, promotions, performance evaluations, and other personnel matters. For reasons of supervision, safety, security, or morale, the City may prohibit members of the same family or household from working in the same department, division, or City facility. The term "Members of the Same Family" means spouses, domestic partners, children, sisters, brothers, mothers, fathers, grandparents, stepchildren, in-laws, nieces, nephews, cousins, and any other persons related by blood or marriage or by means of a "foster" relationship. No person shall be hired in a temporary or permanent position in any department of the City who is the spouse of any other employee of the City working in the department in which that person seeks to be employed. In addition, no person who is a relative to a City employee shall be hired over any other applicant unless their qualifications clearly exceed other applicants, if any. Documentation of qualification comparison must be kept in recruitment folder for at least one (1) year.

This policy is intended to prevent, but is not limited to, the following: (1) Situations that might result in unfair preferential treatment of other employees and/or the public; (2) Professional decisions that might be disadvantageous for the operations of the City; (3) An employee being in a position to supervise, control, or influence a Member of the Same Family or household; and (4) An employee having access to the personnel file and other confidential information of a Member of the Same Family or household.

This policy applies to Members of the Same Family of all employees and elected or appointed officials of the ~~City of Rio Dell~~City. Each situation will be handled on a case-by-case basis.

Employees and officials have a duty to disclose relationships that are addressed by this policy.

If two employees become subject to the restrictions of this policy after they are hired, the City will meet with the affected individuals and their representative(s) and make reasonable efforts to reassign one of the affected individuals to a different position or department, division or City facility. If a reasonable accommodation is not reached and a legitimate business reason exists, the City may require, at the sole discretion of the affected employees, one of the employees to end his or her employment with the City.

Definitions of Relationships:

Relative— An employee's parent, step parent, spouse, domestic partner, significant other, child (native, adopted or step), sibling, or grandparent.

Personal Relationship — Includes marriage, cohabitation, dating, or any other intimate relationship beyond mere friendship.

~~**Business Relationship** – Serving as an employee, independent contractor, compensated consultant, owner, board member, shareholder, or investor in an outside business, company, partnership, corporation, venture, or other transaction where the Department employee's annual interest, compensation, investment, or obligation is greater than \$250.00.~~

~~**Conflict of Interest** – Any actual, perceived or potential conflict of interest in which it reasonably appears that a department employee's action, inaction, or decisions are or may be influenced by the employee's personal or business relationship.~~

~~**Supervisor** – An employee who has temporary or ongoing direct or indirect authority over the actions, decisions, evaluation, and/or performance of a subordinate employee.~~

~~**Subordinate** – An employee who is subject to the temporary or ongoing direct or indirect authority of a supervisor.~~

3.254 CONFLICTS OF INTEREST

Employees are prohibited from:

1. Accepting personal gifts or entertainment from competitors, customers, clients, suppliers, or potential suppliers;
2. Working for a competitor, supplier, customer or client;
3. Engaging in self-employment in competition with the City, or any outside employment or side work that detracts from the employee's work for the City;
4. Using proprietary or confidential City information for personal gain or to the City's detriment;
5. Having a direct or indirect financial interest in or relationship with a competitor, customer, client, or supplier;
6. Using the City's property or labor for personal use, except as authorized in writing by the City Manager;
7. Acquiring any interest in property or assets of any kind for the purpose of selling or leasing it to the City; or
8. Committing the City to give its financial or other support to any outside activity or organization unless authorized in writing by the City Manager.

If an employee or someone with whom an employee has a close relationship, such as a Member of the Same Family or a close friend or companion, has a financial or employment relationship with a competitor, customer, client, supplier, or potential supplier, the employee must disclose this fact in writing to his or her Supervisor, the Department Head or the City Manager. Upon being notified or becoming aware of any circumstances(s) which could result in or constitute an actual or potential violation of this policy, a Supervisor or Department Head shall take all reasonable steps to mitigate or avoid such violations whenever possible. Supervisors and Department Heads shall also promptly notify the City Manager of such actual or potential violations.

In addition to the foregoing, if an employee enters into a personal relationship with a subordinate employee or with an employee of a competitor, supplier, customer or client, a conflict of interest may exist, which requires full disclosure to the City in accordance with this policy.

Failure to adhere to this guideline, including failure to disclose any conflicts or to seek an exception, may result in discipline, up to and including termination of employment.

Restricted Duties and Assignments

While the Department will not prohibit personal or business relationships between employees, the following reasonable restrictions shall apply (California Government Code §12940(a)):

(a) Employees are prohibited from directly supervising, occupying a position in the line of supervision or being directly supervised by any other employee who is a relative or with whom they are involved in a personal or business relationship.

1. If circumstances require that such a supervisor/subordinate relationship exists temporarily, the supervisor shall make every reasonable effort to defer matters involving the involved employee to an uninvolved supervisor.

2. When personnel and circumstances permit, the Department will attempt to make every reasonable effort to avoid placing employees in such supervisor/subordinate situations. The Department however, reserves the right to transfer or reassign any employee to another position within the same classification as it may deem necessary in order to avoid conflicts with any provision of this policy.

3. If there are circumstances not covered by items 3.24(a)(1) or 3.24(a)(2) above, one or both of the involved employees may be subject to termination.

(b) Employees are prohibited from participating in, contributing to, or recommending promotions, assignments, performance evaluation, transfers or other personnel decisions affecting an employee who is a relative or with whom they are involved in a personal or business relationship.

(c) Whenever possible, FTOs and other trainers will not be assigned to train relatives. FTOs and other trainers are prohibited from entering into or maintaining personal or business relationships with any employee they are assigned to train until such time as the training has been successfully completed and the employee is off probation.

(d) In order to avoid actual or perceived conflicts of interest, members of this department shall refrain from developing or maintaining personal or financial relationships with victims, witnesses or other individuals during the course of or as a direct result of any official contact.

(e) Except as required in the performance of official duties or, in the case of immediate relatives, employees shall not develop or maintain personal or financial relationships

~~with any individuals(s) who they know or reasonably should know are under criminal investigation, convicted felons, parolees, fugitives, registered sex offenders, or who engage in serious violations of state or federal laws.~~

~~Employee Responsibility~~

~~Prior to entering into any personal or business relationship or other circumstance which the employee knows or reasonably should know could create a conflict of interest or other violation of this policy, employees shall promptly notify his/her uninformed, next highest level of supervisor.~~

~~Whenever any employee is placed in circumstances which would require the employee to take enforcement action or provide other official information or services to any relative or other individuals(s) with whom the employee is involved in a personal or business relationship, the employee shall promptly notify his/her uninformed, immediate supervisor. In the event that no uninformed supervisor is immediately available, the employee shall promptly notify the City Manager to have another uninformed employee either relieve the involved employee or minimally remain present to witness the action.~~

~~Supervisor/Department Head Responsibility~~

~~Upon being notified or becoming aware of any circumstances(s) which could result in or constitute an actual or potential violation of this policy, a Supervisor/Department Head shall take all reasonable steps to mitigate or avoid such violations whenever possible. Supervisors/Department Heads shall also promptly notify the City Manager of such actual or potential violations through the chain of command lines of authority.~~

3.2655 NO-CONFLICT WITH COLLECTIVE BARGAINING AGREEMENTS CLAUSE

Any applicable Memorandum of Understanding (MOU) entered into between the City and any employee or employee organization shall have control over these rules and regulations where these rules and regulations are silent or inconsistent. These rules and regulations shall control where Memoranda of Understanding are otherwise silent.

3.276 OUTSIDE EMPLOYMENT

~~You Employees may hold an outside job or be self employed as long as you employees can satisfactorily perform your their job at the City of Rio Dell, the outside job or self employment does not create a conflict of interest (as described in section 3.25, I and the outside job or self employment does not interfere with the City's employee's work schedules, duties, responsibilities or the City's scheduling demands, the employee does not use City premises, facilities or supplies in his/her outside job or employment except where authorized in writing by the City Manager, the outside job or self employment does not involve an ownership of a private business that is incompatible with the employee's position with the City, and the City Manager is informed in writing in advance of the employee taking an outside job or becoming self-employed.~~

~~We hold all employees to the same performance standards and scheduling expectations regardless of whether if they have other jobs. In order to remain employed at the City of Rio Dell, we will ask you the employee to terminate an outside job if we determine that it is~~

~~impacting your performance or your ability to meet our requirements~~any of the foregoing issues arise, which may change over time.

~~You may not have an outside job that is a conflict of interest with the City of Rio Dell. Also, you may not get paid or get anything in return from a person outside the City of Rio Dell in exchange for something you produce or a service you provide as part of your City job.~~

3.2867 PERFORMANCE EVALUATIONS

We encourage ~~you~~all employees and ~~your~~ supervisor to discuss job performance and goals on an informal, day-to-day basis. Formal performance evaluations are done at the end of ~~an employee's~~your introductory-probationary period for any new job, as discussed more particularly in Section 3.30. The evaluation at the conclusion of an employee's probationary period~~introductory period~~ is a time for ~~the employee~~you and ~~your~~his or her supervisor to talk about ~~the~~your job responsibilities and the performance requirements of the new job. In addition, ~~the employee~~you and ~~your~~ supervisor will have formal performance evaluations to discuss ~~your~~the employee's work and goals, to identify and correct weaknesses, and to encourage and recognize ~~your~~the employee's strengths.

Performance evaluations are usually done for each employee every 12 months around the time of the anniversary of ~~the employee's~~your original hire date or as stipulated in a specific employment agreement. Step increases in pay and/or benefits are dependent on having received a satisfactory performance evaluation during the performance review immediately preceding the increase.

The employee's supervisor shall review the findings of the evaluation with the employee and sign the evaluation report before forwarding the evaluation to the Department Head or City Manager. A copy of the completed evaluation shall be provided to the employee and a copy shall be placed in the employee's personnel file.

~~The City~~We may give merit-based pay adjustments to some employees to recognize truly superior employee performance. These adjustments are based on a number of factors including the information documented by the formal performance evaluations.

3.2978 PERSONAL APPEARANCE

Personal appearance means how ~~you~~employees dress, how neat ~~you~~employees are, and ~~your~~employees' personal cleanliness standards. ~~Your~~Personal appearance can influence what customers and visitors think about the ~~City of Rio Dell~~City. Personal appearance can also impact the morale of your co-workers.

During business hours or whenever ~~employees~~you represent the ~~City of Rio Dell~~City, ~~you~~employees should be clean, well groomed, and wear appropriate clothes. This is particularly important if a particular employee's~~your~~ job involves dealing in person with customers or visitors.

If an employee's~~your~~ Supervisor/Department Head finds that his or her~~your~~ personal appearance is inappropriate, the employee~~you~~ will be asked to leave work and return properly dressed and groomed. If an employee~~you are~~ is asked to leave, ~~you~~the employee will not be

paid for the time ~~he or she is~~~~you are~~ away from work. Employees are encouraged to speak to their~~See your~~ Supervisor/Department Head if ~~you they~~ are not sure about the correct clothing standards for your job.

Where necessary, the ~~City of Rio Dell~~~~City~~ may make a reasonable accommodation to this policy for a person with a disability. Additionally, the City of Rio Dell~~City~~ accommodates employee's religious dress and grooming practices if these are part of an individual's observance of his or her religious creed, unless doing so is an undue hardship.

~~3.3028~~~~29~~ **PERSONNEL DATA CHANGES**

It is important that the ~~City of Rio Dell~~~~City~~ have certain personal information about ~~you each~~ employee in ~~our~~~~the City's~~ records. ~~You~~Each employee is required to inform the City Manager need to tell us as soon as there is a change to ~~the employee's~~~~your~~ mailing address, telephone number, marital status, dependents' information or, educational accomplishments, ~~and other possibly related information.~~ The City also~~We also need~~ requires each employee to have information about who to contact in case of an emergency. ~~To change your~~Employees should contact the City Manager to change any- personal information or if he or she has any or if you have questions about what information is required, ~~contact the City Manager.~~

~~3.3129~~~~0~~ **PERSONNEL AND MEDICAL FILES**

The ~~City of Rio Dell~~~~City~~ has an official personnel file for each employee. These personnel files include non-medical confidential information about applicants and employees that shall not be disclosed except as required under the law or by authorization of the employee. All requests for information on prospective, current or former employees should be directed to the City Manager. This system is maintained for the protection of employees and for compliance with laws pertaining to personal privacy.

No material shall be added to a personnel record without authorization of the City Manager. Copies of all material placed in personnel records shall be furnished to the employee at the time it is included in the file. An employee may cause to be placed in his/her personnel file responses to adverse materials.

In addition to the employee's personnel file, the City maintains a separate medical file for each employee, which includes an employee's medical history and health information. These files are treated as confidential medical information. Information contained in the employee's medical file shall not be disclosed except as required under the law, including without limitation the Health Insurance Portability and Accountability Act of 1996 (HIPPA), or with the employee's authorization.

An employee shall have the right to review his/her personnel or medical file or to authorize review by a representative. Such authorization of a representative shall be in writing on an individual basis. All inspections of the personnel file shall be during business hours by appointment. The employee will have access to all contents of the file except those materials which are a part of the employment/selection process and material designed confidential by law. A copy of the material in the personnel file will be provided to the employee upon request. No material shall be added to a personnel record without authorization of the City Manager.

~~3.3130~~ **PROBATIONARY PERIOD**

The City of Rio Dell has a probationary period for new employees, rehired employees, promoted employees, employees that are transferred from one position to another, and demoted employees, whether voluntary demotion or otherwise. During the probationary period, ~~we~~ the City will evaluate ~~your~~ the employee's work habits and abilities to make sure that the employee you canis able to perform yourthe job duties satisfactorily and to determine the employee's ability to work with other employees. The probationary period also gives the employee-you time an opportunity to decide if the new job meets the employee's your expectations.

The probationary period for all new and rehired employees ~~is one (1) year~~ shall be one (1) year after their hire date. The Department Head of a probationary employee shall file a performance report with the City Manager at the end of the third, sixth, ninth, and twelfth month. The probationary period shall not include time served under any temporary or intermittent appointment.

The probation period for all other appointments mentioned above is six (6) months from the date of the change in status. The Department Head of the probationary employee shall file a performance report with the City Manager at the end of the 30th day and the third and six month.

It shall be the duty of the appointing authority to recommend at any time during the probationary period the termination of a probationary employee if their conduct meets any of the criteria set forth in Section 3.36 of this Handbook (Termination, Discipline and Rules of Conduct). Regardless of qualifications or performance, a probationary employee may be rejected at any time by the City without cause or for no stated reason without the right of appeal. The City Manager shall make the final decision.

If the probationary employee is you are absent for a significant amount of time during the employee's your probationary period, the length of the absence will automatically extend the probationary period.

The City Manager, upon the written request of the Department Head, We may also extend the probationary period if it is determined that we decide the probationary periodit was not long enough to evaluate the employee's your performance. This could happen either during or at the end of the probationary period.

~~When employees satisfactorily complete the probationary period, they are assigned to the "regular" employment classification.~~

During the probationary period, new employees are eligible for those benefits that are required by law, such as Social Security and Workers' Compensation Insurance. ~~They~~ New employees may also be eligible for other City benefit programs, subject to the terms and conditions of each benefit program. Each employee shouldBe sure to review the information for each benefit program to see the exact requirements.

During the probationary period, an employee may be rejected at any time by the Department Head without cause and without the right of appeal. The Department Head shall notify the City Manager in writing of the intention to reject an employee during probation. Upon approval, the Department Head shall provide prompt notification to the employee involved. An employee rejected during the probationary period following a promotion shall be reinstated to a position in the former classification from which the employee was promoted, provided such position is available. Provided however, that if the cause for not passing probation was sufficient grounds for termination, the employee shall be subject to termination without reappointment to the lower

position. Such termination shall be subject to the Discipline Procedures as described in this manual.

3.31 RESIGNATION

Resignation means that ~~the employee you~~ voluntarily terminates ~~his or her~~~~your~~ employment at the ~~City of Rio Dell~~~~City~~. If ~~an employee you~~ decides to resign, ~~we~~~~the City requests~~~~would like you~~ ~~to tell us~~ advanced notice in writing of at least two (2) weeks before the date ~~the employee you~~ will leave. Although advance notice is not required, the resigning employee you will be helping your co-workers because there will be more time to reassign work and replace ~~you~~~~the employee~~ if necessary.

This section, including, but not limited to, the probationary period, does not alter the at-will relationship between the ~~City of Rio Dell~~~~City~~ and its employees. Specifically, any employee may be terminated and any employee may terminate their employment with the City with or without cause as described elsewhere in this manual.

3.3~~122~~ RESIDENCY

Persons accepting full-time employment in the service of the ~~City of Rio Dell~~~~City~~ in an on-call or emergency service position may be required to establish residency within ninety (90) days of the date of employment within thirty (30) minutes driving time of place of work when in the determination of the Department Head or City Manager such response time is warranted by the employee's duties. "Driving Time" assumes conformance with traffic laws and regulations.

3.3~~4233~~ RETURN OF PROPERTY

The ~~City of Rio Dell~~~~City~~ may loan ~~you~~~~employees~~ property, materials or written information to help ~~you~~~~employees~~ do ~~your~~~~their~~ job. ~~You~~~~Employees~~ are responsible for protecting and controlling any property ~~the City~~~~we~~ loans ~~employees~~~~you~~.

Upon termination of employment if you stop working at with the ~~City of Rio Dell~~~~City~~, an employee you must return all ~~City of Rio Dell~~~~City~~ property immediately.

City property must be returned by the employee prior to the final paycheck being released, except where the law otherwise requires. If you do not return our property and if the law allows, we may take money from your regular or final paycheck to cover the cost. We The City may also take legal action to get back its property.

3.3~~5344~~ SPECIAL SALARY ADJUSTMENTS

The City Manager may approve salary adjustments of employees to obtain persons with markedly superior qualifications. City Council approval is required to correct salary inequities and recognize outstanding performance.

This action must be documented by filing a Personnel Action Form with the payroll clerk.

3.3~~6455~~ SKILLS RETENTION

Each employee shall be responsible for maintaining the knowledge, skills, abilities, and physical condition necessary to perform the duties and responsibilities for which he or she is employed.

3.37566 TERMINATION, DISCIPLINE AND RULES OF CONDUCT

1. Termination

a. Voluntary Termination

The ~~City of Rio Dell~~City will consider an employee to have voluntarily terminated his or her employment if an employee does any of the following:

- (1) Elects to resign from the ~~City of Rio Dell~~City;
- (2) Fails to return from an approved leave of absence on the date specified by the ~~City of Rio Dell~~City; or
- (3) Fails to report for work without notice to the ~~City of Rio Dell~~City for three five consecutive days, except where the employee is engaged in an activity otherwise protected under the law.
- (4)(3)

b. Involuntary Termination

An employee may be terminated involuntarily for reasons that may include poor performance, misconduct, or other violations of the ~~City of Rio Dell~~City's rules of conduct as set forth below. Notwithstanding this list of rules, the ~~City of Rio Dell~~City reserves the right to discharge or demote any employee with or without "cause" and with or without prior notice.

c. Termination Due to Reorganizations, Economics or Lack of Work

From time to time, the ~~City of Rio Dell~~City (acting through the City Manager) may need to terminate an employee as a result of reorganizations, job eliminations, economic downturns in business, or lack of work. Should the ~~City of Rio Dell~~City consider such terminations necessary, it will attempt to provide all affected employees with advance notice when practical, or when required by law. (See also Section 3.2019.)

2. Discipline and Rules of Conduct

a. Policy

Employees are expected to observe certain standards of job performance and good conduct. When performance or conduct does not meet ~~City of Rio Dell~~City standards, the ~~City of Rio Dell~~City will endeavor, when it deems appropriate, to provide the employee a reasonable opportunity to correct the deficiency. If, however, the employee fails to make the correction, he

or she will be subject to discipline, up to and including discharge. Further, this policy does not alter the at-will nature of each employee's employment.

The rules set forth below are intended to provide employees with fair notice of what is expected of them and what constitutes "just cause" for discipline. However, such rules cannot identify every type of unacceptable conduct and performance. Therefore, employees should be aware that conduct not specifically listed below but which adversely affects or is otherwise detrimental to the interests of the City of Rio Dell City, other employees, clients or customers (or other third parties), may also result in disciplinary action. Disciplinary investigations, findings and the application of discipline are confidential and shall not be disclosed to third-parties except as required to effect the discipline and as required by law. Moreover, the rules are not to be interpreted or applied to prohibit employees from discussing wages, hours, and other terms and conditions of employment with fellow employees as well as nonemployees or engage in concerted activities to the extent authorized under applicable law, including, but not limited to, the Meyers-Milias-Brown Act.

b. Performance

Employees may be disciplined for poor job performance, including but not limited to the following:

- (1) Unsatisfactory work in terms of quality or quantity;
- (2) Rudeness, lack of cooperation, or similar conduct;
- (3) Excessive unexcused absenteeism, tardiness, or abuse of break and lunch privileges;
- (4) Failure to follow instructions or City of Rio Dell procedures; or
- (5) Failure to follow established safety regulations.

c. Misconduct

Employees may be disciplined for misconduct, including but not limited to the following:

- ~~(6)~~(1) Insubordination;
- ~~(7)~~(2) Dishonesty;
- ~~(8)~~(3) Theft;
- ~~(9)~~(4) Discourtesy;
- ~~(10)~~(5) Misusing, or destroying City of Rio Dell property or the property of another on City premises;
- ~~(11)~~(6) Violating conflict of interest rules;
- ~~(12)~~(7) Disclosing or using confidential or proprietary information without authorization;
- ~~(13)~~(8) Falsifying or altering City records, including application for employment;
- ~~(14)~~(9) Interfering with the work performance of others;
- ~~(15)~~(10) Altercations;
- ~~(16)~~(11) Harassing, including sexually harassing, employees, clients or customers (or other third parties);
- ~~(17)~~(12) Being under the influence of, manufacturing, dispensing,

distributing, using, or possessing alcohol or illegal or controlled substances on City-of-Rio-Dell property or while conducting City business;

(18)(13) Gambling on City-of-Rio-Dell premises or while conducting City business;

(19)(14) Sleeping on the job or leaving work without authorization;

(20)(15) Possessing a firearm or other dangerous weapon on City-of-Rio-Dell property or while conducting City business, except to the extent the employee is authorized to do so by the City Manager;

(21)(16) Being convicted of a crime that indicates unfitness for the job or raises a threat to the safety or well-being of the City-of-Rio-Dell, its employees, clients, customers (or other third parties) or property; or

(22)(17) Failing to report to the City-of-Rio-Dell, within five days, any conviction under any criminal drug statute for a violation occurring in the workplace.

b.d. Attendance

In addition to the general rules stated above, employees may be disciplined for failing to observe the following specific requirements relating to attendance, as more particularly described in section 3.01:

- (1) Reporting to work on time, adhering to established work schedules, observing the time limits for rest and meal periods, and obtaining approval to leave work early; and
- (2) Notifying the Supervisor in advance of anticipated tardiness or absence.

e.e. Discipline Procedure

Although discharge or demotion for poor performance may be preceded by an oral warning and/or a written warning, the City-of-Rio-Dell reserves the right to proceed directly to a written warning, demotion, suspension or termination for misconduct or performance deficiency, without resort to prior disciplinary steps, when the City-of-Rio-Dell, in its sole discretion, deems such action appropriate. A copy of any correspondence placed in the personnel file will be available to the affected employee.

d.f. Disciplinary Action

- (1) Conduct Resulting In Discharge

A first violation of this policy will result in immediate discharge, whenever the prohibited conduct:

- (a) Involves fighting or causing injury to the employee or any other person, or, in the sole opinion of management, endangered the safety of the employee or any other person;

- (b) Results in significant damage to ~~City-of-Rio-Dell~~ property or equipment, or, in the sole opinion of management, posed a risk of significant damage;
- (c) Involves the sale or manufacture of illegal drugs or other controlled substances;
- (d) Involves the possession, distribution, or dispensation of illegal drugs or other controlled substances or alcohol;
- (e) Involves an employee who had not completed the probationary period or was a temporary employee;
- (f) Involves the failure of an employee to report a criminal conviction, as required below;
- (g) Involves insubordination and outspoken or mutinous attitude toward those in charge or a flaunting disregard of the authority of the Supervisor or willful disobedience;
- (h) Involves inexcusable absence without leave;
- (i) Involves possession of a firearm on ~~City-of-Rio-Dell~~ property;
- (j) Involves inexcusable neglect of duty;
- (k) Involves dishonesty; or
- (l) Involves willful disobedience.

e.g. Discretion to Apply Lesser Discipline

Under the circumstances other than those described immediately above, the ~~City-of-Rio-Dell~~, in the sole discretion of management, may elect not to discharge an employee for a first violation of this policy if, under the circumstances involved, it deems this appropriate.

f.h. Effective Criminal Conviction

An employee who is convicted under a criminal drug statute for a violation occurring in the workplace or during any ~~City-of-Rio-Dell~~-related activity or event will be deemed to have violated this policy.

g.i. Written Warning

An employee who is not discharged for a first violation of this policy will receive a final written warning and/or an immediate suspension, without pay, at the sole discretion of the ~~City-of-Rio-Dell~~City. A copy of any correspondence placed in the personnel file will be made available to the subject employee

3. Exit Interview

Employees who leave the ~~City-of-Rio-Dell~~City for any reason may be asked to participate in an exit interview. This interview is intended to permit departing employees the opportunity to communicate their views regarding their work with the ~~City-of-Rio-Dell~~City, including job duties, job training, job supervision, and job benefits.

At the time of the interview, or as otherwise specified by the ~~City-of-Rio-Dell~~City, employees are expected to return all City-furnished property, such as uniforms, tools, equipment, I.D. cards,

keys, credit cards, documents, and handbooks. Arrangements for clearing any outstanding debts with the ~~City of Rio Dell~~City and for receiving final pay also will be made at this time.

4. Employment At-Will

Nothing in this guideline is intended to alter the at-will status of employment with the ~~City of Rio Dell~~City. Either the ~~City of Rio Dell~~City or you may terminate the employment relationship at any time, with or without cause, and with or without prior notice. The ~~City of Rio Dell~~City reserves the right to terminate any employment relationship, to demote, or to otherwise discipline an employee without resort to the above disciplinary procedures.

~~3.38677~~ TYPES OF APPOINTMENT AND INITIAL SALARY

Vacancies in a position may be filled by reinstatement, transfer, demotion, promotion, appointment from an appropriate list, by appointment under provisional authority, or by initial employment of new employees. New employees shall be paid at the initial pay scale step (or "A" step) except as permitted by Section 3.3~~5344~~ of these Policies, above.

1. Emergency Appointments

Emergency appointments may be made by the City Manager to prevent work stoppage of public business. Such authorization, (with City Council ratification after the fact), shall not exceed 30 days without regard to selection and employment rules or regulations. Service under emergency appointment shall not accrue any rights or benefits.

2. Reinstatements

Any permanent employee who has resigned from the City service in good standing with at least a satisfactory performance rating may be reinstated to a position in the same or a similar class within one (1) year from the date of separation on approval of the City Manager, if an opening exists. The employee so reinstated shall receive no credit for past time served with the City for purposes of sick leave or vacation accrual.

3. Transfers

No person shall be transferred to a position for which he/she does not possess the minimum qualifications.

If the transfer involves a change from one department to another, both Department Heads must consent thereto unless the City Manager orders the transfer for purposes of economy and efficiency. Transfer shall not be used to effectuate a promotion, demotion, advancement, or reduction either directly or indirectly, each of which may be accomplished only as provided in this Handbook.

4. Promotion

Insofar as consistent with the best interests of the City, all vacancies in the City service shall be filed by promotion from within the City service, based on the results of a promotional examination and the establishment of a promotional list.

If, in the opinion of the City Manager, a vacancy in an available position could be better filed by an open-competitive examination instead of a promotional examination, he/she shall arrange for an open-competitive examination and prepare an employment list based thereon.

5. Involuntary Demotion

The City Manager may demote an employee whose ability to perform his/her required duties falls below standards, or for disciplinary purposes. No employee shall be demoted to a position for which he/she does not possess the minimum qualifications. Involuntary demotions shall be made in accordance with disciplinary procedures promulgated under Section 3.6.

3.3978 VOLUNTARY DEMOTION

6. Voluntary Demotion

An employee for personal reasons may request demotion to a position in a lower class, subject to a corresponding reduction in salary. Such demotions may be permitted upon the approval of Department Head and City Manager. An employee may request demotion to a position in a lower class and commensurate salary. The City Manager may approve a step in the salary range above the "A" step as provided in Section 3.34. Such demotion may be permitted upon the approval of the City Manager.

7. Suspension

The City Manager or Department Head may suspend an employee for disciplinary purposes with or without pay. During the investigation phase of employee conduct that may lead to disciplinary action, such suspensions shall be with pay. Suspensions without pay shall not exceed thirty (30) calendar days.

8. Probationary Appointments

Probationary appointments shall be made with the approval of the City Manager.

9. Employee Anniversary Date

Each employee shall be assigned an anniversary date consisting of the day, month and year of his initial permanent appointment to the City service.

10. Pay Rate following Promotion

An employee receiving a promotion shall be entitled to the rate of pay at the range to which the employee is being promoted. The employee shall be paid at a step in the range that awards them with a 5% increase in pay from the position from which they were promoted.

3.4038839 WHISTLEBLOWER POLICY

1. Procedures for Reporting Improper Government Actions

A. The ~~City of Rio Dell~~City employees who become aware of improper governmental actions should first raise the concern with their direct Supervisor. Where the employee believes that that the improper governmental action involves his or her Supervisor, or their Supervisor's Supervisor, the employee may raise the issue directly with any Department Head, City Manager or City Council Member.

B. Complaints shall be submitted in writing except as described in Section C. The written complaint should state the nature of the alleged violation(s), the date(s), the times(s), the place of each occurrence, and the name(s) of the person(s) charged with the violation(s) if possible. Any and all documentation available as evidence to demonstrate the alleged violation(s) may be submitted with the complaint.

C. Any complaints received verbally will be translated into a written complaint by the receiving party to ensure that it properly reflects the concerns that have been raised. All anonymously received complaints shall be processed, however, due to the difficulty of verifying and/or obtaining evidence, investigation may be difficult

2. Complaints, Investigations, Review and Enforcement

A. All allegations of improper governmental actions filed against non-management employees shall be forwarded to the governing Department Head for preliminary inquiry, allegations filed against Department Heads shall be referred to the City Manager, and allegations filed against the City Manager shall be forwarded to the City Council.

B. If there are no reasonable grounds to believe that a violation has occurred, the initial City Manager (or City Council if applicable) shall dismiss the complaint. A written determination notice stating the reasoning for the dismissal will be generated and distributed to the complainant, the employee charged with a violation, the City Manager, and the City Council.

Confidentiality will be upheld, and the name of the complainant will not be revealed in the determination notice.

C. If it is believed that the violation was inadvertent and was or is being satisfactorily corrected and cured, the inquiry and investigation will be considered complete and closed. A written determination notice stating the facts and findings related to the closure of the investigation shall be generated and distributed to the complainant, the employee charged with a violation, the City Manager, and the City Council.

Any disciplinary action required as result of the violation per the City's personnel rules, ordinances, or collective bargaining agreements shall be enforced. However, disciplinary actions are considered confidential per the City's Discipline Policy, as described in Section 3.3756, and will not be detailed in the determination notice.

Confidentiality will be upheld, and the name of the complainant will not be revealed in the determination notice, except where disclosure is required by law.

D. If it is determined after the initial inquiry that a more detailed investigation is necessary, the City Attorney will be solicited for recommendation of formal investigation procedures. In

addition the complaint may be forwarded to outside authorities such as the City's external auditors, the Police, or other appropriate governing authorities.

After referral and investigation procedures are determined, the complainant shall be notified in writing of the process to be completed.

E. After the completion of investigation, a written determination notice stating the facts and findings related to the closure of the investigation shall be generated and distributed to the complainant, the employee charged with a violation, the City Manager, and the City Council.

If it is determined that violations of the provisions of this policy have occurred, the employee will be subject to disciplinary action. In addition to any other penalty herein or otherwise provided by law, a violation shall be cause for suspension, discharge, or any other disciplinary action as deemed appropriate and consistent with the City's personnel rules, ordinances, or collective bargaining agreements. However, disciplinary actions are considered confidential per the City's personnel policies and will not be detailed in the determination notice.

Confidentiality will be upheld, and the name of the complainant will not be revealed in the determination notice, except where disclosure is required by law.

3. Protection Against Retaliatory Actions

The Council will not tolerate any form of retaliation, discrimination, harassment or victimization and will take appropriate action to protect those who file complaints in good faith. Assistance will be provided at the request of the complainant in order to minimize any potential difficulties, and every effort will be made to ensure confidentiality if at all reasonably practical. The Council will provide protection under this policy and pursuant to applicable state and federal laws.

Any investigation into allegations of potential improper governmental actions will not influence or be influenced by any disciplinary or redundancy procedures already taking place concerning the employees involved.

No action will be taken against anyone who makes an allegation in good faith, reasonably believing it to be true, even if the allegation(s) is not subsequently confirmed by the investigation.

4. Records

The Department responsible for Human Resources will maintain complete documentation of all complaints filed within the City and any corresponding documentation including the final determination notices.

Each year Human Resources will produce an annual report for the City Council and the public. The report will not mention any employees, only the concerns raised, the number of such concerns, from which department they related to, and what the outcome was.

Governing Authorities

The following is a list of agencies responsible for enforcing federal, state, and local laws and investigating issues surrounding improper governmental actions:

Rio Dell Police Department
(707)-764-5642

Humboldt County Grand Jury
(707)-476-2475

District Attorney's Office
(800)- 962-8261

Fair Labor & Housing
(800)-884-1684

3.4139390 USE OF CITY PROPERTY AND EQUIPMENT

A. Policy

1. City property is to be used only for conducting City business unless otherwise authorized in writing by the City Manager. City property includes, but is not limited to: telephones, cell phones, desks, computers (including hardware and software), file cabinets, lockers, communications stored or transmitted on City property (such as e-mail and voice-mails), vehicles and any other City property used by City employees in their work. Employees do not have a reasonable expectation of privacy in City property or equipment.
2. City property may be monitored and searched at any time and for any reason. Messages sent or received on City equipment including cell phones may be saved and reviewed by others. As a result, City employees have no expectation of privacy in the messages sent or received on City property or equipment.
3. Every City employee is required to adhere to all City rules and policies while on City property or using City property or equipment.
4. The City expects you-employees to exercise care in using equipment and property, perform required maintenance, follow all operating instructions, safety standards, and guidelines, and to use it only for authorized purposes. EmployeesYou must notify theiryou Supervisor if any equipment, machines, tools or vehicles appear to be damaged, defective, or in need of repair. Prompt reporting of damages, defects, and the need for repairs could prevent deterioration of equipment and possible injury to employees or others.
5. The improper, careless, negligent, destructive, or unsafe use or operation of equipment or vehicles, as well as avoidable traffic and parking violations, can result in disciplinary action, up to and including termination of employment. A valid California Driver's License must be in the employee'syou possession while operating a vehicle off or on City property.
6. City employees who are permitted to take City vehicles home overnight may use the vehicle for City business only.

3.40 ACTING PAY

An employee shall be required to perform the duties of his/her supervisor when the supervisor is absent from the position and upon specific written assignment by the City Manager. Employees

so assigned shall be compensated at an additional rate of one-half the difference between his/her present rate of pay and that of the beginning rate of the supervisor, expressed at an hourly rate; provided however, that the employee shall only receive such additional compensation after the 10th consecutive work day in the assignment.

Employees required to have special certification or licensing beyond that required in their current position in order to assume the duties of the supervisor shall be compensated as set forth above at the beginning step of the "A" step of the supervisor's pay classification on the first day of the assignment. During such assignment the acting employee shall be compensated for overtime at straight time (new hourly rate) only and shall not be subject to the terms of any Employees' Association Memorandum of Understanding during the interim assignment.

SECTION 4: HEALTH AND SAFETY OF EMPLOYEES AND CITIZENS

4.01 ANTI-DRUG AND DRUG TESTING POLICY

The City ~~of Rio Dell~~ takes reasonable measures within our power to establish a drug-free workplace as required by the Drug-Free Workplace Act. The City prohibits and does not tolerate the possession or use of alcohol or illegal drugs at any time during the workday or anywhere within the City's facilities, properties, or in its vehicles.

Employees are forbidden to sell or make other transactions involving illegal drugs during work or on City's facilities, properties, or in its vehicles. Any sale of illegal drugs during work or on the City's premises, facilities, or in City vehicles will result in disciplinary action, up to and including discharge, for any violations reasonably believed to have been committed.

The City ~~of Rio Dell~~ prohibits the unlawful manufacture, distribution, dispensation, and possession of drugs and alcohol on City's premises or while conducting business off City's premises.

Employees are expected and required to report to work on time and in an appropriate mental and physical condition for work. To do so, employees must not be under the influence of any substance that affects their ability to perform their job functions.

Employees using drugs or other substances, whether illegal, over-the-counter, or by a prescription, that may influence the employee's ability to perform their job functions should inform their Supervisor as soon as possible. Such employees are responsible for disclosing to their Supervisor the possible side effects of the drug on work performance and the expected duration of its use.

1. Testing of Applicants for Employment

As part of the City ~~of Rio Dell~~'s employment screening process, any applicant for a City position, to whom a conditional offer of employment has been made, ~~must~~ **may be required to** pass a pre-employment drug and alcohol test under the procedures described below **and as described in Section 3.12**. The offer of employment is contingent upon a negative test result.

2. Testing of Employees in Designated Safety-Sensitive Positions

It is the belief of the City that the use of drugs or alcohol, or being under the influence, by employees in safety-sensitive positions jeopardizes the welfare and safety of our employees, visitors, and the public. Employees in safety-sensitive positions may be required to submit to annual drug testing, under the procedures described below. The City Manager or his/her designee will schedule the testing. Safety-sensitive positions include the following:

- Any employee who operates a City vehicle on a regular routine basis as part of their normal work activities;
- Any employee who has a Class A or B driver's license as required by the City;
- Any employee who operates City heavy equipment. (i.e. backhoe, dump truck);
- Department Directors and Supervisors.

If an employee refuses to cooperate with the administration of a drug test, the refusal will be handled in the same manner as a positive result.

Violators of this policy are subject to disciplinary action, up to and including discharge, for any violation reasonably believed to have been committed. Violators of this policy also may be subject to arrest and/or prosecution by law enforcement authorities.

If ~~you~~ an employee knows of possession or use of alcohol or illegal drugs by employees, ~~the employee~~ you is-are encouraged to discuss ~~your~~ the question, problem, complaint, or report with the Department Head.

If ~~the employee~~ you feels uncomfortable doing so or if ~~the employee's~~ your Supervisor/Department Head is the source of the problem, condones the problem, or ignores the problem, please refer to the City's Whistleblower Policy.

~~An employee~~ You are ~~is~~ not required to directly confront the person who is the source of ~~the~~ your report, question, or complaint before notifying any of those individuals listed. Nevertheless, the employee you are is required to make a reasonable effort to make the possession and/or use of alcohol or illegal drugs by an employee known should the situation exist.

3. Testing of Employees Who Regularly Operate Vehicles or Heavy Equipment Reasonably Suspected to be Under the Influence of Drugs and/or Alcohol.

If an employee who regularly operate vehicles or heavy equipment (i.e. backhoe, dump truck) is reasonably suspected to be under the influence of drugs and/or alcohol during work hours he/she shall be required to submit to an immediate drug and/or alcohol test to determine if the employee has used drugs and/or alcohol during work hours.

Reasonable suspicion can only be initially determined by the City Manager and/or a Department Head if the at least one of the factors below is apparent:

- Observable phenomena, such as direct observation of drug and/or alcohol use, or possession, or the physical symptoms of being under the influence of a drug;
- A pattern of abnormal conduct or erratic behavior;

- Arrest or conviction for a drug related offense, or the identification of an employee as the focus of a criminal investigation into illegal drug possession, use or trafficking (“trafficking” could also mean “distribution”);
- Information provided either by reliable and credible sources or independently corroborated; or
- Evidence that the employee had tampered with a previous drug test.

If the City Manager and/or Department Head determine that there is a reasonable suspicion that an employee who regularly operates vehicles or heavy equipment (i.e.g. backhoe, dump truck) is under the influence of drugs and/or alcohol during work hours the City Manager and/or Department Head shall immediately contact law enforcement to make an independent assessment that a reasonable suspicion exists.

If the law enforcement officer makes the assessment that a reasonable suspicion exists that an employee who regularly operate vehicles or heavy equipment (i.e.g. backhoe, dump truck) is under the influence of drugs and/or alcohol during work hours, that employee shall submit to an immediate drug and/or alcohol test by an independent agency.

If an employee refuses to cooperate with the administration of a drug test, the refusal will be handled in the same manner as a positive result.

Violators of this policy are subject to disciplinary action, up to and including discharge, for any violation reasonably believed to have been committed. Violators of this policy also may be subject to arrest and/or prosecution by law enforcement authorities.

4. Workplace Injuries.

Employees with work related injuries will be asked to submit to post-injury drug testing within 24 hours.

~~4.02 CARELESSNESS POLICY~~

~~The City of Rio Dell prohibits and does not tolerate carelessness, substandard or hazardous work practices within its facility, on its property, or while conducting organization business.~~

~~The City expects and demands that its employees perform their employment duties with care and attention to the customer, client, and citizen needs, the safety and welfare of fellow employees and to the City of Rio Dell quality standards and requirements. Employees who are careless or negligent in performing their jobs duties will be subject to disciplinary action, up to and including immediate discharge.~~

~~Violators of this policy are subject to disciplinary action, up to and including discharge, for any violation reasonably believed to have been committed.~~

~~If you an employee knows of a careless or negligent act or behavior, youthe employee must report the act or behavior to the employee's your Supervisor/Department Head. If the employeeyou feels uncomfortable doing so or if your his or her Supervisor/Department Head is the source of the problem, condones the problem, or ignores the problem, the employee should report to the City Manager.~~

4.0302 ~~CONCEALED WEAPONS~~

The ~~City of Rio Dell~~ City prohibits, forbids, and does not tolerate weapons at the City's facility, on the organization's property, or at any event sponsored by the City.

Weapons include visible and concealed weapons, including those for which the owner has necessary permits. Weapons can include firearms, knives with a blade longer than three (3) inches, explosive materials or any other object that could be used to harass, intimidate, or injure another individual, employee, manager, supervisor or department head.

Positions that by their classification are required to carry weapons or equipment defined as a weapon by City policy are excluded from discipline.

Violators of this policy are subject to disciplinary action, up to and including discharge, for any violation reasonably believed to have been committed.

If ~~you an employee~~ you knows of any ~~other~~ other employee possessing a weapon, ~~the employee you~~ you must discuss ~~theyour~~ your question, problem, complaint, or reports with ~~your the employee's~~ the employee's Supervisor/Department Head. If ~~the employee you~~ you feels uncomfortable doing so or if ~~the employee's your~~ your Supervisor/Department Head is the source of the problem, condones the problem, or ignores the problem, report to the City Manager.

~~An employee You is are~~ You is are not required to directly confront the person who is the source of ~~theyour~~ your report, question, or complaint before notifying any of those individuals listed. Nevertheless, the employee you is are required to make a reasonable effort to make violence and threats of violence known should they exist.

4.0403 EMPLOYEE HEALTH AND SAFETY

The ~~City of Rio Dell~~ City is committed to providing a healthy and safe work environment. The City wants each employee to recognize his/her responsibilities to safe employment and requires that each employee live up to these responsibilities.

If ~~you an employee~~ you observes conduct that creates an unsafe workplace, ~~the employee you~~ you must report the conduct to ~~your the employee's~~ the employee's Department Head immediately. If ~~the employee you~~ you feels uncomfortable doing so or if ~~the employee's your~~ your Supervisor/Department Head is the source of the problem, condones the problem, or ignores the problem, report to the City Manager.

~~An employee You are is~~ You are is not required to directly confront the person who is the source of ~~theyour~~ your report, question, or complaint before notifying any of those individuals listed. Nevertheless, the employee you are is required to make a reasonable effort to make unsafe conditions known should they exist.

4.0504 VIOLENCE/THREATS OF VIOLENCE

The ~~City of Rio Dell~~ City prohibits and does not tolerate violent acts or threats of violence within its facility, on its property, or while conducting City business.

Acts of violence, threats, or threatening behavior against employees, visitors, guests or other individuals by anyone on City property will not be tolerated. This includes, but is not limited to,

intimidation, harassment, assault, battery, stalking, or conduct that causes a person to believe that he or she is under a threat of death or serious bodily injury. All threats of violence will be viewed with the assumptions that they will be carried out.

Violators of this policy are subject to disciplinary action, up to and including discharge, for any violation reasonably believed to have been committed. Violations of this policy may also result in arrest and/or prosecution. Immediate threats should be reported to security and the Supervisor of the area of occurrence.

If ~~you an employee~~ knows ~~of~~ a violent act or behavior, ~~the employee you~~ must report the act or behavior to the Department Head. If ~~the employee you~~ feels uncomfortable doing so or if ~~the employee's your~~ Supervisor is the source of the problem, condones the problem, or ignores the problem, refer to the Whistleblower Policy.

~~An employee You are is~~ not required to directly confront the person who is the source of ~~the your~~ report, question, or complaint before notifying any of those individuals listed. Nevertheless, the employee you are is required to make a reasonable effort to make violence and threats of violence known should they exist.

SECTION 5: BENEFITS AND LEAVE

5.01 ADMINISTRATIVE PAY CORRECTIONS

The ~~City of Rio Dell City~~ tries to make sure that ~~you employees~~ are paid correctly and on scheduled paydays. In case ~~an employee you~~ finds a mistake in ~~his or her your~~ pay, tell the Payroll Department immediately so that the error can be corrected as quickly as possible. Any overpayment to an employee may be adjusted from future compensation, where permitted by law.

5.02 BEREAVEMENT LEAVE

The ~~City of Rio Dell City~~ provides bereavement leave to employees who need to take time off because an immediate family member has died. To ask for bereavement leave, ~~the employee should contact his or her see your~~ Department Head.

Regular full-time employees are eligible for up to five (5) days of accumulated sick leave within a calendar year for bereavement leave with pay. An additional five days with pay may be allowed at the discretion of the Department Head.

While ~~an employee is on you are on~~ a paid bereavement leave, ~~you the employee~~ will get ~~his or her your~~ base pay rate but ~~you~~ will not get any special forms of pay, such as incentives, or shift differentials.

~~We~~The City normally will give ~~an employee you~~ bereavement leave unless there are business reasons that require ~~the employee you~~ to be at work. With ~~you an employee's~~ Department Head's approval, ~~an employee you~~ can use any available paid leave benefits ~~the employee you~~ has ~~ve~~, such as vacation, if ~~you need~~ more time off is needed.

For bereavement leave, "immediate family" means an employee's spouse, parent, child, brother, or sister; the employee's spouse's parent, child, brother, or sister; your the employee's child's spouse; and/or the employee's grandparent or your grandchild.

5.03 CATASTROPHIC LEAVE

The City allows employees to transfer sick leave, vacation or compensatory leave to a sick leave bank to be donated to an employee who is experiencing a catastrophic illness, is on an unpaid leave of absence and has exhausted all personal sick leave, vacation leave and comp time (the "Catastrophic Leave Bank"). The following rules shall apply:

- The use of catastrophic leave is for catastrophic illness or injury (not covered by Workers' Compensation Insurance) such as, heart attack, cancer, serious automobile accident or major surgery. A catastrophic leave bank may also be established if an employee's immediate family member has suffered a catastrophic illness/injury and there is demonstrable need for the employee to attend to the affected family member.
- All transfers are subject to the approval of the City Manager. The employee must request use of the Bank in writing to the City Manager and describe the nature of the need generally and the expected length of the need for leave. (Confidential health information is not required.)
- The employee shall state in the request whether the nature of the need can be disclosed to other employees.
- The donation of leave to the Sick LeaveCatastrophic Leave Bank may be in increments of no less than 8 hours.
- The employee to whom the leave is donated must provide verification of the catastrophic illness or injury by providing a statement from their attending physician, but the attending physician shall not disclose the diagnosis.
- An employee may not receive Catastrophic Leave donations of more than 160 hours in any 12-month period.
- The donating employee must retain a minimum balance of 80 hours of Sick Leave in their Sick Leave bank at the time of any Sick Leave transfer.
- All Catastrophic Leave transfers are irrevocable. Any donated hours not used by the receiving employee will remain in the Catastrophic Leave account for use by other needy employees.

Every effort will be made to assure that no pressure, either implicit or explicit, is placed on any employee by any other employee to make a donation or participate in transfer of leave.

5.04 COMPENSATION PLAN

The City Manager, or a person or agency employed for that purpose, shall prepare a pay plan covering all positions in the competitive service, showing the rates of pay. The City Manager shall submit the proposed pay plan to the City Council in conjunction with the annual proposed operations budget. The City Council shall adopt or amend and adopt the plan. Thereafter, and except as provided in Section 3.34, no position shall be assigned a higher or lower salary for that position, unless the salary schedule is amended in the same manner as herein provided for its adoption.

The pay plan shall be adopted and may be amended or revised from time to time by resolution of the City Council, after the meet and confer process with recognized employee organizations.

5.05 DEFERRED COMPENSATION PLAN

Eligible full-time/permanent employees may participate in the City's deferred compensation plan, provided under Section 457(b) of the Internal Revenue Code.

If any employee has questions about our deferred compensation plan, contact the Finance Director for more information.

5.05—06 COMPENSATORY TIME OFF POLICY

A. A non-exempt employee may opt to accrue compensatory time-off ("CTO") in lieu of cash payment for overtime worked if his or her Supervisor agrees prior to overtime work being performed.

B. CTO accrues at the rate of 1.5 hours for each hour worked over 40 hours of actual work in the employee's work week, unless otherwise required by law, the Memorandum of Understanding or written Employment Agreement with the City. CTO cannot be accumulated in excess of the number of hours allowed under the employee's Memorandum of Understanding or written Employment Agreement at any given time.

C. The City will grant an employees' request to use accumulated CTO provided that: (1) the department can accommodate the use of CTO on the day requested without undue disruption; and (2) the employee makes the request in writing to the Supervisor no later than five (5) days prior to the date requested. If the employee does not provide five (5) days' notice, or if the department cannot accommodate the time off, the City will provide the employee the opportunity to cash out the CTO requested at the end of the current pay period.

D. The City reserves the right to cash out accumulated CTO at any time.

E. During employment, CTO is cashed out at the employee's current FLSA regular rate of pay (including all FLSA-applicable salary differentials). Employees separating from City service shall be compensated for all accrued, unused compensatory hours at the current FLSA regular rate of pay, or the average regular rate for the prior three years, whichever is higher.

5.0607 EDUCATIONAL ASSISTANCE

The ~~City of Rio Dell~~City may provide educational assistance to encourage employees to maintain and improve their job-related skills through formal education.

Regular full-time employees are eligible for educational assistance.

There is no waiting period once ~~you-an employee is~~are in an eligible classification. When ~~the employee~~you starts getting educational assistance, ~~the employee~~you must continue to be an active employee and perform ~~his or her~~your job satisfactorily to stay in the program.

Not every course is eligible for the educational assistance. To be eligible, a course or a group of courses that are part of a degree, licensing, or certification program must be related to ~~you~~the ~~employee's~~ current job duties or to a position ~~that the employee~~you might have at the ~~City of Rio Dell~~City in the foreseeable future. The ~~City of Rio Dell~~City will make the final decision about whether a course or program is eligible for educational assistance and is related to ~~the employee's~~your current job or a future one. If ~~you-an employee have~~has questions about educational assistance, contact the City Manager for more information.

We hope that educational assistance will develop ~~your-an employee's~~ skills but we do not promise or guarantee that more education will result in promotions, new job assignments, or pay increases.

5.0708 EMPLOYEE BENEFITS

The ~~City of Rio Dell~~ gives eligible employees many benefits. Some benefits are required by law and cover all employees. The legally required benefits include Social Security, Workers' Compensation, state disability, and unemployment insurance.

There are several factors that decide if ~~you-employees~~ are eligible for benefits. One important factor is ~~your-an employee's~~ employment classification. See your Department Head to find out which benefits ~~you~~he or she ~~is-are~~ eligible for.

The following benefit programs are available to eligible employees:

- * Holidays
- * Vacation
- * Sick Leave Benefits
- * Health Insurance
- * Vision/Dental Care Insurance
- * Life Insurance
- * Deferred Compensation Plan

You may have to pay part or all of the cost for some benefits.

5.0809 FAMILY AND MEDICAL LEAVE (FMLA) AND CALIFORNIA FAMILY RIGHTS ACT (CFRA)

The ~~City of Rio Dell is not required to follow~~follows the provisions of FMLA ~~and the CFRA-~~However, as a matter of policy the City does follow the provisions of FMLA with regard to family and medical leaves ~~for employees~~. If ~~an employee~~you feels that ~~you~~he or she needs to apply

for ~~medical leave~~FLMA, ~~the employee should please~~ contact ~~his or her your~~ Department Head, who will contact the City Manager as set forth under the FLMA and CFRA.

5.0910 HEALTH INSURANCE

Our health insurance plan offers medical, dental, and vision care benefits to eligible employees and their dependents. All permanent employees are eligible for certain benefits, to the extent stated in section 3.10 of these policies.

If ~~you any employee has~~have questions about our health insurance plan, contact the Finance Director for more information.

5.11 LIFE INSURANCE

The City provides life insurance to eligible full-time/permanent employees. If any employee has questions about the life insurance benefits or their eligibility, contact the Finance Director for more information.

5.1012 HOLIDAYS

The ~~City of Rio Del~~City gives time off to all employees on the following holidays:

- New Year's Day (January 1)
- Martin Luther King, Jr. Day (third Monday in January)
- Presidents' Day (third Monday in February)
- ~~César Chávez Day (March 31)~~
- Memorial Day (last Monday in May)
- Independence Day (July 4)
- Labor Day (first Monday in September)
- Veterans' Day (November 11)
- Thanksgiving (fourth Thursday in November)
- Day after Thanksgiving
- Christmas (December 25)
- The day before Christmas or the day after Christmas as requested 30 days in advance by a majority of the employees or as designated by the City ~~Council~~ Manager if no request is made.
- All other days as may be proclaimed by the president of the United States or Governor of the State, when approved by the City Council.

Eligible employees will be paid for holiday time off. ~~If you are eligible, your~~

~~H~~oliday pay will be calculated at ~~the particularly employee's your~~ straight-time pay rate as of that holiday multiplied by the number of hours ~~the employee you~~ would normally have worked that day not to exceed eight-hours per Holiday, unless otherwise expressly authorized pursuant to an applicable Memorandum of Understanding or employment contract.

If a recognized holiday falls on a Saturday, the ~~City of Rio Del~~City will observe it on the Friday before the holiday. If a recognized holiday falls on a Sunday, the ~~City of Rio Del~~City will observe it on the Monday after the holiday.

If ~~an employee is you are~~ eligible for paid holidays and a holiday occurs during the time of ~~a particular employee is on your~~ vacation, ~~the employee you~~ will be paid holiday pay not vacation pay.

If eligible non-exempt employees work on a recognized holiday, they will receive holiday pay plus their wages at one and one-half times their straight-time rate for the hours they worked on the holiday.

In addition to the recognized holidays previously listed, eligible employees (non-exempt) will receive one (1) floating holiday in each anniversary year. To be eligible for floating holidays, you must complete one (1) year of service as a regular full time employee. To use a floating holiday, you should first ask for advance approval from your Supervisor.

5.1113 JURY DUTY

The ~~City of Rio Dell City~~ encourages ~~you employees~~ to fulfill ~~their your~~ civic responsibilities by serving jury duty if ~~you an employee~~ get a summons. Employees in an eligible classification may request up to two (2) weeks of paid jury duty leave over any two (2) year period. Employees must endorse to the City any checks or warrants received in payment for jury duty exclusive of mileage for personal vehicle or other out-of-pocket expenses incurred due to jury duty. Upon being excused from jury duty, if four (4) or more hours are left in the employee's workday, the employee shall report back to work.

Regular full-time employees are eligible for jury duty. A full-time employee will be paid at their base rate of pay for the number of hours you would normally have worked that day.

If ~~an employee you~~ stays on jury duty longer than paid jury duty allows, ~~you the employee~~ may use any available paid time off benefits ~~that the employee has you have~~, such as vacation, to be paid for the unpaid jury duty leave.

If ~~an employee you get receives~~ a jury duty summons, ~~the employee is to~~ show ~~the summons to it to your his or her~~ Supervisor/Department Head as soon as possible. This will help ~~the City us~~ plan for ~~you the employee's~~ possible absence from work. ~~We The City~~ expects ~~the employee you~~ to come to work whenever the court schedule permits.

Either ~~the employee you~~ or the City may ask the court to excuse ~~you the employee~~ from jury duty if necessary. ~~The City We~~ may ask that ~~the employee you~~ be relieved from going on jury duty if ~~we the City believes think~~ that ~~the employee's your~~ absence would cause serious operational problems for the ~~City of Rio Dell City~~.

Subject to the terms, conditions, and limitations of the applicable plans, the ~~City of Rio Dell City~~ will continue to provide health insurance benefits for the full period of unpaid jury duty leave. ~~An employee's Your~~ vacation, sick leave, and holiday benefits will continue to accrue during unpaid jury duty leave.

5.1214 LEAVE OF ABSENCE

A. Department Heads, ~~upon written approval of the City Manager~~, may grant a permanent or ~~a~~ probationary employee ~~a~~ leave of absence without pay. No leave of absence shall be granted except upon written request of the employee setting forth the reasons for the request,

and the approval, if granted, will be in writing. The Department Head shall provide any request for a leave of absence to the City Manager as soon as practicable. The convenience of the City of Rio Dell City shall be a primary consideration in deciding whether or not to grant a leave of absence.

The City Manager may determine that an employee's anniversary date, for purpose of merit pay increase, vacation accrual, or sick leave accrual, may change if leaves of absence taken by the employee exceed ten (10) working days in any one year.

Upon expiration of an approved leave of absence, the employee shall be returned to the same position held at the time leave was granted. Failure on the part of an employee to report promptly at the expiration of such leave may be just cause for disciplinary action, including, but not limited to, discharge.

After an investigation instituted upon his/her own motion or upon complaint, the City Manager may deny the requested leave in his or her discretion. Additionally, the City Manager may revoke such leave of absence upon determination that the reason for the requested leave was misstated by the requesting employee and/or it was for the purposes of accepting other employment; enabling the employment of a temporary employee in the same position; improper influence; or for any other purpose contrary to the good of the City of Rio Dell City; and Additionally, appropriate disciplinary action may be instituted.

~~B. — An employee who is absent from duty for any reason shall report the reason thereof to his/her Department Head or an employee of the City immediately on the day of absence or before, if possible.~~

~~C. — All unauthorized and unreported absences shall be considered as absence without leave and a deduction of pay shall be made for each period of such absence. Voluntary absence without leave for five (5) consecutive working days shall be considered as an automatic resignation from City service.~~

5.13—15 OVERTIME POLICY

~~Overtime-eligible e~~Employees are not permitted to work overtime except as the Department Head authorizes or directs. ~~Overtime-eligible e~~Employees directed to work overtime must do so. Working overtime without advance approval is grounds for discipline.

Unless otherwise stated in a Memorandum of Understanding, "overtime" is all hours an ~~overtime-eligible E~~employee actually works over 40 in his or her work week. For purposes of calculating FLSA overtime pay, no overtime shall be recorded or reported for less than 15 minutes of work. Overtime is compensated at 1.5 times the Fair Labor Standards Act (FLSA) regular rate of pay.

5.1416 PAYDAYS

~~Only actual hours worked will be counted toward the 40-hour threshold~~

The pay periods at the City of Rio Dell City run from Saturday through a 14 day period and end on the following Friday. Time sheets are due in the City Hall office on Monday following the end of the pay period by 9 a.m. Paydays are every other Friday. All employees are paid by check or direct deposit on the above-mentioned payday.

5.17 SICK LEAVE

For the purposes of the sick leave policy only, full time employees shall be defined as employees who are regularly scheduled to work 32 hours per week or more.

A. Sick Leave for Full-Time Employees

Sick leave with pay shall be granted by the City at a rate of 3.69 hours per payroll period. Payroll is every two weeks. Sick leave shall not be considered as a privilege which an employee may use at his/her discretion, but shall be allowed for the diagnosis, care, or treatment of an existing health condition of, or preventive care for, the employee or the employee's family member; or to obtain any relief or services related to being a victim of domestic violence, sexual assault, or stalking as set forth under the Healthy Workplaces, Healthy Families Act of 2014 ("California Paid Sick Leave Law"). Family member is defined as a child (biological, adopted, or foster child, stepchild, legal ward, or a child to whom the employee stands in loco parentis; regardless of age or dependency status); a biological, adoptive, or foster parent, stepparent, or legal guardian of the employee or the employee's spouse or registered domestic partner, or a person who stood in loco parentis when the employee was a minor child; a spouse; a registered domestic partner; a grandparent; a grandchild; and a sibling.

Employees may accumulate earned sick leave hours without limitations as to maximum number of sick hours accumulated. Holidays occurring during the first thirty (30) days of sick leave shall not be taken as days of sick leave. For the purposes of computing sick leave, each employee shall be considered to work not more than five (5) days each week, and the minimum sick leave chargeable in hourly increments.

Sick leave credit shall continue to accrue while an employee is on sick leave in excess of thirty (30) days or on worker's compensation leave.

In order to receive compensation while absent on sick leave, the employee shall notify his/her Department Head or any employee of the City Clerk's Department of the need for leave prior to or within one (1) working hour after the time set for beginning his/her daily duties or as may be otherwise specified by the employee's Department Head, except in cases where the need for leave is unforeseeable, in which case the employee must notify the City Clerk's Department as soon as practicable. The City Manager or the employee's Department Head may, if he/she deems it necessary, require of the employee a doctor's certificate of fitness to return to employment and fitness to perform the regular duties of the employee from any employee who has taken three (3) or more consecutive days of sick leave or six (6) or more days during a thirty (30) day period. The Department Head shall not make unreasonable demands for such certification. The Department Head shall revoke pay and sick leave time if the employee has engaged in private or public work while on such leave. Misuse of sick leave privileges is grounds for disciplinary action.

If an employee has not recovered by the time his/her accumulated sick leave is exhausted, he/she may utilize accrued vacation; or a leave of absence without pay may be granted if requested by the employee in accordance with this Employee Handbook.

B. Sick Leave for Part-time, Temporary or Intermittent Employees

If an employee works thirty (30) or more days within a year from the beginning of employment with the City, the employee is entitled to paid sick leave upon the employee's oral or written request. The City will provide paid sick leave for the following purposes:

(1) Diagnosis, care, or treatment of an existing health condition of, or preventive care for, the employee or the employee's family member; or

(2) If the employee is a victim of domestic violence, sexual assault, or stalking, as set forth in the California Paid Sick Leave Law

Family members include a child (biological, adopted, or foster child, stepchild, legal ward, or a child to whom the employee stands in loco parentis; regardless of age or dependency status); a biological, adoptive, or foster parent, stepparent, or legal guardian of the employee or the employee's spouse or registered domestic partner, or a person who stood in loco parentis when the employee was a minor child; a spouse; a registered domestic partner; a grandparent; a grandchild; and a sibling.

The employee will receive twenty-four (24) hours or three (3) days of sick leave for the calendar year of July 1, 2015, to June 30, 2016, and will receive twenty-four (24) hours or three (3) days of sick leave each year thereafter. All new hires after July 1, 2015, will receive twenty-four (24) hours or three (3) days of sick leave upon hire.

All sick leave will be based on a calendar year of July 1st through June 30th.

There is no accumulation of sick leave. The City will not provide compensation to the employee for unused paid sick days upon termination, resignation, retirement, or other separation from employment.

The rate of pay shall be the employee's hourly wage. If the employee in the ninety (90) days of employment before taking accrued sick leave had a different hourly pay rate or was a nonexempt salaried employee, then the rate of pay shall be calculated by dividing the employee's total wages, not including overtime premium pay, by the total hours that he or she worked in the full pay periods of the prior ninety (90) days of employment.

The City will provide each employee with written notice that sets forth the amount of paid sick leave available for use on the employee's itemized wage statement.

The employee is entitled to use accrued paid sick days beginning on the ninetieth (90th) day of employment, after which day the employee may use paid sick days as they are accrued.

Employees are not required as a condition of using paid sick days to search for or find a replacement worker to cover the days during which employees use paid sick days.

The City will not deny any employees' right to use accrued sick days, nor will the City retaliate against, discharge, threaten to discharge, demote, suspend, or in any manner discriminate against any employee for using accrued sick days, attempting to exercise the right to use accrued sick days, filing a complaint with the Labor Commissioner, alleging a violation of the law pertaining to paid sick leave, cooperating in an investigation or prosecution of an alleged violation of the law pertaining to paid sick leave, or opposing any policy or practice or act that is prohibited by the law pertaining to paid sick leave.

~~5.15~~ — SICK LEAVE

~~Sick leave with pay shall be granted by the City at a rate of 3.69 hours per payroll period. Payroll is every two weeks. Temporary or intermittent employees or employees who work part-time shall not be entitled to sick leave.~~

~~An employee shall be allowed to use one half of their yearly accrual of sick leave for the illness or injury of a parent, child, spouse, or domestic partner. (Labor Code Sections 233 and 234) Sick leave shall not be considered as a privilege which an employee may use at his/her discretion, but shall be allowed in cases of necessity or actual sickness, disability or bereavement leave. Sick leave may be used, with prior Supervisor's approval for dental, eye, and doctor appointments. Employees may accumulate earned sick leave hours without limitations as to maximum number of sick hours accumulated. Holidays occurring during the first thirty (30) days of sick leave shall not be taken as days of sick leave. For the purposes of computing sick leave, each employee shall be considered to work not more than five (5) days each week, and the minimum sick leave chargeable in hourly increments.~~

~~Sick leave credit shall continue to accrue while an employee is on sick leave in excess of thirty (30) days or on worker's compensation leave.~~

~~In order to receive compensation while absent on sick leave, the employee shall notify his/her Department Head or any employee of the City Clerk's Department prior to or within one (1) working hour after the time set for beginning his/her daily duties or as may be otherwise specified by the employee's Department Head. The City Manager or the employee's Department Head may, if he/she deems it necessary, require of the employee a doctor's certificate of fitness to return to employment and fitness to perform the regular duties of the employee from any employee who has taken three (3) or more consecutive days of sick leave or six (6) or more days during a thirty (30) day period. The Department Head shall not make unreasonable demands for such certification. The Department Head shall revoke pay and sick leave time if the employee has engaged in private or public work while on such leave. Misuse of sick leave privileges is grounds for disciplinary action.~~

~~If an employee has not recovered by the time his/her accumulated sick leave is exhausted, he/she may utilize accrued vacation; or a leave of absence without pay may be granted if requested by the employee in accordance with this Employee Handbook.~~

~~5.16~~158 TIMEKEEPING

Non-exempt employees are responsible for accurately recording the hours they work. The law requires the [City of Rio Dell](#) to keep accurate records of "time worked" in order to correctly

calculate employee pay and benefits. "Time worked" means all the time that non-exempt employees spend performing their assigned work.

If ~~an you employee is~~ a non-exempt employee, ~~the employee~~~~you~~ must accurately record the time ~~he or she~~~~you~~ starts and stops work, when ~~you~~~~he or she~~ starts and ends any meal periods or split shifts, and when ~~he or she~~~~you~~ leaves the workplace for personal reasons. Before ~~you~~~~the employee~~ works any overtime, ~~you~~~~he or she~~ must always get advance approval.

Falsifying time records is a serious matter. ~~Employees~~~~You~~ may not change time after it is already recorded, enter a false time on purpose, tamper with time records, or record other employees' time for them. If ~~an employee~~~~you~~ does any of these actions, ~~you~~~~the employee~~ may be subject to disciplinary action, up to and including termination.

Non-exempt employees must sign their time records to say they are accurate. Each Supervisor/Department Head will review and initial the time record before submitting it for payroll processing. In addition, if corrections or changes are made to the time record, both ~~you~~~~the employee~~ and ~~his or her~~~~your~~ Supervisor/Department Head must initial the changes on the time record.

~~5.171619~~ VACATION BENEFITS

The ~~City of Rio Dell~~~~City~~ offers vacation time off with pay to regular full-time ~~and part-time~~ employees who have been employed with the City for one year. Vacation benefits vary, depending on various MOU's and employment agreements. ~~—~~ If an employee asks for time off before their one year anniversary, the City Manager will make the decision as to whether it will be granted with or without pay.

~~You~~ ~~An employee~~ may accrue ~~your~~ vacation up to a maximum of 120 hours, ~~unless otherwise authorized pursuant to an applicable Memorandum of Understanding or employment contract.~~ After that time ~~the employee~~~~you~~ will only be able to earn and accrue additional vacation time after utilizing some portion of the previously accrued maximum of 120 hours. The smallest amount of vacation time ~~an employee~~~~you~~ may use at once is in one (1) hour increments.

~~5.191720~~ WORKPLACE INJURIES

Upon ~~an on-duty~~ injury ~~employees are to~~ notify ~~you~~~~their~~ Supervisor/Department Head IMMEDIATELY. Employees with work-related injuries will be asked to submit to post-injury drug testing within 24 hrs.

The ~~City of Rio Dell~~~~City~~ provides a comprehensive Workers' Compensation Insurance Program to our employees. ~~This program does not cost you anything.~~

The Workers' Compensation Program covers injuries or illnesses that might happen during the course of ~~your~~ employment that require medical, surgical, or hospital treatment. Subject to legal requirements, Workers' Compensation Insurance begins after a short waiting period, or if you are hospitalized, the benefits begin immediately.

It is very important that ~~you~~ ~~employees~~ tell ~~their~~~~your~~ Supervisor/Department Head immediately about any work-related injury or illness, regardless of how minor it might seem at the time.

Prompt reporting helps to make sure that youinjured employees qualify for coverage as quickly as possible and let the Cityus investigate the matter promptly.

Workers' Compensation covers only work-related injuries and illnesses. Neither the City of Rio DellCity nor its insurance carrier will pay Workers' Compensation benefits for injuries that might happen if an employeeyou voluntarily participate in an off-duty recreational, social, or athletic activity that the Citywe-might sponsors.

SECTION 6: TERMS & DEFINITIONS

6.01 TERMS AND DEFINITIONS

~~As used in this handbook, the following definition of terms shall have the meanings indicated applies unless the context requires another meaning:~~

ADVANCEMENT: A salary increase within the limits of a pay range, usually the result of an annual step increase resulting from satisfactory or better performance.

ANNIVERSARY DATE: Established for the purpose of calculating step increases and vacation and sick leave accrual, and shall be twelve (12) months from the first day of permanent employment and annually thereafter.

~~**ANNOUNCEMENT:**~~ All examinations for employment by the City shall be publicized by posting announcements in the City Hall, on official bulletin boards, and by such other methods as the City Manager deems appropriate.

~~**APPLICATION FORMS:**~~ Applications shall be made as prescribed on the examination announcement. Application forms shall require information covering training, experience, and other pertinent information, and may include certificates of one or more examining physicians' references and fingerprinting. All applications must be signed by the person applying. (see Section 3.11)

APPOINTMENT: After interview and investigation, the Department Head may make appointments from among those qualified candidates under consideration. If the applicant accepts the appointment and presents himself for duty within such period of time as the City Manger shall prescribe, he shall be deemed to be appointed; otherwise, he shall be deemed to have declined the appointment

AT-WILL EMPLOYEE: Except for employees who are employed under express written employment agreements executed by the designated employee and the City, all employees are employed on an "at-will" basis as defined and described in Section 3.038 of these policies, above.

BARGAINING UNIT: A group of employees represented by a labor union or employees' association engaged in bargaining with the City.

CLASS: All positions grouped under a common job title.

~~**CLASSIFIED SERVICE:** This term relates to position classifications approved by Resolution of the City Council, creating a table of allocated positions.~~

~~**CLOSED EXAMINATION:** An examination for a particular class which is open only to employees meeting the qualifications for the class who have permanent status.~~

DEMOTION: The movement of an employee to a lower rate of pay or a lower level of responsibility.

DEPARTMENT HEAD: Means the City Manager, Chief of Police, Public Works Director, Finance Director, City Clerk and Community Development Director.

~~**DISQUALIFICATION:** The Department Head may reject any application which indicates on its face that the application does not possess the minimum qualifications required for the position.~~

EMPLOYMENT LIST: An open employment list is a list of names of persons who have taken an open-competitive examination and have qualified.

FULL-TIME/PERMANENT EMPLOYEE: An employee who works 40 hours per workweek. (See Section 3.10(a)).

~~**GRIEVANCE:** The definition and procedure for a grievance may be found under section 3.16 of this handbook. (page 17).~~

LAY-OFF: The separation of employees from the active work force due to lack of work or funds, or to the abolition of positions by the City Council due to organizational changes. (See Section 3.2019.49)

MEMORANDUM OF UNDERSTANDING: An agreement between the ~~City of Rio Dell~~City and any duly recognized employee association concerning the terms and conditions of employment.

MEET AND CONFER: Contract negotiations for contract employees. The City Manager shall meet and confer with any duly recognized employee association under the Meyer-Miliias-Brown Act, on those matters which are subject to the "Meet and Confer" process specified under Section 3505 of the California Government Code or as otherwise agreed to between the ~~City of Rio Dell~~City and any duly recognized employee association pursuant to the terms of any Memorandum of Understanding then in effect.

PART-TIME/PERMANENT EMPLOYEE: An employee working in a position that is allocated at less than full-time (See Section 3.10(b)).

PAY RANGE: Each allocated position is assigned a range of pay by the City Council.

~~**PERSONNEL ALLOCATION TABLE:** Annually the City Council shall adopt and include a table of allocated positions, by department, in the budget. The Finance Department is responsible for the administration of the table and the position control function. All appointments to allocated positions must conform to the allocation table. The City Council may amend the table by Resolution as it sees fit.~~

~~**PERSONNEL OFFICER:** City Manager~~

PROBATIONARY PERIOD: A working test period during which an employee is required to demonstrate his/her fitness for the position to which he/she is appointed by actual performance of the duties of the position. Ordinarily one (1) year, but may be extended by the Department Head if warranted ([See Section 3.320](#)).

PROMOTION: The movement of an employee to a position of greater responsibility and a higher rate of pay.

~~**PROVISIONAL /TEMPORARY APPOINTMENT:** A provisional appointment may be made by the Department Head, with City Manager concurrence, from a hiring list for the position. Such an appointment may be made during the period of suspension or relief from duty of an employee or pending final action on proceedings involving suspension, demotion or discharge of an employee. Provisional appointments for up to 6 months do not earn or accrue benefits. Provisional appointments for a period of 6 to 12 months do earn and accrue benefits beginning at 6 months, excluding seniority and participation in the City Deferred Compensation Plan. Such appointments are limited to no more than 12 months (2080 hours).~~

~~**RELIEF FROM DUTY:** The temporary separation from service of an employee.~~

~~**RULES OF CONSTRUCTION:** Any applicable Memorandum of Understanding entered into between the City and any employee or employee organization shall control over these Rules and Regulations where these Rules and Regulations are silent or inconsistent. These Rules and Regulations shall control where Memoranda of Understanding are otherwise silent.~~

~~**SELECTION METHODS:** In making a selection from among applicants for employment, use may be made of written, oral, or performance tests, evaluations of training and experience, and any combination of these, or any other forms or methods of evaluation which will determine fairly and thoroughly the qualifications of applicants. Investigations of the character, personality, education, experience, and physical and mental fitness may also be made as deemed appropriate.~~

SENIORITY: Seniority shall be defined as the employee's length of continuous uninterrupted service with the City since his/her date of hire into an allocated position.

~~**SERVING AT THE CITY COUNCIL'S PLEASURE::** The following employees shall serve at the pleasure of the City Council, in accordance with State Law and City Ordinance, unless this provision is contrary to a Memorandum of Understanding entered into between the City of Rio Dell and such employee:~~

- ~~1) City Manager~~
- ~~2) Management and Confidential employees as defined under the Meyer-Milias-Brown Act, as from time to time amended.~~

SUSPENSION: The temporary separation from service of an employee for disciplinary purposes.

TEMPORARY/INTERMITTENT EMPLOYEE: An employee hired on a temporary basis to fill a position temporarily vacated or to fill a position temporarily required ([See, Section 3.10\(c\)](#)). ~~Such appointments are not required to be from an employment list, but may be.~~

TRANSFER: A change of an employee from one position to another position.

~~TUITION REIMBURSEMENT: Training which will be beneficial to the City for a permanent employee may be approved by the Department Head, with City Manager concurrence, for tuition reimbursement, up to \$1,000 per fiscal year provided the operating budget of the City includes funds set aside for such expenses. Reimbursement occurs after completion of the course of study with evidence from the school of at least a "C" grade or higher.~~

~~VACANCY IN CITY SERVICE: If a vacancy in the City service is to be filled, and there is no re-employment list available for the class, the City Manager shall have the right to decide whether to fill the vacancy by reinstatement, transfer, demotion, appointment from a promotion employment list, appointment from an open employment list or by undertaking such other means of recruitment as he or she deems necessary.~~


VIOLATION OF RULES: Violation of the provisions of these rules shall be grounds for disciplinary action including suspension, demotion, or discharge.




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CITY OF RIO DELL
STAFF REPORT
CITY COUNCIL AGENDA
September 5, 2017

TO: Mayor and Members of the City Council

THROUGH: Kyle Knopp, City Manager 

FROM: Brooke Woodcox, Finance Director 

DATE: September 5, 2017

SUBJECT: Fiscal Year 2015/16 Audited Financial Statements

Recommendation

Receive and file the City's audited financial statements and accompanying information.

BACKGROUND AND DISCUSSION

Each year an independent auditing firm audits and prepares financial statements for the City of Rio Dell in accordance with Generally Accepted Accounting Standards (GAAP) and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that an audit be performed to obtain reasonable assurance about whether the financial statements are free from material misstatement.

The City of Rio Dell's auditors found that the Financial Statements "present fairly, in all material respects, the respective financial position...as of June 30, 2016, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America" (*City of Rio Dell Basic Financial Statements, June 30, 2016, page 1, Opinion Section*).

ATTACHMENTS:

- Summarized Financial Statement Information
- Basic Financial Statements for June 30, 2016

SUMMARIZED BASIC FINANCIAL STATEMENT INFORMATION
Governmental Funds
For the period ended June 30, 2016

GENERAL FUND

BEGINNING FUND BALANCE	1,007,861
ADD Revenues	975,283
LESS Expenditures	801,482
Change in Fund Balance	173,801
ENDING FUND BALANCE	1,181,662

The General Fund beginning fund balance at June 30, 2015 was \$1,007,861. During fiscal year 2015/16 Fund balance increased \$173,801 for an ending fund balance of \$1,181,662 at June 30, 2016. Unassigned fund balance was \$1,130,323.

GOVERNMENTAL FUNDS (Not Inc. General Fund)

BEGINNING FUND BALANCE	1,841,603
ADD Revenues	493,712
LESS Expenditures	535,222
Change in Fund Balance	(41,510)
ENDING FUND BALANCE	1,800,093

All other governmental funds beginning fund balances at June 30, 2015 totalled \$1,841,603. During fiscal year 2015/16 Fund balances decreased \$41,510 for an ending fund balance of \$1,800,093 at June 30, 2016. Unassigned fund balance was \$26,375. CDBG notes receivable (Nonspendable) was \$1,195,273.

SUMMARIZED BASIC FINANCIAL STATEMENT INFORMATION
Enterprise Funds
For the period ended June 30, 2016

SEWER FUND

BEGINNING <u>UNRESTRICTED</u> FUND BALANCE	1,712,009
ADD Revenues	1,166,320
LESS Expenditures	909,142
Change in Unrestricted Fund Balance	257,178
ENDING <u>UNRESTRICTED</u> FUND BALANCE	1,969,187

Sewer Fund beginning *unrestricted* fund balance at June 30, 2015 was \$1,712,009. During fiscal year 2015/16 Sewer Fund balance increased \$257,178 for an ending *unrestricted* fund balance of \$1,969,187 at June 30, 2016. Investment in capital assets, net of related debt was \$8,433,924.

WATER FUND

BEGINNING <u>UNRESTRICTED</u> FUND BALANCE	415,900
ADD Revenues	1,362,846
LESS Expenditures	1,084,456
Change in Unrestricted Fund Balance	278,390
ENDING <u>UNRESTRICTED</u> FUND BALANCE	694,290

Water Fund beginning *unrestricted* fund balance at June 30, 2015 was \$415,900. During fiscal year 2015/16 Water Fund balance increased \$278,390 for an ending *unrestricted* fund balance of \$694,290 at June 30, 2016. Investment in capital assets, net of related debt was \$6,769,536.

**CITY OF RIO DELL
RIO DELL, CALIFORNIA**

BASIC FINANCIAL STATEMENTS

JUNE 30, 2016

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INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and
Members of the City Council
City of Rio Dell
Rio Dell, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Rio Dell, as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise City of Rio Dell's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to City of Rio Dell's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of City of Rio Dell's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information and, where applicable, cash flows of City of Rio Dell, as of June 30, 2016, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

To the Honorable Mayor and
Members of the City Council
City of Rio Dell - Page 2

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis (pages 3-11) and the required supplementary information (page 40), as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 21, 2017, on our consideration of City of Rio Dell's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

R. J. Ricciardi, Inc.

R. J. Ricciardi, Inc.
Certified Public Accountants

San Rafael, California
June 21, 2017

City of Rio Dell
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2016

This discussion and analysis of City of Rio Dell's financial activities and performance provides an overview for the fiscal year ended June 30, 2016. Please read this in conjunction with City of Rio Dell's financial statements, which follow this discussion and analysis.

FINANCIAL HIGHLIGHTS

Government-wide Financial Statements

The Government-wide Statement of Net Position appearing as the first statement of the Basic Financial Statements and summarized in the Management's Discussion and Analysis shows City of Rio Dell's (the City's) total assets to be \$33,696,069, total liabilities to be \$8,552,129 and total net position to be \$25,143,940.

The City's net capital assets, net of related debt, totaled \$19,532,373 at June 30, 2016. This amount represents capital assets net of the related debt to acquire the capital assets. As a "small" City under the definition of Governmental Accounting Standards Board Statement No. 34 (GASB Statement No. 34), the City is not required to report, and has not reported, infrastructure (i.e. streets, streetlights, sidewalks, etc.) assets acquired prior to June 30, 2003 in accounting for capital assets. Beginning in fiscal year 2003-04, the City began to capitalize the cost of its capital projects on a go-forward basis.

The City's long-term debt (including current portion) totaled \$8,178,845 as of June 30, 2016. This amount includes the DHS Infiltration Gallery Loan and other items reported in previous years in the General Long-Term Debt column, as well as debt related to business-type activities (see Note 5 of the financial statements).

Governmental Funds Financial Statements

At June 30, 2016, Governmental Fund balances totaled \$2,981,755, an increase of \$132,291 from June 30, 2015. This increase is primarily due to the reduction of capital outlay costs. The detailed components of revenues and expenditures can be found in the accompanying Statement of Revenues, Expenditures and Changes in Fund Balances.

The core operations of the City are accounted for in the General Fund, and the General Fund balance is a key measure of the financial health of the City. As of June 30, 2016, the General Fund balance was \$1,181,662, an increase of \$173,801 from the July 1, 2015 balance.

OVERVIEW OF THE FINANCIAL STATEMENTS

The City's Basic Financial Statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

Government-wide Financial Statements

The government-wide financial statements consist of a Statement of Net Position and a Statement of Activities. These statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business. They provide information about the activities of the City as a whole and present a longer-term view of the City's finances.

The Statement of Net Position presents information on all of the City's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or diminishing.

City of Rio Dell
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2016

The Statement of Activities presents information that shows how the City's net position changed during the fiscal year. All changes in net position are reported when the underlying event causing the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses may be reported in this statement for some items that will result in cash flows in future fiscal periods, such as property taxes assessed but not collected by June 30 and interest expenses accrued but not paid.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other government entities, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Funds of government entities can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the Government-wide Financial Statements. However, unlike the Government-wide Financial Statements, Governmental Funds Financial Statements focus on short-term inflows and outflows of spendable resources and balances of these resources available for spending. This information may be useful in evaluating a government's short-term financing requirements. Governmental Fund Financial Statements are prepared on the modified accrual basis, which means they measure only current financial resources and uses. Capital assets and other long-lived assets, along with long-term liabilities, are not presented in the Governmental Funds Financial Statements.

The City maintains numerous individual governmental funds, which for financial reporting, are grouped according to their type (general fund, special revenue, capital projects, and debt service). Funds whose expenditures exceed 10% of the total expenditures for all governmental funds, or meet other specific criteria for determining their importance to the financial statement user, are designated Major Funds and are reported separately in the governmental funds statements. All other funds are grouped together as Non-Major Funds for reporting purposes. The City's Major governmental funds are:

- General Fund
- Community Development Block Grant Fund.

All of the City's Enterprise Funds are reported as Major Funds.

Proprietary Funds

Proprietary funds generally account for services for which customer fees are intended to finance the costs of operations and can include enterprise funds and internal service funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. Proprietary Funds Financial Statements are prepared on the full accrual basis, as in the past, and include all of their assets and liabilities, current and long-term.

The City does not have any internal service funds.

Fiduciary Funds

Fiduciary statements are used to account for resources held for the benefit of parties outside of the reporting government for which the City acts solely as agent. These statements are separate from, and their balances are excluded from, the City's financial statements.

City of Rio Dell
MANAGEMENT'S DISCUSSION AND ANALYSIS
 June 30, 2016

FINANCIAL ACTIVITIES OF THE CITY AS A WHOLE

Tables 1, 2 and 3 focus on the City's Governmental Statement of Net Position and Statement of Activities, while Tables 4 and 5 focus on the City's Business-type Statement of Net Position and Statement of Activities.

Governmental Activities

Table 1
Governmental Net Position at June 30

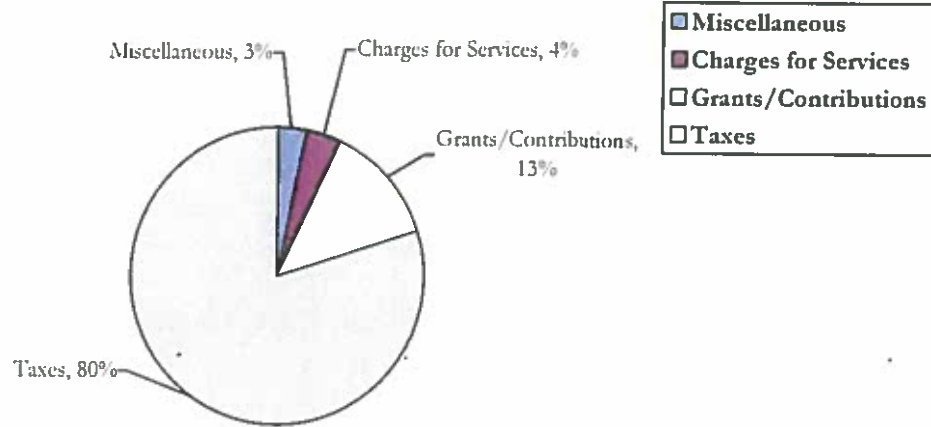
	Governmental Activities 2016	Governmental Activities 2015
Current and other assets	\$ 3,085,976	\$ 2,944,037
Capital assets, net of accumulated depreciation	4,328,913	4,417,685
Total assets	7,414,889	7,361,722
Other liabilities	130,364	134,420
Total liabilities	130,364	134,420
Net position:		
Invested in capital assets, net of related debt	4,328,913	4,417,685
Restricted	1,195,832	1,254,518
Unrestricted	1,759,780	1,555,099
Total net position	\$ 7,284,525	\$ 7,227,302

The City's governmental net position amounted to \$7,284,525 as of June 30, 2016, an increase of \$57,223 from 2015. This change is the Change in Net Position in the Governmental Activities column of the Statement of Activities shown in Table 2. The City's net position as of June 30, 2016 comprised the following:

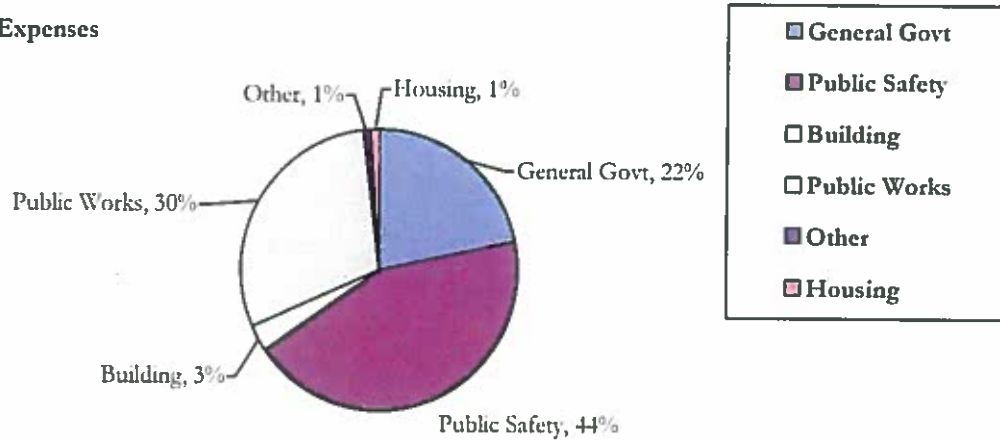
- Cash and investments were comprised of \$1,560,138 in the City treasury. Substantially all of these amounts were held in short-term investments in government securities, as detailed in Note 2 to the basic financial statements.
- Receivables were comprised of the following: \$245,632 of current receivables, \$33,035 of grants receivable, and \$1,195,832 in loans receivable that are due over longer periods of time.
- Capital assets were \$4,328,913 net of depreciation charges, which includes all the City's capital assets used in governmental activities.
- Current liabilities, including accounts payable, claims, accrued liabilities, and other amounts currently due, totaled \$130,364.
- Net position invested in capital assets, net of related debt, was \$4,328,913, representing the City's investment in capital assets used in Governmental Activities, net of amounts borrowed to finance that investment.
- Unrestricted net position, the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants or other legal requirements or restrictions. The City had \$1,759,525 of unrestricted net position as of June 30, 2016. Restricted net position of \$1,195,832 is legally restricted.

City of Rio Dell
MANAGEMENT'S DISCUSSION AND ANALYSIS
 June 30, 2016

Sources of Revenue



Functional Expenses



As the Sources of Revenue Chart above shows, \$1,153,817 or 80%, of the City's fiscal year 2016 governmental activities revenue came from taxes, while \$181,943, or 13%, came from grants and contributions, \$64,508, or 4%, came from charges for services, and the remainder came from a variety of sources, as shown above.

The Functional Expenses Chart above includes only current year expenses; it does not include capital outlays, which are now added to the City's capital assets. As the Chart shows, general government expenses were \$299,978, or 22%, of total government expenses, public safety was \$613,556 or 44%, planning and public works was \$422,737, or 30%, building department was \$38,418, or 3%, housing was \$6,850, or 1%, and other governmental programs and functions were the remaining 1%.

The Statement of Activities presents program revenues and expenses and general revenues in detail. All of these are elements in the Changes in Governmental Net Position summarized below.

City of Rio Dell
MANAGEMENT'S DISCUSSION AND ANALYSIS
 June 30, 2016

Table 2
Changes in Governmental Net Position

	Governmental Activities 2016	Governmental Activities 2015
<u>Expenses</u>		
General government	\$ 299,778	\$ 196,135
Public safety	613,556	649,128
Planning and Public Works	422,737	605,269
Building	38,418	-
Housing and Community Development	6,850	31,700
Recycling	<u>7,756</u>	<u>17,450</u>
Total expenses	<u>1,389,095</u>	<u>1,499,682</u>
 <u>Revenues</u>		
Program revenues:		
Charges for services	64,508	65,090
Grants - capital	<u>181,943</u>	<u>114,817</u>
Total program revenues	<u>246,451</u>	<u>179,907</u>
General revenues:		
Taxes	1,153,817	943,105
Interest and use of property	30,779	52,438
Miscellaneous	<u>15,272</u>	<u>57,785</u>
Total general revenues	<u>1,199,867</u>	<u>1,053,328</u>
Total revenues	<u>1,446,319</u>	<u>1,233,235</u>
Change in net position	<u>\$ 57,223</u>	<u>\$ (266,447)</u>

As the Sources of Revenue Chart and Table 2 above show, \$246,451, or 17%, of the City's fiscal year 2016 governmental revenue, came from program revenues and \$1,202,545, or 83%, came from general revenues such as taxes and interest and transfers.

Program revenues were composed of charges for services of \$64,508, which includes permit revenues, fees and charges used to fund expenses incurred in providing services; and grants and contributions of \$181,943, that consist mainly of street project grants and developer impact fees restricted to capital outlay.

General revenues are not allocable to programs. General revenues are used to pay for the net cost of governmental programs.

Business-type Activities

The Statement of Net Position and Statement of Activities present a summary of the City's business-type activities that are composed of the City's enterprise funds.

City of Rio Dell
MANAGEMENT'S DISCUSSION AND ANALYSIS
 June 30, 2016

Table 3
Business-Type Net Position at June 30

	<u>Business-Type 2016</u>	<u>Business-Type 2015</u>
Current and other assets	\$ 2,906,355	\$ 2,346,875
Capital assets, net of accumulated depreciation	<u>23,382,305</u>	<u>23,789,419</u>
Total assets	<u>26,288,660</u>	<u>26,136,294</u>
Long-term debt	8,178,845	8,501,010
Other liabilities	<u>242,920</u>	<u>218,966</u>
Total liabilities	<u>8,421,765</u>	<u>8,719,976</u>
Net position:		
Invested in capital assets, net of related debt	15,203,460	15,288,409
Unrestricted	<u>2,663,435</u>	<u>2,127,909</u>
Total net position	<u>\$ 17,866,895</u>	<u>\$ 17,416,318</u>

Table 4
Changes in Business-Type Net Position

	<u>Business-Type Activities 2016</u>	<u>Business-Type Activities 2015</u>
<u>Expenses</u>		
Water	\$ 857,348	\$ 856,628
Sewer	<u>1,362,701</u>	<u>1,345,459</u>
Total expenses	<u>2,220,049</u>	<u>2,202,087</u>
<u>Revenues</u>		
Program revenues:		
Charges for services	2,103,882	1,244,113
Grants - capital	<u>561,305</u>	<u>982,195</u>
Total program revenues	<u>2,665,187</u>	<u>2,226,308</u>
General revenues:		
Miscellaneous	<u>5,508</u>	<u>4,417</u>
Total general revenues	<u>5,508</u>	<u>4,417</u>
Total revenues	<u>2,670,695</u>	<u>2,230,725</u>
Change in net position	<u>\$ 450,646</u>	<u>\$ 28,638</u>

City of Rio Dell
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2016

Analyses of Major Funds

Governmental Funds

General Fund

General Fund revenues increased \$179,759 this fiscal year due primarily to increases in tax revenues. Actual revenues were over budgeted amounts by \$72,374. Charges for services increased \$8,259.

General Fund expenditures were \$778,805, a decrease of \$39,345 from the prior year. Expenditures were \$157,420 less than budgeted.

As of June 30, 2016, the General Fund's fund balance totaled \$1,181,662.

Community Development Block Grant Fund

This fund is used to account for capital expenditures, maintenance, rehabilitation, reconstruction and construction related to the City's low income housing programs. The fund's fiscal year end fund balance was \$1,195,273.

Other Governmental Funds

These funds are not presented separately in the basic financial statements.

Proprietary Funds

Sewer Fund

The change in net position of the Sewer Fund resulted in a decrease of \$54,852 in fiscal year 2016. Operating revenues decreased \$26,734 due to a decrease in charges for services. Operating expenses increased \$54,492 due to an increase in repairs and maintenance.

As of June 30, 2016, the fund's net position was \$10,403,038.

Water Fund

Operating revenues increased \$180,526 due to an increase in rates. Expenses increased \$720 due to an increase in repairs and maintenance costs.

As a result the fund's net position increased \$505,498, to a new total of \$7,463,857.

CAPITAL ASSETS

GASB Statement No. 34 requires the City to record all its capital assets including infrastructure, which was not recorded in prior years. Infrastructure includes roads, bridges, signals and similar assets used by the entire population.

In fiscal year 2016, the City reported the cost of all its infrastructure assets and computed the amount of accumulated depreciation for these assets based on their original acquisition dates. At the end of fiscal year 2016 the cost of infrastructure and other capital assets recorded on the City's financial statements was as shown in Table 5 below:

City of Rio Dell
MANAGEMENT'S DISCUSSION AND ANALYSIS
 June 30, 2016

Table 5
Capital Assets at Year-end

	Balance at June 30, 2016	Balance at June 30, 2015
<u>Governmental Activities</u>		
Land (not depreciated)	\$ 627,945	\$ 627,945
Construction-in-progress (not depreciated)	-	64,114
Buildings and improvements	50,352	50,352
Equipment and vehicles	674,742	674,742
Infrastructure	4,225,754	4,144,091
Less: accumulated depreciation	<u>(1,249,880)</u>	<u>(1,143,559)</u>
Government activity capital assets, net	<u>\$ 4,328,913</u>	<u>\$ 4,417,685</u>
<u>Business-type Activities</u>		
Land (not depreciated)	\$ 507,859	\$ 507,859
Construction in progress (not depreciated)	344,870	66,938
Buildings and improvements	206,508	206,508
Equipment and vehicles	1,101,022	1,054,881
Infrastructure	25,151,412	25,146,062
Less: accumulated depreciation	<u>(3,929,366)</u>	<u>(3,192,830)</u>
Government activity capital assets, net	<u>\$ 23,382,305</u>	<u>\$ 23,789,418</u>

Detail on capital assets, current year additions and construction in progress can be found in Note 4.

The City depreciates all its capital assets over their estimated useful lives, as required by GASB Statement No. 34. The purpose of depreciation is to spread the cost of a capital asset over the years of its useful life so that an allocable portion of the cost of the asset is borne by all users. Additional information on depreciable lives may be found in Note 4 to the basic financial statements.

DEBT ADMINISTRATION

The City's debt issues are discussed in detail in Note 5 to the financial statements. As of June 30, 2016, the City's debt was comprised of the following:

Table 6
Outstanding Debt

	2016	2015
<u>Business-Type Activity Debt:</u>		
DHS Infiltration Gallery Loan	\$ 1,836,000	\$ 1,972,000
FMHA Special Assessment Bonds	60,000	85,000
RCAC Sewer Planning and Design	6,282,845	6,444,010
Compensated absences	<u>19,032</u>	<u>15,967</u>
Total Business-Type Activity Debt	<u>\$ 8,197,877</u>	<u>\$ 8,516,977</u>

City of Rio Dell
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2016

ECONOMIC CONDITION, OUTLOOK AND ACTIVITY

Overall, the City appears to be in a positive position to continue to provide services to the community.

Next Year's Budget

- There are limited investment opportunities for idle cash reserves.

This was taken into consideration during the preparation of the City's budget for the fiscal year 2016-17.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This Annual Financial Report is intended to provide citizens, taxpayers, and creditors with a general overview of the City's finances. Questions about this report should be directed to the City of Rio Dell, at 675 Wildwood Avenue, Rio Dell, CA 95562.

City of Rio Dell
STATEMENT OF NET POSITION
 June 30, 2016

<u>ASSETS</u>	<u>Governmental</u> <u>Activities</u>	<u>Business-Type</u> <u>Activities</u>	<u>Totals</u>
Current assets:			
Cash and investments	\$ 1,559,579	\$ 2,532,948	\$ 4,092,527
Accounts receivable	246,191	226,212	472,403
Grants receivable	33,035	87,195	120,230
Notes receivable	1,195,832	-	1,195,832
Assessments receivable	-	60,000	60,000
Internal balances	-	-	-
Prepaid items	51,339	-	51,339
Capital assets:			
Non-depreciable	627,945	852,729	1,480,674
Depreciable, net of accumulated depreciation	<u>3,700,968</u>	<u>22,529,576</u>	<u>26,230,544</u>
Total assets	<u>7,414,889</u>	<u>26,288,660</u>	<u>33,703,549</u>
<u>LIABILITIES</u>			
Current liabilities:			
Accounts payable and accrued expenses	104,220	60,521	164,741
Accrued interest	-	92,157	92,157
Customer deposits	-	71,210	71,210
Compensated absences	26,144	19,032	45,176
Long-term debt:			
Due within one year	-	330,711	330,711
Due in more than one year	-	7,848,134	7,848,134
Total liabilities	<u>130,364</u>	<u>8,421,765</u>	<u>8,552,129</u>
<u>NET POSITION</u>			
Invested in capital assets, net of related debt	4,328,913	15,203,460	19,532,373
Restricted	1,195,832	-	1,195,832
Unrestricted	<u>1,759,780</u>	<u>2,663,435</u>	<u>4,423,215</u>
Total net position	<u>\$ 7,284,525</u>	<u>\$ 17,866,895</u>	<u>\$ 25,151,420</u>

The accompanying notes are an integral part of these financial statements.

City of Rio Dell
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2016

Functions/Programs	Program Revenues				Net (Expense) and Revenue Changes in Net Position		Total
	Expenses	Charges for Services	Operating	Capital	City Government		
			Grants and Contributions	Grants and Contributions	Governmental Activities	Business-type Activities	
<u>City Government</u>							
Governmental activities:							
General government	\$ 299,778	\$ -	\$ -	\$ -	\$ (299,778)		\$ (299,778)
Public safety - Police	613,556	-	-	-	(613,556)		(613,556)
Planning and public works	422,737	64,508	-	181,943	(176,286)		(176,286)
Building	38,418	-	-	-	(38,418)		-
Housing and Community Development	6,850	-	-	-	(6,850)		(6,850)
Recycling	7,756	-	-	-	(7,756)		(7,756)
Total governmental activities	<u>1,389,095</u>	<u>64,508</u>	<u>-</u>	<u>181,943</u>	<u>(1,142,644)</u>		<u>(1,104,226)</u>
Business-type activities:							
Sewer	1,362,701	1,225,383	-	81,505	-	\$ (55,813)	(55,813)
Water	857,348	878,499	-	479,800	-	500,951	500,951
Total business-type activities	<u>2,220,049</u>	<u>2,103,882</u>	<u>-</u>	<u>561,305</u>	<u>-</u>	<u>445,138</u>	<u>445,138</u>
Total	<u>\$ 3,609,144</u>	<u>\$ 2,168,390</u>	<u>\$ -</u>	<u>\$ 743,248</u>	<u>(1,142,644)</u>	<u>445,138</u>	<u>(1,104,226)</u>
General revenues:							
Taxes:							
Property taxes					116,326	-	116,326
Sales taxes					356,655	-	356,655
Occupancy					13,304	-	13,304
Gas					224,000	-	224,000
Franchise taxes					85,422	-	85,422
Motor vehicle taxes					358,109	-	358,109
Interest income					30,779	-	30,779
Transfers					(2,677)	2,677	-
Miscellaneous					17,949	2,831	20,780
Total general revenues and special items					<u>1,199,867</u>	<u>5,508</u>	<u>1,205,375</u>
Change in net position					57,223	450,646	507,869
Net position beginning of period					<u>7,227,302</u>	<u>17,416,249</u>	<u>24,643,551</u>
Net position ending of period					<u>\$ 7,284,525</u>	<u>\$ 17,866,895</u>	<u>\$ 25,151,420</u>

The accompanying notes are an integral part of these financial statements.

City of Rio Dell
GOVERNMENTAL FUNDS
BALANCE SHEET
June 30, 2016

	<u>General Fund</u>	<u>CDBG</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<u>ASSETS</u>				
Cash and investments	\$ 1,051,240	\$ -	\$ 508,339	\$ 1,559,579
Accounts receivable	123,611	-	122,580	246,191
Grants receivable	-	-	33,035	33,035
Due from other funds	47,055	-	-	47,055
Notes receivable	-	1,195,832	-	1,195,832
Prepaid items	51,339	-	-	51,339
Total Assets	<u>\$ 1,273,245</u>	<u>\$ 1,195,832</u>	<u>\$ 663,954</u>	<u>\$ 3,133,031</u>
<u>LIABILITIES</u>				
Accounts payable	\$ 13,866	\$ 559	\$ 12,079	\$ 26,504
Accrued expenditures	77,717	-	-	77,717
Due to other funds	-	-	47,055	47,055
Total Liabilities	<u>91,583</u>	<u>559</u>	<u>59,134</u>	<u>151,276</u>
<u>FUND BALANCES</u>				
Nonspendable	51,339	1,195,273	-	1,246,612
Assigned	-	-	578,445	578,445
Unassigned	1,130,323	-	26,375	1,156,698
Total Fund Balances	<u>1,181,662</u>	<u>1,195,273</u>	<u>604,820</u>	<u>2,981,755</u>
Total Liabilities and Fund Balances	<u>\$ 1,273,245</u>	<u>\$ 1,195,832</u>	<u>\$ 663,954</u>	<u>\$ 3,133,031</u>

The accompanying notes are an integral part of these financial statements.

City of Rio Dell
Reconciliation of the
GOVERNMENTAL FUNDS - BALANCE SHEET
with the Governmental Activities
STATEMENT OF NET POSITION
For the Year Ended June 30, 2016

TOTAL FUND BALANCES - TOTAL GOVERNMENTAL FUNDS \$ 2,981,755

Amounts reported for Governmental Activities in the Statement of Net Position are different from those reported in the Governmental Funds above because of the following:

CAPITAL ASSETS

Capital Assets used in Governmental Activities are not current assets or financial resources and therefore are not reported in the Governmental Funds.

4,328,913

LONG-TERM ASSETS AND LIABILITIES

The assets and liabilities below are not due and payable in the current period and therefore are not reported in the Funds:

Non-current portion of compensated absences

(26,144)

NET POSITION OF GOVERNMENTAL ACTIVITIES

\$ 7,284,524

The accompanying notes are an integral part of these financial statements.

City of Rio Dell
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended June 30, 2016

	General Fund	CDBG	Other Governmental Funds	Total Governmental Funds
REVENUES				
Property taxes	\$ 116,326	\$ -	\$ -	\$ 116,326
Sales taxes	356,655	-	-	356,655
Occupancy taxes	13,304	-	-	13,304
Gas taxes	-	-	224,000	224,000
Intergovernmental	-	-	181,943	181,943
Licenses, permits, and franchise fees	459,855	-	48,183	508,038
Interest and use of property	26,275	-	4,504	30,779
Miscellaneous	2,868	-	15,082	17,950
Total revenues	<u>975,283</u>	<u>-</u>	<u>473,712</u>	<u>1,448,995</u>
EXPENDITURES				
Current operations:				
General government	175,271	59,245	65,262	299,778
Public safety - Police	512,532	-	115,031	627,563
Planning and public works	91,002	-	242,660	333,662
Building	-	-	38,418	38,418
Housing and Community Development	-	-	6,850	6,850
Recycling	-	-	7,756	7,756
Total expenditures	<u>778,805</u>	<u>59,245</u>	<u>475,977</u>	<u>1,314,027</u>
Excess (deficiency) of revenues over expenditures	<u>196,478</u>	<u>(59,245)</u>	<u>(2,265)</u>	<u>134,968</u>
Other financing Sources (uses):				
Transfers in	-	-	30,000	30,000
Transfers out	<u>(22,677)</u>	<u>-</u>	<u>(10,000)</u>	<u>(32,677)</u>
Total other financing Sources (uses)	<u>(22,677)</u>	<u>-</u>	<u>20,000</u>	<u>(2,677)</u>
Net change in fund balance	173,801	(59,245)	17,735	132,291
Fund balances, beginning of period	<u>1,007,861</u>	<u>1,254,518</u>	<u>587,085</u>	<u>2,849,464</u>
Fund balances, end of period	<u>\$ 1,181,662</u>	<u>\$ 1,195,273</u>	<u>\$ 604,820</u>	<u>\$ 2,981,755</u>

The accompanying notes are an integral part of these financial statements.

City of Rio Dell
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2016

Net Change in Fund Balances- Total Governmental Funds \$ 132,291

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.

Capital outlays	17,246
Depreciation expense	(106,321)

Revenues in the Statement of Activities that do not provide current financial resources are not reported as expenditures in governmental funds.

Change in unearned income

Some expenses in the statement of activities for concurrent liabilities such as long-term compensated absences, assessments receivable, deferred revenue and claims do not require the use of or provide current financial resources and are therefore not reported as expenditures or revenues in the governmental funds.

Compensated absences	<u>14,007</u>
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Net difference	<u>(75,068)</u>
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Change in Net Position of Governmental Activities	<u>\$ 57,223</u>
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The accompanying notes are an integral part of these financial statements.

City of Rio Dell
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
June 30, 2016

	<u>Sewer Fund</u>	<u>Water Fund</u>	<u>Totals</u>
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 1,944,991	\$ 587,957	\$ 2,532,948
Accounts receivable	127,481	98,731	226,212
Grants receivable	-	87,195	87,195
Assessments receivable, current portion	<u>25,000</u>	<u>-</u>	<u>25,000</u>
Total current assets	<u>2,097,472</u>	<u>773,883</u>	<u>2,871,355</u>
Long-term assets:			
Assessment receivable, net of current portion	35,000	-	35,000
Capital assets:			
Construction in progress	-	344,870	344,870
Land	502,543	5,316	507,859
Buildings & improvements	43,116	163,392	206,508
Infrastructure	15,621,987	9,529,425	25,151,412
Machinery, vehicles, & equipment	340,858	760,164	1,101,022
Less: accumulated depreciation	<u>(1,731,735)</u>	<u>(2,197,631)</u>	<u>(3,929,366)</u>
Capital assets, net	<u>14,776,769</u>	<u>8,605,536</u>	<u>23,382,305</u>
Total long-term assets	<u>14,811,769</u>	<u>8,605,536</u>	<u>23,417,305</u>
Total assets	<u>16,909,241</u>	<u>9,379,419</u>	<u>26,288,660</u>
LIABILITIES			
Current liabilities:			
Accounts payable	22,326	38,195	60,521
Accrued liabilities	92,157	-	92,157
Customer deposits	40,242	30,968	71,210
Accrued compensated absences	8,633	10,399	19,032
Current portion of long-term liabilities	<u>194,711</u>	<u>136,000</u>	<u>330,711</u>
Total current liabilities	<u>358,069</u>	<u>215,562</u>	<u>573,631</u>
Long-term liabilities:			
Notes and bonds payable	<u>6,148,134</u>	<u>1,700,000</u>	<u>7,848,134</u>
Total liabilities	<u>6,506,203</u>	<u>1,915,562</u>	<u>8,421,765</u>
NET POSITION			
Invested in capital assets, net of related debt	8,433,924	6,769,536	15,203,460
Unrestricted	<u>1,969,114</u>	<u>694,321</u>	<u>2,663,435</u>
Total net position	<u>\$ 10,403,038</u>	<u>\$ 7,463,857</u>	<u>\$ 17,866,895</u>

The accompanying notes are an integral part of these financial statements.

City of Rio Dell
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN NET POSITION
PROPRIETARY FUNDS
For the Year Ended June 30, 2016

	<u>Sewer Fund</u>	<u>Water fund</u>	<u>Total</u>
OPERATING REVENUES			
Charges for services	\$ 649,055	\$ 608,001	\$ 1,257,056
Connection fees	20,179	79,090	99,269
Late fees	<u>20,781</u>	<u>20,799</u>	<u>41,580</u>
Total operating revenues	<u>690,015</u>	<u>707,890</u>	<u>1,397,905</u>
OPERATING EXPENSES			
Current operations:			
General government	1,434	866	2,300
Public works	690,567	649,117	1,339,684
Depreciation	<u>529,171</u>	<u>207,365</u>	<u>736,536</u>
Total operating expenses	<u>1,221,172</u>	<u>857,348</u>	<u>2,078,520</u>
Operating income/(loss)	<u>(531,157)</u>	<u>(149,458)</u>	<u>(680,615)</u>
NON-OPERATING REVENUES (EXPENSES)			
Miscellaneous	961	1,870	2,831
Intergovernmental	-	176,121	176,121
Replacement reserve	283,015	-	283,015
Debt service	302,922	175,013	477,935
Bad debt recovery (expense)	(40)	829	789
Interest expense	<u>(141,529)</u>	<u>-</u>	<u>(141,529)</u>
Total non-operating revenues (expenses)	<u>445,329</u>	<u>353,833</u>	<u>799,162</u>
Income (loss) before transfers	<u>(85,828)</u>	<u>204,375</u>	<u>118,547</u>
Capital contributions	30,976	298,446	329,422
Transfers in	-	341,622	341,622
Transfers out	<u>-</u>	<u>(338,945)</u>	<u>(338,945)</u>
Net transfers and capital contributions	<u>30,976</u>	<u>301,123</u>	<u>332,099</u>
Change in net position	(54,852)	505,498	450,646
Net position, beginning of period	<u>10,457,890</u>	<u>6,958,359</u>	<u>17,416,249</u>
Net position, end of period	<u>\$ 10,403,038</u>	<u>\$ 7,463,857</u>	<u>\$ 17,866,895</u>

The accompanying notes are an integral part of these financial statements.

City of Rio Dell
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended June 30, 2016

	Business-type Activities Enterprise Funds		
	Sewer	Water	Total
<u>Cash flows from operating activities:</u>			
Receipts from customers	\$ 689,908	\$ 680,594	\$ 1,370,502
Payments to suppliers	(332,625)	(425,601)	(758,226)
Payments to employees	(350,114)	(275,090)	(625,204)
Net cash provided (used) by operating activities	<u>7,169</u>	<u>(20,097)</u>	<u>(12,928)</u>
<u>Cash flows from non-capital financing activities:</u>			
Miscellaneous	888	1,874	2,762
Intergovernmental	25,000	281,132	306,132
Replacement Reserve	283,015	-	283,015
Debt service	302,922	175,013	477,935
Transfers in	-	341,622	341,622
Transfers out	-	(338,945)	(338,945)
Bad debt recovery (expense)	(40)	829	789
Net cash provided (used) by capital and related	<u>611,785</u>	<u>461,525</u>	<u>1,073,310</u>
<u>Cash flows from capital and related financing activities:</u>			
Acquisition of fixed assets	(30,976)	(298,446)	(329,422)
Capital grants and contributions	30,976	298,446	329,422
Interest paid on long term debt	(141,529)	-	(141,529)
Principal payments on capital debt	(186,165)	(136,000)	(322,165)
Net cash provided (used) by capital and related	<u>(327,694)</u>	<u>(136,000)</u>	<u>(463,694)</u>
Net increase (decrease) in cash and cash equivalents	291,260	305,428	596,688
Prior year adjustment	-	-	-
Cash and cash equivalents - beginning of period	1,653,731	282,529	1,936,260
Cash and cash equivalents - end of period	<u>\$ 1,944,991</u>	<u>\$ 587,957</u>	<u>\$ 2,532,948</u>
Reconciliation of operating income (loss) to net cash			
provided (used in) operating activities:			
Operating income (loss)	\$ (531,157)	\$ (149,458)	\$ (680,615)
Adjustments to reconcile operating income (loss) to			
net cash provided by operating activities:			
Depreciation	529,171	207,365	736,536
Changes in certain assets and liabilities:			
Accounts receivable	(107)	(27,296)	(27,403)
Due from other funds	-	-	-
Prepaid items	-	-	-
Accounts payable and accrued expenses	2,479	11,140	13,619
Deposits payable	6,094	1,176	7,270
Due to other funds	-	(65,400)	(65,400)
Compensated absences	689	2,376	3,065
Total adjustments	<u>538,326</u>	<u>129,361</u>	<u>667,687</u>
Net cash provided (used) by operating activities	<u>\$ 7,169</u>	<u>\$ (20,097)</u>	<u>\$ (12,928)</u>

City of Rio Dell
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
June 30, 2016

<u>ASSETS</u>	<u>Agency Fund</u>
Cash and investments	\$ 3,027
Total assets	<u>3,027</u>
 <u>LIABILITIES</u>	
Deposits in trust - due to others	<u>3,027</u>
Total liabilities	<u>\$ 3,027</u>

The accompanying notes are an integral part of these financial statements.

City of Rio Dell
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of the City of Rio Dell (the City) have been prepared in conformity with U.S. generally accepted accounting principles (GAAP) as applied to governmental agencies. The Governmental Accounting Standards Boards (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant accounting principles are described below.

A. Description of Financial Reporting Entity

The City is a general law City incorporated in the State of California on February 26, 1965. The City is governed by an elected, five-member City Council. The following services are provided by the City to its citizens: public safety (police); highways and streets; drinking water; wastewater collection, treatment and disposal; public improvements; parks and recreation; planning and zoning; and general administrative services.

B. Description of Joint Powers Agreements

The City participates in several joint power agreements (JPAs) as described in Note 7. The financial activities of the JPAs are not included in the accompanying basic financial statements because JPAs are administered by governing boards that are separate from and independent of the City.

C. Description of Funds

The accounts of the City are organized on the basis of funds, each of which is considered a separate entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise the fund's assets, liabilities, fund equity, and revenues and expenditures. Government resources are allocated to and accounted for in individual funds based on the purposes for which they are to be spent and the means by which spending activities are controlled.

D. Government-wide Financial Statements

The City's government-wide financial statements include a Statement of Net Position and a Statement of Activities. These statements present summaries of governmental activities and business-type activities for the City, accompanied by a total column. These financial statements include the financial activities of the overall City government, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities.

Governmental activities are financed generally through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed generally through user fees.

The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the City's governmental activities. Direct expenses are those that are specifically associated with a program or function and therefore are clearly identifiable to a particular function. Program revenues include three categories: (1) charges for services, (2) operating grants and contributions and (3) capital grants and contributions. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Certain eliminations have been made as prescribed by GASB Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*, in regards to inter-fund activities, payables and receivables.

City of Rio Dell
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E. Governmental Fund Financial Statements

The fund financial statements provide information about the City's funds, including fiduciary funds and blended component units. Separate statements for each fund category – *governmental* and *proprietary* – are presented. The emphasis of fund financial statements is on major individual governmental and enterprise funds, each of which is displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as non-major funds.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Nonoperating revenues, such as subsidies and investment earnings, result from nonexchange transactions or ancillary activities.

Governmental fund financial statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances for all major governmental funds and non-major funds aggregated. An accompanying schedule is presented to reconcile and explain the differences in net position as presented in these statements to the net position presented in the government-wide financial statements.

GASB Statement No. 34 defines major funds and requires that the City's major governmental funds be identified and presented separately in the fund financial statements. All other governmental funds, called non-major funds, are combined and reported in a single column, regardless of their fund-type.

Major funds are defined as governmental funds that have either assets, liabilities, revenues or expenditures equal to ten percent of their fund-type total or five percent of the grand total. The General Fund is always a major fund. The City may select other governmental funds it believes should be presented as major funds, although no such funds were selected in fiscal year 2016.

The major governmental funds of the City are:

General Fund:

The General Fund is used to account for the resources to carry out basic governmental activities of the City such as general government, public safety, public works, and parks and recreation, which are not required to be accounted for in another fund.

Community Development Block Grant Fund:

This fund is used to account for transactions related to the Block Grant funding agreement.

The City reported all its enterprise funds as major funds in the accompanying financial statements:

Water Fund:

This fund accounts for all financial transactions relating to the City's water service. Services are on a user charge basis to residents and business owners located in Rio Dell.

Sewer Fund:

This fund accounts for all financial transactions relating to the City's wastewater collection and treatment. Services are on a user charge basis to residents.

City of Rio Dell
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E. Governmental Fund Financial Statements (concluded)

Fiduciary Funds (not included in government-wide statements):

Agency Fund - Agency Funds are clearing type funds for the collection of taxes or deposits held in trust, on behalf of individuals, private organizations and other governments. The funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

F. Basis of Accounting

The government-wide, proprietary and fiduciary funds financial statements required by GASB Statement No. 34 are reported using the “economic resources” measurement focus and the accrual basis of accounting. Accordingly, all of the City’s assets and liabilities, including capital assets and long-term liabilities, are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned, while expenses are recognized in the period in which the liability is incurred.

The governmental fund financial statements are accounted for on a spending or “current financial resources” measurement focus, and the modified accrual basis of accounting. Accordingly, only current assets and liabilities (except for long-term advances from the City) are included in the Balance Sheet. The Statement of Revenues, Expenditures and Changes in Fund Balances presents increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period.

Revenues are recorded when received in cash, except that revenues subject to accrual (generally 60 days after fiscal year end) are recognized when due. The primary revenue sources, which have been treated as susceptible to accrual by the City, are property taxes, sales taxes, intergovernmental revenues, other taxes and investment earnings. Fines, licenses and permits, and charges for services are not susceptible to accrual because they are not measurable until received in cash. Expenditures are recorded in the accounting period in which the related fund liability is incurred.

Grant revenues are recognized in the fiscal year in which all eligibility requirements are met. Under the terms of grant agreements, the City may fund certain programs with a combination of cost-reimbursement grants, categorical block grants and general revenues. Thus, both restricted and unrestricted net position may be available to finance program expenditures. The City’s policy is to first apply restricted grant resources to such programs, followed by general revenues if necessary.

Non-exchange transactions, in which the City gives or receives value without directly receiving or giving value in exchange, include taxes, grants, entitlements and donations. On the accrual basis, revenue from taxes is recognized in the fiscal year for which the taxes are levied or assessed. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

City of Rio Dell
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

G. Budgetary Policies

Each year, all departments of the City submit a request for appropriation to the City Manager so a budget may be prepared. The budget is prepared by fund, function and activity, and includes information on the past year, current year estimates and requested appropriations for the next fiscal year.

Before June 30, the proposed budget is presented to the City Council for review. The City Council holds public hearings and may add to, subtract from or change appropriations, but may not change the form of the budget. Any changes in the budget must be within the revenues and reserves estimated as available by the City Manager or the revenue estimates must be changed by an affirmative vote of a majority of the City Council.

Expenditures may not legally exceed budgeted appropriations at the activity level.

H. Deposits and Investments

The City pools cash from all sources and all funds, except certain specific investments within funds and cash with fiscal agents, so that it can be invested at the maximum yield, consistent with safety and liquidity, while individual funds can make expenditures at any time.

The City's investment policy and section 53601 of the California Government Code allow the following investments:

- a) Certificates of Deposit;
- b) Obligations of the State of California.

The City does not enter into reverse repurchase agreements.

The City's investments are carried at fair value instead of cost, as required by U.S. generally accepted accounting principles. The City adjusts the carrying value of its investments to reflect their fair value at each fiscal year end if material, and it includes the effects of these adjustments in income for that fiscal year.

The City places certain funds with the State of California's Local Agency Investment Fund (LAIF). The City is a voluntary participant in LAIF, which is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California and the Pooled Money Investment Board. The State Treasurer's office pools these funds with those of other governmental agencies in the state and invests the cash. The fair value of the City's investment in this pool is reported in the accompanying financial statements based upon the City's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio).

The monies held in the pooled investment funds are not subject to categorization by risk category. The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on the amortized cost basis. Funds are accessible and transferable to the master account with twenty-four hours' notice. Included in LAIF's investments are collateralized mortgage obligations, mortgage backed securities, other asset-backed securities, loans to certain state funds, and floating rate securities issued by federal agencies, government-sponsored enterprises, and corporations. Financial statements for LAIF can be obtained from the California State Treasurer's Office: State Treasurer's Office, 915 Capitol Mall, Suite 110, Sacramento, CA 95814.

City of Rio Dell
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

H. Deposits and Investments (concluded)

Cash and Cash Equivalents:

Cash and investments are used in preparing proprietary fund statements of cash flows because these assets are highly liquid and are expended to liquidate liabilities arising during the year.

I. Inventories

The City does not record and maintain inventory records of unused materials and supplies for the various funds. Inventories are considered immaterial and materials and supplies are currently expensed.

J. Restricted Assets

Certain proceeds of enterprise fund loans (as well as certain resources set aside for their repayment) and resources set aside for repayment of capital leases are classified as restricted assets on the balance sheet because their use is limited by applicable loan or other covenants.

K. Capital Assets

The City's assets are capitalized at historical cost or estimated historical cost. City policy has set the capitalization threshold for reporting capital assets at \$5,000. Gifts or contributions of capital assets are recorded at fair market value on the date donated. Depreciation of capital assets is charged as an expense each year, and the total amount of accumulated depreciation taken over the years is reported on the Statement of Net Position as a reduction in the book value of capital assets.

L. Compensated Absences

Full time employees accumulate earned vacation, holiday and compensated leave of varying amounts dependent upon length of service with the City. These amounts are deemed fully vested with the employee when earned. The City also provides full time employees with sick leave that generally must be used for sickness and injury-related leave time.

The City does not currently provide post-employment benefits.

M. Deposits

The City collects refundable deposits on behalf of the enterprise funds for general purposes that are primarily accounted for in enterprise funds.

N. Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

City of Rio Dell
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

O. Net Position

Government-wide net position consists of the following:

Restricted Net Position – This amount is restricted by external creditors, grantors, contributors, laws or regulations of other governments.

Unrestricted Net Position – This amount is all net position that does not meet the definition of “invested in capital assets, net of related debt” or “restricted net position”.

Invested in Capital Assets, Net of Related Debt – This category groups all capital assets into one component of net position. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction or improvement of these assets reduce the balance in this category.

Governmental fund balance consists of the following:

Fund Equity

The accompanying financial statements reflect certain changes that have been made with respect to the reporting components of fund balances for governmental funds. In previous years, fund balances for governmental funds were reported in accordance with previous standards that included components for reserved fund balance, unreserved fund balance, designated fund balance, and undesignated fund balance. Due to the implementation of GASB Statement No. 54, the components of the fund balances of governmental *funds* now reflect the component classifications described below. In the fund financial statements, governmental fund balances are reported in the following classifications:

Nonspendable fund balance includes amounts that are not in a spendable form, such as prepaid items or supplies inventories, or that are legally or contractually required to remain intact, such as principal endowments.

Restricted fund balance includes amounts that are subject to externally enforceable legal restrictions imposed by outside parties (i.e., creditors, grantors, contributors) or that are imposed by law through constitutional provisions or enabling legislation.

Committed fund balance includes amounts whose use is constrained by specific limitations that the government imposes upon itself, as determined by a formal action of the highest level decision-making authority. The City Council serves as the City’s highest level decision-making authority and has the authority to establish, modify or rescind a fund balance commitment via minutes action.

Assigned fund balance includes amounts intended to be used by the City for specific purposes, subject to change, as established either directly by the City Council or by management officials to whom the assignment authority has been delegated by the City Council.

Unassigned fund balance is the residual classification that includes the spendable amounts in the General Fund that are available for any purpose.

City of Rio Dell
NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

O. Net Position (concluded)

When expenditures are incurred for purposes for which both restricted and unrestricted (committed, assigned, or unassigned) fund balances are available, the City's policy specifies that restricted revenues will be applied first. When expenditures are incurred for purposes for which committed, assigned, or unassigned fund balances are available, the City's policy is to apply committed fund balances first, then apply assigned fund balances, and finally unassigned fund balances.

P. Property Tax

The County of Humboldt (the County) assesses properties, bills for, collects, and distributes property taxes for the City per the following schedule:

	<u>Secured</u>	<u>Unsecured</u>
Valuation dates	March 1	March 1
Lien/levy dates	July 1	July 1
Due dates	50% on November 1 50% on February 1	July 1
Delinquent as of	December 10, April 10	August 31

The term "unsecured" refers to taxes on personal property other than real estate, land and buildings. These taxes are secured by liens on the property being taxed. Property tax revenues are recognized by the City in the fiscal year they are assessed provided they become available as defined above.

Since the passage of California Proposition 13, beginning with fiscal year 1978-79, taxes are based either on a 1% rate applied to the 1975-76 assessed value of the property, or on 1% of the sales price of the property on sales transactions and construction which occur after the 1975-76 assessment. Assessed values on properties (exclusive of increases related to sales transactions and improvements) can rise at a maximum of 2% per year. The amount collected by the County is distributed in accordance with State law to the various public agencies. Therefore, the City does not levy a specific tax rate but receives a share of the property tax revenue based on a State formula. The City's tax rate is \$1.00/\$100 of assessed value, the maximum allowable under Proposition 13.

During fiscal year 1993-94, the State passed legislation which permanently shifted an additional amount of property taxes from cities to schools. This amount was partially offset by one-time payments by the State to cities from the State "Transportation Planning and Development" allocation. Also during 1993-94, an alternate method of property tax allocation (the "Teeter Plan") was adopted. Under this plan, the City receives 100 percent of the secured property tax levied to which it is entitled, whether or not collected.

Unsecured delinquent taxes are considered fully collectible and no allowance for uncollectible taxes is provided. Property tax revenues are recognized when they become available. "Available" means due, or past due, and receivable within the current period and collected or expected to be collected soon enough thereafter to be used to pay liabilities for the current period. This period is 60 days from the end of the fiscal year.

City of Rio Dell
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (concluded)

Q. Inter-fund Transactions

A description of the two basic types of the City's inter-fund transactions during the fiscal year and the related accounting policies are set forth as follows:

- a) Transactions related directly to services rendered, or facilities provided, are recorded as revenues in the fund providing the service or facility and as expenditures (or expenses) in the fund receiving them.
- b) Transactions to allocate resources from one fund to another, not contingent on the occurrence of specific expenditures in the receiving fund, are recorded appropriately as transfers in and transfers out in the respective funds.

R. Long-term Obligations

In the government-wide financial statements, and in proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type Statement of Net Position. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bond using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

In the financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

S. Revenue Recognition for Water and Sewer Funds

Revenues are recognized based on cycle billings rendered to customers. All residential and commercial utility customers are billed once per month. There is one billing cycle per month that includes all types of customers, based on their location within the City. Revenues for services provided but not billed at the end of a fiscal year are accrued. Contributions of cash or assets to proprietary funds from state and federal agencies, developers and others are recorded as revenue.

T. Deferred Outflows and Inflows of Resources

Pursuant to GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, and GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, the City recognizes deferred outflows and inflows of resources.

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. A deferred outflow of resources is defined as a consumption of net position by the government that is applicable to a future reporting period. The City has no items that qualify for reporting in this category. In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. A deferred inflow of resources is defined as an acquisition of net position by the City that is applicable to a future reporting period. The City has no items that qualify for reporting in this category.

City of Rio Dell
NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2016

NOTE 2 - CASH AND INVESTMENTS

Pooled Cash and Investments

The City pools cash from all sources and funds, except certain specific investments within funds and cash with fiscal agents, so that it can be invested at the maximum yield, consistent with safety and liquidity, while individual funds can make expenditures at any time.

Categorization of Credit Risk of Securities Instruments

The City and its fiscal agents invest in individual investments and in investment pools. Individual investments are evidenced by specific identifiable pieces of paper called *securities instruments*, or by an electronic entry registering the owner in the records of the institution issuing the security, called the *book entry* system. Individual investments are generally made by the City's fiscal agents as required under its debt issues. In order to maximize security, the City employs the Trust Department of a bank as custodian of all City managed investments, regardless of their form.

Investments are carried at fair value and are categorized as follows at June 30, 2016:

State of California Local Agency Investment Fund	\$ 4,803
Cash deposits with banks	<u>4,090,751</u>
Total City cash and investments	<u>\$ 4,095,554</u>

The City's total cash and investments consist of:

Cash and investments in City Treasury	\$ 4,092,527
Cash and investments in City Treasury – Fiduciary Funds	<u>3,027</u>
Total City cash and investments	<u>\$ 4,095,554</u>

Custodial Credit Risk - Deposits

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party.

California Law requires banks and savings and loan associations to pledge government securities with a market value of 110% of the City's cash on deposit or first trust deed mortgage notes with a value of 150% of the deposit as collateral for these deposits. Under California Law, this collateral is held in the City's name and places the City ahead of general creditors of the institution.

Custodial Credit Risk – Investments

Custodial credit risk for investments is the risk that in the event of the failure of a counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. All investments in LAIF and the fiscal agent money market funds are not evidenced by specific securities and, therefore, are not subject to custodial credit risk.

Authorized Investments

The City's investments are carried at fair value instead of cost, as required by U.S. generally accepted accounting principles.

City of Rio Dell
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2016

NOTE 3 - LOANS RECEIVABLE

The City engages in programs designed to encourage business enterprises, construction or improvement in low-to-moderate income housing, or other projects. Under these programs, grants or loans are provided with favorable terms to businesses, homeowners or developers who agree to spend these funds in accordance with the City's terms.

These loans receivable were comprised of the following at June 30, 2016:

Housing Rehabilitation and Affordable Housing Notes	<u>\$ 1,195,832</u>
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Housing Rehabilitation, Business Enterprise and Affordable Housing

The City has provided loans to various homeowners and businesses for rehabilitation. The maximum loan amount is \$100,000, carrying various interest rates and payment dates. Although these notes are expected to be repaid in full, their balance has been offset by deferred revenue. Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period.

NOTE 4 - CAPITAL ASSETS

All capital assets are valued at historical cost or estimated cost if actual historical cost is not available. Contributed capital assets are valued at their estimated fair value on the date contributed.

With the implementation of GASB Statement No. 34, the City has begun recording costs and depreciation of current infrastructure assets. The City does not record depreciation in the year of acquisition and records a full year of depreciation in the year of disposition for capital assets related to governmental activities.

GASB Statement No. 34 requires that all capital assets with limited useful lives be depreciated over their estimated useful lives. The purpose of the depreciation is to spread the cost of the capital assets equitably among all users over the life of these assets. The amount charged to depreciation expense each year represents that year's pro-rata share of the cost of the capital assets. Depreciation is provided using the straight-line method over its expected useful life. Capital assets with a value of \$10,000 or more are capitalized.

The City has assigned the following useful lives to capital assets: Buildings and Improvements (10-75 years); Vehicles and Equipment (3-40 years); Infrastructure (10-50 years); and Utility Plant (10-50 years).

City of Rio Dell
NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2016

NOTE 4 - CAPITAL ASSETS (continued)

The following is a summary of capital assets activity for governmental activities as of June 30, 2016:

	<u>Balance</u> <u>6/30/15</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance</u> <u>6/30/16</u>
Capital assets (not depreciated):				
Land	\$ 627,945	\$ -	\$ -	\$ 627,945
Construction in progress	<u>64,114</u>	<u>-</u>	<u>64,114</u>	<u>-</u>
Total capital assets (not depreciated)	<u>692,059</u>	<u>-</u>	<u>64,114</u>	<u>627,945</u>
Capital assets (being depreciated):				
Buildings and improvements	50,352	-	-	50,352
Equipment	509,932	-	-	509,932
Vehicles	164,810	-	-	164,810
Streets and roads	1,801,888	17,549	-	1,819,437
Infrastructure	<u>2,342,203</u>	<u>64,114</u>	<u>-</u>	<u>2,406,317</u>
Total capital assets (being depreciated)	<u>4,869,185</u>	<u>81,663</u>	<u>-</u>	<u>4,950,848</u>
Less accumulated depreciation:				
Buildings and improvements	22,506	6,362	-	28,868
Equipment	504,513	1,145	-	505,658
Vehicles	98,030	14,650	-	112,680
Streets and roads	199,436	36,038	-	235,474
Infrastructure	<u>319,074</u>	<u>48,126</u>	<u>-</u>	<u>367,200</u>
Total accumulated depreciation	<u>1,143,559</u>	<u>\$ 106,321</u>	<u>\$ -</u>	<u>1,249,880</u>
Governmental activities capital assets, net	<u>\$ 4,417,685</u>			<u>\$ 4,328,913</u>

City of Rio Dell
NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2016

NOTE 4 - CAPITAL ASSETS (concluded)

The changes in proprietary fund types fixed assets for the fiscal year are:

	<u>Balance</u> 6/30/15	<u>Additions</u>	<u>Retirements</u>	<u>Balance</u> 6/30/16
Capital assets (not depreciated):				
Land	\$ 507,859	\$ -	\$ -	\$ 507,859
Construction in progress	<u>66,938</u>	<u>277,932</u>	<u>-</u>	<u>344,870</u>
Total capital assets (not depreciated)	<u>574,797</u>	<u>277,932</u>	<u>-</u>	<u>852,729</u>
Capital assets (being depreciated):				
Infrastructure	25,146,062	5,350	-	25,151,412
Buildings and improvements	206,508	-	-	206,508
Equipment	963,496	46,141	-	1,009,637
Vehicles	<u>91,385</u>	<u>-</u>	<u>-</u>	<u>91,385</u>
Total capital assets (being depreciated)	<u>26,407,451</u>	<u>51,491</u>	<u>-</u>	<u>26,458,942</u>
Less accumulated depreciation:				
Infrastructure	2,022,753	716,484	-	2,739,237
Buildings and improvements	144,129	13,139	-	157,268
Equipment	934,563	6,913	-	941,476
Vehicles	<u>91,385</u>	<u>-</u>	<u>-</u>	<u>91,385</u>
Total accumulated depreciation	<u>3,192,830</u>	<u>\$ 736,536</u>	<u>\$ -</u>	<u>3,929,366</u>
Capital assets, net	<u>\$ 23,789,418</u>			<u>\$ 23,382,305</u>

Depreciation Allocation

Depreciation expense is charged to functions and programs based on their usage of the related assets. The amounts allocated to each function or program are as follows:

Governmental Activities

Public works	\$ 106,321
Total Governmental Activities	<u>\$ 106,321</u>

Business-type Activities

Water	\$ 207,365
Sewer	<u>529,171</u>
Total Business-type Activities	<u>\$ 736,536</u>

City of Rio Dell
NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2016

NOTE 5 - LONG-TERM OBLIGATIONS

Changes in long-term obligations and debt for the fiscal year ended June 30, 2016 are as follows:

	Original Issue Amount	Balance June 30, 2015	Additions	Retirements	Balance June 30, 2016	Current Portion
Governmental Activity Long-Term Debt Liabilities:						
Compensated absences	\$ -	\$ 40,151	\$ -	\$ 14,007	\$ 26,144	\$ -
Total Governmental Activity Debt	<u>\$ -</u>	<u>\$ 40,151</u>	<u>\$ -</u>	<u>\$ 14,007</u>	<u>\$ 26,144</u>	<u>\$ -</u>
Business-type Activity Debt:						
Safe Drinking Water Loan	\$ 2,720,000	\$ 1,972,000	\$ -	\$ 136,000	\$ 1,836,000	\$ 136,000
FMHA Special Assessment Bonds	535,800	85,000	-	25,000	60,000	30,000
State of California Water Resources Control Board	400,000	6,444,010	-	161,165	6,282,845	164,711
Compensated absences	-	15,967	3,065	-	19,032	-
Total Business-type Activity Debt	<u>\$ 3,655,800</u>	<u>\$ 8,516,977</u>	<u>\$ 3,065</u>	<u>\$ 322,165</u>	<u>\$ 8,197,877</u>	<u>\$ 330,711</u>

Bonds and Notes Payable

Long-term debt at June 30, 2016 consists of the following:

Safe Drinking Water State Revolving Fund Loan

In August 2005, the City entered into a loan agreement with the California Department of Health Services, Drinking Water and Environmental Services Division, for a loan in an amount up to \$2,720,000. The loan was subsequently funded by the Safe Drinking Water State Revolving Fund. The proceeds from the loan were used to assist in financing construction of a project that will enable the City to meet safe drinking water standards established under the Health and Safety Code and California Code of Regulations. The non-interest bearing loan calls for 50 equal semiannual payments due in July and January of each year, beginning in July 2009. At June 30, 2016, the balance of the note was \$2,108,000.

Based on the maximum balance of the loan the annual requirements to amortize the note are as follows:

<u>Year ending June 30</u>	
2017	\$ 136,000
2018	136,000
2019	136,000
2020	136,000
2021	136,000
2022	136,000
2023	136,000
2024	136,000
2025	136,000
2026	136,000
2027	136,000
2028	136,000
2029	136,000
2030	68,000
Total	<u>\$ 1,836,000</u>

City of Rio Dell
NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2016

NOTE 5 - LONG-TERM OBLIGATIONS (continued)

Assessment Bonds

In November 1978, the City borrowed \$535,800 through the issuance of bonds to finance improvements to the City's sewage collection system. The terms of an agreement with FMHA require semiannual payments of interest at 5 percent and annual payments of principal that increase from \$10,000 in the early years of the agreement to \$30,000 in the later years. Currently, the principal payments are \$20,000. The bonds mature in 2018.

The annual requirements to amortize the note are as follows:

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ 30,000	\$ 3,000	\$ 33,000
2018	30,000	1,500	31,500
Total	<u>\$ 60,000</u>	<u>\$ 4,500</u>	<u>\$ 64,500</u>

State of California Water Resources Control Board

The City has obtained a loan from the California Department of Water Resources to finance an upgrade of the waste water treatment plant to comply with State waste water standards. The debt is required to be serviced through waste water system user charges. The maximum loan amount is \$6,980,359. Principal and interest are payable annually on October 31. The rate of interest is 2.20%. The annual principal and interest payments are \$302,933, and continue through the fiscal year 2044. The annual requirements to amortize the debt are as follows:

City of Rio Dell
NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2016

NOTE 5 - LONG-TERM OBLIGATIONS (concluded)

FMHA Special Assessment Bonds						
2017	\$	164,711	\$	138,222	\$	302,933
2018		168,334		134,599		302,933
2019		172,038		130,895		302,933
2020		175,823		127,110		302,933
2021		179,691		123,242		302,933
2022		183,644		119,289		302,933
2023		187,684		115,249		302,933
2024		191,813		111,120		302,933
2025		196,033		106,900		302,933
2026		200,346		102,587		302,933
2027		204,753		98,180		302,933
2028		209,258		93,675		302,933
2029		213,862		89,071		302,933
2030		218,567		84,366		302,933
2031		223,375		79,558		302,933
2032		228,289		74,644		302,933
2033		233,312		69,621		302,933
2034		238,444		64,489		302,933
2035		243,690		59,243		302,933
2036		249,051		53,882		302,933
2037		254,531		48,402		302,933
2038		260,130		42,803		302,933
2039		265,853		37,080		302,933
2040		271,702		31,231		302,933
2041		277,679		25,254		302,933
2042		283,788		19,145		302,933
2043		290,032		12,901		302,933
2044		<u>296,412</u>		<u>6,521</u>		<u>302,933</u>
Total	\$	<u>6,282,845</u>	\$	<u>2,199,279</u>	\$	<u>8,482,124</u>

Compensated Absences Payable

There is no fixed payment schedule to pay the liability of \$45,176 for compensated absences through June 30, 2016.

The net changes of the compensated absences are allocated to the public safety department on the Statement of Activities.

City of Rio Dell
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2016

NOTE 6 - CONTINGENCIES

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time although the City expects such amounts, if any, to be immaterial.

There are pending lawsuits in which the City is involved. Although the outcome of these lawsuits is not presently determinable, it is the opinion of the City Attorney that the resolution of these matters will not have a material adverse effect on the financial condition of the City.

NOTE 7 - JOINT POWERS AGREEMENTS

The City is a member of various joint powers authorities, which provide goods or services to the City and other authority members. Under the criteria established by GASB Statement No. 14, the City does not have sufficient authority, influence or accountability over these entities to incorporate them in this annual report. Additionally, the City has determined that it has no ongoing financial interest in or responsibility for any of these organizations as defined by GASB Statement No. 14. The names and general functions of these joint powers are as follows:

Humboldt Transit Authority

Humboldt Transit Authority (HTA) was created as a separate legal entity by a joint powers agreement between Humboldt County and the Cities of Fortuna, Eureka, Arcata, Trinidad, and Rio Dell. The governing board consists of a city council member and an alternate member appointed from each participating city, as well as two board members and up to two alternate members appointed by the Humboldt County Board of Supervisors. HTA is responsible for adopting its own budget and has the power to incur debts, liabilities, or other obligations. On commencement of operations of HTA, the County contributed 50 percent of the initial equity, and the participating cities jointly contributed 50 percent based upon population data. The participants do not have an ongoing equity interest in HTA.

However, the participants do share operating costs of HTA, and the current share of the City of Rio Dell is 2.8 percent. During the year ended June 30, 2016, the City paid HTA \$40,646. At termination of the agreement, all surplus monies will be returned to the participants in proportion to the amounts received and property shall be divided in a manner agreed upon by the parties. Complete financial statements for Humboldt Transit Authority may be obtained at the offices of the Authority at 133 V Street, Eureka, California 95501.

Hazardous Materials Response Authority

Hazardous Materials Response Authority (HMRA) was created as a separate legal entity by a joint powers agreement between the County of Humboldt, the County of Del Norte, and Cities of Eureka, Crescent City, Arcata, Blue Lake, Fortuna, Trinidad, and Rio Dell. (The City of Ferndale withdrew from the agreement during 1994-1995). The purpose of this joint venture is to pool resources of the participants to provide a united, coordinated, orderly, positive, and more effective means of aiding and assisting in the formulation, administration, implementation and maintenance of an area-wide hazardous materials response team.

City of Rio Dell
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2016

NOTE 7 - JOINT POWERS AGREEMENTS (concluded)

HMRA is governed by a board of directors comprised of one member and an alternate appointed by each participant. It adopts its own budget and has the powers to incur debts, liabilities, or obligations. The City of Eureka is responsible for directing the operations of Hazardous Materials Response Teams and for the accounting of HMRA, and in return HMRA reimburses the City of Eureka for the costs of operation and accounting services.

Upon commencement of HMRA, the participants agreed to contribute a proportionate share of the cost of operations based on population. The participants do not have an ongoing equity interest in HMRA. However, the participants do share the operating costs of HMRA, and the current share of the City of Rio Dell is 1.9 percent, based on population. During the year ended June 30, 2016, the City paid HMRA \$717. At termination of the agreement, all surplus monies will be returned to the participants in proportion of the amounts received by HMRA; property shall be divided in a manner agreed upon by the participants. Complete financial statements of HMRA are on file at the offices of the City of Eureka at 531 K Street, Eureka, California 95501.

Redwood Region Economic Development Commission

Redwood Region Economic Development Commission (RREDC) was established on November 1, 1977, under a Joint Exercise of Powers Agreement among the nineteen public agencies within Humboldt County, including the City of Rio Dell. RREDC is a separate public entity created to aid, assist, and coordinate the formulation, administration, and implementation of the Economic Development Action Plan and Strategy for Humboldt County, and to assist in the implementation of economic development projects and programs to improve the quality of life in the area. RREDC is governed by one member and an alternate appointed by each participant. Complete financial statements for RREDC are on file at the offices of RREDC at 520 E Street, Eureka, California 95001.

NOTE 8 - DEFERRED COMPENSATION PLAN

The City offers its employees deferred compensation plans created in accordance with Internal Revenue Code Section 457. The plans, available to all City employees, permit employees to defer a portion of their salary until future years. Participation in the plans is optional. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. As explained previously, the City has adopted the provisions of GASB Statement No. 32 and, therefore, assets and liabilities of these plans have been excluded from the accompanying financial statements. For the fiscal year ended June 30, 2016, the City made contributions totaling \$132,754 to the plan.

NOTE 9 - RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City is a member of the Small Cities Organized Risk Effort Joint Powers Authority (SCORE). SCORE provides insurance coverage for general liability, property, and workers' compensation claims under the terms of a joint-powers agreement with the City and several other governmental municipalities.

SCORE is insured up to \$500,000 per general liability and \$1,000,000 per property claim and has purchased excess of loss insurance policies providing coverage above the self-insurance limit to a maximum of \$25,000,000. The City has a \$2,500 - \$50,000 deductible per claim for general liability, property and workers' compensation cases. When the deductible is met, SCORE becomes responsible for payment of the excess claim.

City of Rio Dell
NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2016

NOTE 9 - RISK MANAGEMENT (concluded)

Payments for insurance claims are recorded as expenditures in the funds in which the liabilities were incurred. In accordance with GASB Statement No. 10, if the third party administrator, SCORE, does not insure the loss occurrence then the City shall accrue a loss, if probable and reasonably estimable. As of June 30, 2016, the City has no uninsured occurrences. The City has not used an actuary in determining the liability reserve if needed. Because the actual claim liabilities depend on such complex factors as inflation and changes in legal doctrines and damage awards, the process used in computing claim liabilities does not necessarily result in an exact amount. Claims are evaluated periodically to take into account recently settled claims, the frequency of claims and other economic and social factors.

NOTE 10 - INTERFUND BALANCES

Transfers

The following schedule summarizes the transfers in and out for the fiscal year ended June 30, 2016:

	<u>Transfers in</u>	<u>Transfers out</u>
Major Funds:		
General Fund	\$ -	\$ 22,677
Water	2,677	-
Non-Major Funds:		
Recycling	-	10,000
Solid waste	10,000	-
Fund 46 Realignment Grant Fund	2,735	-
Administrative Fees Fund 8	17,265	-
Totals	<u>\$ 32,677</u>	<u>\$ 32,677</u>

City of Rio Dell
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
For the Year Ended June 30, 2016
(UNAUDITED)

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Property taxes	\$ 110,700	\$ 110,700	\$ 116,326	\$ 5,626
Sales	313,214	313,214	356,655	43,441
Occupancy	11,000	11,000	13,304	2,304
Licenses, permits, and franchise fees	448,125	448,125	459,855	11,730
Interest and use of property	19,470	19,470	26,275	6,805
Miscellaneous	400	400	2,868	2,468
Total revenues	<u>902,909</u>	<u>902,909</u>	<u>975,283</u>	<u>72,374</u>
<u>EXPENDITURES</u>				
Current operations:				
General government	170,017	170,017	175,271	(5,254)
Public safety	514,107	514,107	512,532	1,575
Public works	252,101	252,101	91,002	161,099
Total expenditures	<u>936,225</u>	<u>936,225</u>	<u>778,805</u>	<u>157,420</u>
Excess (deficiency) of revenues over expenditures	<u>(33,316)</u>	<u>(33,316)</u>	<u>196,478</u>	<u>229,794</u>
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	<u>(22,677)</u>	<u>-</u>	<u>(22,677)</u>	<u>22,677</u>
Total other financing sources (uses)	<u>(22,677)</u>	<u>-</u>	<u>(22,677)</u>	<u>22,677</u>
Net change in fund balance	<u>\$ (55,993)</u>	<u>\$ (33,316)</u>	173,801	<u>\$ 207,117</u>
Fund balance, beginning of period			<u>1,007,861</u>	
Fund balance, end of period			<u>\$ 1,181,662</u>	

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



For Meeting of: September 5, 2017

To: City Council
From: Kevin Caldwell, Community Development Director 
Through: Kyle Knopp, City Manager 
Date: August 29, 2017
Subject: Appointment of Jim Brickley as the Eagle Prairie Arts District (EPAD) member to the Wildwood Avenue Sculpture Committee

Recommendation:

That the City Council:

1. Appoint Jim Brickley to the Wildwood Avenue Sculpture Committee

Discussion:

As the Council is aware the City established a Sculpture Committee in 2014 to review and approve potential sculptures to be placed on two pedestals that were constructed as part of the Wildwood Avenue enhancement project.

Kim Reid recently resigned from the Sculpture Committee due to her frequent travels. Mrs. Reid was the Eagle Prairie Arts District representative.

The Wildwood Avenue Sculpture Committee is responsible for reviewing and approving applications for the placement of sculptures along the Wildwood Avenue corridor. The Committee consists of the Community Development Director, one member of the City Council (Mayor Wilson) and one alternate City Council member, one member from the Rio Dell-Scotia Chamber of Commerce (Susan Pryor), one member from the Eagle Prairie Arts District (vacant) and one public member (Robert Agnew) residing within the City limits. The alternate City Council member only participates when the regular City Council member is unable to serve due to scheduling concerns or a conflict of interest. The Committee meets on call.

Attachments

Attachment 1: Jim Brickley's application.

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



APPLICATION FOR
WILDWOOD AVENUE SCULPTURE COMMITTEE
SEE BACK PAGE FOR INFORMATION ON THE COMMITTEE

Name: JIM BRICKLEY Date: 8/2/17
Address: 920 CURTIS, LN. Phone: 223-5788
RIO DELL Email: BRICKLEY@SONIC.NET
Occupation: Retired Paint Contractor

How long have you lived in Rio Dell? 3 years Do you rent or own? Rent Own

Are you available to meet during regular business hours? YES NO

Why are you interested in serving on the Sculpture Committee? Help beautify
Main street.

Professional and/or Community Activities: Board member, Rio Dell /
Santa Chamber of Commerce

What type of skills, experience or education do you have that would be useful to the committee and community? Semi-pro artist

Identify two (2) local references:
Name: _____ Phone: _____
Name: _____ Phone: _____


Return application to the City of Rio Dell, 675 Wildwood Avenue, Rio Dell, CA. 95562
Fax: (707) 765-5480


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



**CITY OF RIO DELL
STAFF REPORT
CITY COUNCIL AGENDA
September 5, 2017**

TO: Mayor and Members of the City Council

THROUGH: Kyle Knopp, City Manager 

FROM: Brooke Woodcox, Finance Director 

DATE: September 5, 2017

SUBJECT: Authorize Finance Director to sign and submit Regional Surface Transportation Program (RSTP) claim for Fiscal Year 2016-2017 (\$22,358)

RECOMMENDATIONS

Authorize Finance Director to sign and submit the City's annual Regional Surface Transportation Program claim for RSTP revenues distributed annually by Humboldt County Association of Governments (HCAOG).

BACKGROUND AND DISCUSSION

RSTP funds come from the federal excise tax on gasoline and are distributed each year throughout the County by HCAOG. The City of Rio Dell will receive \$22,358 in RSTP funding for the 2016/17 fiscal year. The funds can be used to support various transportation projects and general streets and roads maintenance. According to HCAOG, the majority of local RSTP funds are applied towards road budgets.

ATTACHMENTS

- FY 2016/17 Annual Report
- HCAOG RSTP Policy and Allocation

Humboldt County Association of Governments

**Regional Surface Transportation Program (RSTP)
Section 182.6(d)(1)**

FY 2016-17

Name and Address of Claimant:
CITY OF RIO DELL
675 WILDWOOD AVE.
RIO DELL, CA 95562

Description of Project or Purposes of Expenditures (FY 16-17) Streets and Roads Maintenance and Repairs Allocation Amount: \$ <u>22,358</u>	Est. Cost of Project \$ 22,358	Check one to indicate use of funds: <input checked="" type="checkbox"/> Street and Road Purposes <input type="checkbox"/> Public Transit - Operating <input type="checkbox"/> Public Transit - Capital <input type="checkbox"/> 2% Bicycle and Pedestrian Account Purposes <input type="checkbox"/> Other:
FY 2016-17 Total Expenditures: \$ 22,358	\$ 22,358	
Reporting of Previous RSTP Funds (FY 15-16) Streets and Roads Maintenance and Repairs Allocation Amount: \$ <u>23,117</u>	\$ 21,099	<input type="checkbox"/> RSTP funds are being carried over as described:
Previous year carryover	\$ 2,018	<input type="checkbox"/> Estimated Project Cost:

Statement of Compliance with Exchange Agreement

Pursuant to the Regional Surface Transportation Program Section 182.(d)1 program, the undersigned claimant hereby acknowledges that he/she has received a copy of the Exchange Agreement dated May 12, 2017 between HCAOG and the State Department of Transportation (Caltrans), and agency agrees to comply with the applicable required conditions contained therein.

Undersigned claimant also acknowledges that jurisdictions receiving State RSTP funds have complied with Section 1220.4(6) A special fund for the purpose of depositing exchange funds has been established within a jurisdiction's special gas tax street improvement fund or county road fund.

Authorized Signature _____
 Brooke Woodcox, Finance Director
 Printed Name and Title

Date _____
 6-Sep-17

FY 2016-17

**Regional Surface Transportation Program
Policy and Allocation**



August 2017

Humboldt County Association of Governments
611 I Street, Suite B
Eureka, CA 95501
Phone: 707.444.8208
www.hcaog.net

Background

The Regional Surface Transportation Program (RSTP) was established by California State Statute utilizing Surface Transportation Program Funds that are identified in Section 133 of Title 23 of the United States Code. California Streets and Highways Code Section 182.6(d) was enacted under federal transportation bills, beginning in 1991 with the Intermodal Surface Transportation Efficiency Act (ISTEA) legislation, subsequently under the Transportation Equity Act for the 21st Century (TEA-21) and the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU).

The Federal Aid Urban (FAU) and Federal Aid Secondary (FAS) regulations implemented through Section 182.6(d) were repealed by the federal government through the passage of Moving Ahead for Progress in the 21st Century (MAP-21). However, the FAU/FAS regulations currently remain in State law.

RSTP funds originate from the federal excise tax on gasoline. The State of California distributes the funds to regional agencies and counties based on population. As a rural agency, HCAOG is allowed to participate in an exchange of these federal funds to nonfederal State Highway Account funds. Prior to an annual distribution of funds, an Exchange Agreement is executed between HCAOG and the State Department of Transportation (Caltrans). This exchange allows for greater flexibility with fewer administrative burdens. The County of Humboldt receives RSTP funds through a separate Exchange Agreement.

RSTP funds support a broad range of transportation projects. In the Humboldt region, most are used to augment city and county road budgets. Beginning with the 2007-08 RSTP cycle, HCAOG began setting aside funds for tribal governments. The County of Humboldt has agreed to administer the funds for a single project.

Exchange funds are subject to financial and compliance audits by State of California auditors.

Eligible Projects

The exchange of funds requires agreement to projects defined under Title 23-Section 133 of the Federal Aid for Highway and in accordance with the State of California Constitution. Section 133(b) provides for the following eligible projects:

(1) Construction, reconstruction, rehabilitation, resurfacing, restoration, and operational improvements for highways (including Interstate highways) and bridges (including bridges on public roads of all functional classifications), including any such construction or reconstruction necessary to accommodate other transportation modes, and including the seismic retrofit and painting of and application of calcium magnesium acetate, sodium acetate/formate, or other environmentally acceptable, minimally corrosive anti-icing and de-icing compositions on bridges and approaches thereto and other elevated structures, mitigation of damage to wildlife, habitat, and ecosystems caused by a transportation project funded under this title.

(2) Capital costs for transit projects eligible for assistance under chapter 53 of title 49, including vehicles and facilities, whether publicly or privately owned, that are used to provide intercity passenger service by bus.

(3) Carpool projects, fringe and corridor parking facilities and programs, bicycle transportation and pedestrian walkways in accordance with section 217, and the modification of public sidewalks to comply with the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.).

- (4) Highway and transit safety infrastructure improvements and programs, hazard eliminations, projects to mitigate hazards caused by wildlife and railway-highway grade crossings.
- (5) Highway and transit research and development and technology transfer programs.
- (6) Capital and operating costs for traffic monitoring, management, and control facilities and programs, including advanced truck stop electrification systems.
- (7) Surface transportation planning programs.
- (8) Transportation enhancement activities.
- (9) Transportation control measures listed in section 108 (f)(1)(A) (other than clause (xvi)) of the Clean Air Act (42 U.S.C. 7408 (f)(1)(A)).
- (10) Development and establishment of management systems under Section 303.
- (11) In accordance with all applicable Federal law and regulations, participation in natural habitat and wetlands mitigation efforts related to projects funded under this title, which may include participation in natural habitat and wetlands mitigation banks; contributions to statewide and regional efforts to conserve, restore, enhance, and create natural habitats and wetlands; and development of statewide and regional natural habitat and wetlands conservation and mitigation plans, including any such banks, efforts, and plans authorized pursuant to the Water Resources Development Act of 1990 (including crediting provisions). Contributions to such mitigation efforts may take place concurrent with or in advance of project construction. Contributions toward these efforts may occur in advance of project construction only if such efforts are consistent with all applicable requirements of Federal law and regulations and State transportation planning processes. With respect to participation in a natural habitat or wetland mitigation effort related to a project funded under this title that has an impact that occurs within the service area of a mitigation bank, preference shall be given, to the maximum extent practicable, to the use of the mitigation bank if the bank contains sufficient available credits to offset the impact and the bank is approved in accordance with the Federal Guidance for the Establishment, Use and Operation of Mitigation Banks (60 Fed. Reg. 58605 (November 28, 1995)) or other applicable Federal law (including regulations).
- (12) Projects relating to intersections that—
 - (A) have disproportionately high accident rates;
 - (B) have high levels of congestion, as evidenced by—
 - (i) interrupted traffic flow at the intersection; and
 - (ii) a level of service rating that is not better than “F” during peak travel hours, calculated in accordance with the Highway Capacity Manual issued by the Transportation Research Board; and
 - (C) are located on a Federal-aid highway.
- (13) Infrastructure-based intelligent transportation systems capital improvements.
- (14) Environmental restoration and pollution abatement in accordance with Section 328.
- (15) Control of noxious weeds and aquatic noxious weeds and establishment of native species in accordance with section 329.

Agreement with Jurisdictions

The following administrative requirements are hereby implemented to assure that the agencies receiving the RSTP funds are using the funds properly, and to assure that HCAOG is properly tracking the funds.

1. Project Lists. Each entity shall be required to submit to HCAOG a list of eligible projects on which they expect to expend the funds, prior to funds being distributed by HCAOG. The list shall include the name of all streets and roads with potential projects, the type of project (*rehabilitation, maintenance, etc.*) and the functional classification based on the "annual maintained mileage report" prepared by each agency. (Form is attached)
2. Exchange Agreement Compliance. HCAOG is required to sign an annual Exchange Agreement with the State which states that HCAOG (and project sponsors) agree to comply with required conditions. Therefore, each entity shall receive a copy of the agreement and be required to sign a statement of compliance in order to receive funds. Compliance includes a requirement that a special fund for the purpose of depositing exchange funds has been established within a jurisdiction's special gas tax street improvement funds or county road fund. (Form is attached)
3. Annual Report. Each entity shall be required to submit an annual report before receiving new RSTP funds each annual cycle. The report shall indicate how funds were expended or explain if funds are being carried over for a larger project. (Note: The annual report should agree with the project list submitted, otherwise a written explanation will be required). (Form is attached)

RSTP Formula Distribution

During a normal funding cycle, HCAOG receives instructions from the State to begin the process to exchange the RSTP funds sometime during the calendar year, resulting in an executed Exchange Agreement and receipt of funds by or near June 30 of each fiscal year. HCAOG staff then prepares a draft RSTP Program for stakeholder and public review and discussion at HCAOG Technical Advisory Committee and Board meetings. Upon HCAOG Board approval, HCAOG notifies eligible claimants of the amount of available funding per the formula distribution. Funds are then distributed to the County and Cities upon compliance with the Agreement with Jurisdictions, as explained above.

Humboldt County Association of Governments

Regional Surface Transportation Program FY 2016-17

Total Available to Region	1,150,510
Regional Apportionment	<u>-262,188</u>
Excess Fund Apportionment	\$ 888,322

The **Regional Apportionment** is apportioned to the four former Federal Aid Urban (FAU) recipients (Arcata, Eureka, Fortuna, and McKinleyville) in 1990-era urbanized proportions. The amount of \$262,188 has remained constant in this formula of distribution.

Of this amount, \$100,000 is taken off of the top and allocated to Humboldt County in exchange for an annual dedication of \$200,000 of County Local Transportation Funds to transit agencies supporting capital improvements. The remaining amount (\$162,188) is then apportioned to the four FAU areas based on the following percentages set in the 1990s:

23.8% Arcata	46.6% Eureka	14.6% Fortuna	15.0% McKinleyville
<hr/>			
Regional Apportionment		262,188	
Transit Set Aside (County of Humboldt)		(100,000)	
	Balance	\$162,188	
McKinleyville (County of Humboldt)		24,328	
(15%)			
City of Arcata (23.8%)		38,601	
City of Eureka (46.6%)		75,580	
City of Fortuna (14.6%)		23,679	
	Total	\$162,188	
<hr/>			

The **Excess Fund Apportionment** is apportioned to the former FAU recipients and the FAS recipient (Humboldt County) after funds for the Small Agency Program are deducted.

The amount apportioned to the Small Agency program has been based on the population percentages of the four small cities (Blue Lake, Ferndale, Rio Dell and Trinidad) and tribal land populations for tribes that are members of the TAC (Blue Lake Rancheria, Bear River Band of the Rohnerville Rancheria, Hoopa Valley Tribe, Karuk Tribe, Trinidad Rancheria and the Yurok Tribe).

Population data for the small cities is taken from the California Department of Finance (DOF) Table E-1. The North Coast Tribal Transportation Commission provides population data annually. This year the Small Agency Program, based on population, is 8.95% of the Excess Fund (\$79,516).

Small Agency Program based on 8.95% of the Excess Fund Apportionment				
	Population Estimates*	% of total population **	% of Small Agency Program	Allocation
Blue Lake	1,295	0.95%	10.6%	8,400
Ferndale	1,445	1.06%	11.8%	9,373
Rio Dell	3,447	2.52%	28.1%	22,358
Trinidad	369	0.27%	3.0%	2,393
Tribal Areas	5,703	4.16%	46.5%	36,992
Total	12,259	8.95%	100.0%	\$79,516

* City data from Table E-1, California Department of Finance

*Tribal populations provided from North Coast Tribal Transportation Commission

**Total population (136,953) from Table E-1

The FAU recipients and FAS recipient ratios:

FAU 32.8% (Arcata, Eureka, Fortuna and McKinleyville)

FAS 67.2% (County of Humboldt)

Total Allocation	\$1,150,510
Regional Apportionment	-\$262,188
Excess Fund Apportionment	\$888,322
Small Agency Program (8.95%)	-\$79,516
FAU/FAS funds	\$808,806

FAU/FAS Funds (Remaining Excess Fund Apportionment)			
	67.2 % of FAS	32.8% of FAU	Allocation
	\$543,518	\$265,288	
County of Humboldt	100%	n/a	543,518
Arcata	n/a	23.8%	63,139
Eureka	n/a	46.6%	123,624
Fortuna	n/a	14.6%	38,732
McKinleyville	n/a	15.0%	39,793
Total	100%	100%	\$808,806

RSTP 16-17 Allocations	
County of Humboldt	707,639
Arcata	101,739
Blue Lake	8,400
Eureka	199,204
Ferndale	9,373
Fortuna	62,412
Rio Dell	22,358
Trinidad	2,393
Tribal Governments	36,992
Total	\$1,150,510

Name and Address of Claimant:

**Humboldt County Association of Governments
Regional Surface Transportation Program (RSTP)
Section 182.6(d)(1)**

FY 2016-17	
Description of Project or Purposes of Expenditures (FY 16-17)	Est. Cost of project: \$
Allocation amount: \$	
FY 2016-17 Total Expenditure \$	
Reporting of Previous RSTP Funds (FY 15-16)	
Allocation: \$	
Previous year carryover: \$	

Check one to indicate use of funds:

- Street and Road Purposes
- Public Transit - Operating
- Public Transit - Capital
- 2% Bicycle and Pedestrian Account Purposes
- Other:

RSTP funds are being carried over as described:

Pursuant to the Regional Surface Transportation Program Section 182.(d)1 program, the undersigned claimant hereby acknowledges that he/she has received a copy of the Exchange Agreement dated May 12, 2017 between HCAOG and the State Department of Transportation (Caltrans), and agency agrees to comply with the applicable required conditions contained therein.

Undersigned claimant also acknowledges that jurisdictions receiving State RSTP funds have complied with Section 1220.4(6) A special fund for the purpose of depositing exchange funds has been established within a jurisdiction's special gas tax street improvement fund or county road fund.

Authorized Signature _____ Date _____

Printed Name and Title _____



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

September 5, 2017

TO: Rio Dell City Council
FROM: Kyle Knopp, City Manager *3*
SUBJECT: Approval of Change Order #4 Metropolitan Wells Project

IT IS RECOMMENDED THAT THE CITY COUNCIL:

Approve Change Order No. 4 and authorize the City Manager to execute.

BACKGROUND AND DISCUSSION

Staff is recommending two change orders to the Metropolitan Wells Project which is currently under construction.

Change Order # 4 includes additional sandblasting of the clear well on the site to thoroughly remove what are most likely manganese deposits. The deposits were not fully removed by pressure washing. The clear well is a tank facility where filtered water is collected and then pumped into the water distribution system and is one of the only pieces of legacy infrastructure being reused at the site. Additionally this change order includes a minor reconfiguration of the chlorine piping infrastructure to ease the use of this equipment by operators.

These items have been approved by the funding agencies.

The total cost of this change order is \$6,185.01. The Contingency budgeted for this project was \$130,290. After execution of the change orders, the contingency will be reduced to \$111,719. See the attached material for more information.

Prior change orders included raising the base elevation of the filtration building, replacing additional piping and adjustments to the schedule caused by rain delays.

///

Date of Issuance: 8/21/17	Effective Date: 8/21/17
Owner: City of Rio Dell	Owner's Contract No.: 0190
Contractor: Wahlund Construction	Contractor's Project No.: 43-16
Engineer: GHD Inc.	Engineer's Project No.: 11140078
Project: Metropolitan Wells Redevelopment	Contract Name: Metropolitan Wells Redevelopment

The Contract is modified as follows upon execution of this Change Order:

Description:

Keynote 26 on Drawing C102 calls for pressure washing the interior and exterior of the existing concrete clear well and coating the clear well with a Xypex coating. After pressure washing operations occurred, there was still residue remaining on the clear well (note that this remaining residue was sampled and was non-detect for both lead and asbestos). The Xypex coating requires a clean concrete surface to be able to adhere properly and seal the concrete. The clear well needs to be sandblasted to create a clean concrete surface for the Xypex coating to adhere to. The sandblasting work will be performed at an agreed upon lump sum price of \$4,118.45 per the attached cost estimate. 5 calendar days will be added to the Substantial Completion date to account for the time required to sample the residue in the clear well, receive lab results, and perform the sandblasting work, as this prevented the Contractor from installing the booster pumps in the clear well and associated booster pump piping.

In addition to the above extra work, (4) 1-foot, 4-inch ductile iron spools will be installed at the above-ground chlorination piping (see Section A on Drawing C501) to raise this whole portion of above-ground piping by one foot. After raising the building foundation by 6 inches (per Change Order #1), it has become apparent that grading away from the building toward the drainage ditch at the perimeter of the site to allow for adequate site drainage will lead to very minimal clearance between the chlorine contact pipe valves and the future chlorination housing slab. These valves will be very difficult to operate if 1-foot spools are not installed to raise them. The spool installation work will be performed at an agreed upon lump sum price of \$2,066.56 per the attached cost estimate and the attached documentation of materials cost. One calendar day will be added to the Substantial Completion date to account for the time required to install these spools.

The total agreed upon lump sum price for the work encompassed in this change order is \$6,185.01. A total of 6 calendar days will be added to the Substantial Completion date, while the Ready for Final Payment date will remain unchanged.

CHANGE IN CONTRACT PRICE	CHANGE IN CONTRACT TIMES <i>[note changes in Milestones if applicable]</i>
Original Contract Price: \$ <u>1,302,900</u>	Original Contract Times: Substantial Completion: <u>6/9/2017</u> Ready for Final Payment: <u>6/29/2017</u>
[Increase] [Decrease] from previously approved Change Orders No. <u>1</u> to No. <u>3</u> : \$ <u>12,385.61</u>	[Increase] [Decrease] from previously approved Change Orders No. <u>1</u> to No. <u>3</u> : Substantial Completion: <u>83 calendar days</u> Ready for Final Payment: <u>83 calendar days</u>
Contract Price prior to this Change Order: \$ <u>1,315,285.61</u>	Contract Times prior to this Change Order: Substantial Completion: <u>8/31/2017</u> Ready for Final Payment: <u>9/20/2017</u>
[Increase] [Decrease] of this Change Order: \$ <u>6,185.01</u>	[Increase] [Decrease] of this Change Order: Substantial Completion: <u>6 calendar days</u> Ready for Final Payment: <u>0 calendar days</u>
Contract Price incorporating this Change Order: \$ <u>1,321,470.62</u>	Contract Times with all approved Change Orders: Substantial Completion: <u>9/6/2017</u> Ready for Final Payment: <u>9/20/2017</u>

RECOMMENDED:

ACCEPTED:

ACCEPTED:

By: _____ Engineer (if required)	By: _____ Owner (Authorized Signature)	By: _____ Contractor (Authorized Signature)
Title: <u>Project Manager</u>	Title: <u>City Manager</u>	Title: <u>Project Manager</u>
Date: _____	Date: _____	Date: _____

Approved by Funding Agency (if applicable)

By: _____ Date: _____
Title: _____

Wahlund Construction, Inc.

Rio Dell Metropolitan Wells
Sandblast Interior and Exterior of Existing Concrete Clear Well

Labor

Description	Hours	Rate	Total
Operator	4	\$82.45	\$329.80
Foreman	2	\$78.88	\$157.76
Laborer	16	\$57.82	\$925.12
Project Engineer	2	\$101.66	\$203.32
Laborer	16	\$32.81	\$524.96
Total Labor			\$2,140.96

Materials

Sand 100 lb bag	20	\$11.50	\$230.00
		Subtotal	\$230.00
		Sales Tax (8.75%)	\$20.13
		Total Materials	\$250.13

Equipment

Vactor Truck	4	\$110.00	\$440.00
Sandblaster Rental / Day	2	\$138.00	\$276.00
Truck w/Tools	2	\$39.57	\$79.14
Truck w/Tools	16	\$22.76	\$364.16
	0	\$0.00	\$0.00
	0	\$0.00	\$0.00
Total Equipment			\$1,159.30
		Subtotal	\$3,550.39
		15% OH&P	\$532.56
		1% Bond	\$35.50
		Total	\$4,118.45

Wahlund Construction, Inc.

Rio Dell Metropolitan Wells
 Install four (4) 12" long 4" DIP spools to raise chlorination piping.
 Raise slab and enclosure approx. 3".

Labor

Description	Hours	Rate	Total
Foreman	2	\$78.88	\$157.76
Laborer	2	\$57.82	\$115.64
Project Engineer	2	\$101.66	\$203.32
Laborer	2	\$32.81	\$65.62
Total Labor			\$542.34

Materials

Keenan Supply	1	\$1,024.84	\$1,024.84
Subtotal			\$1,024.84
Sales Tax (8.75%)			\$89.67
Total Materials			\$1,114.51

Equipment

Truck w/Tools	2	\$39.57	\$79.14
Truck w/Tools	2	\$22.76	\$45.52
Total Equipment			\$124.66

Subtotal	\$1,781.51
15% OH&P	\$267.23
1% Bond	\$17.82
Total	\$2,066.56

Nathan Stevens

From: Bret Rinehart <bret@wahlcon.com>
Sent: Wednesday, August 16, 2017 12:00 PM
To: Nathan Stevens
Subject: FW: Rio Dell Metro Wells Additional 4" Spools

Nate,

The email below has pricing for the 4" spools for the chlorination piping.

Thanks,

Bret Rinehart, PE
Wahlund Construction, Inc.
bret@wahlcon.com
(707) 498-3414

From: Gray, Peter [mailto:PGray@hajoca.com]
Sent: Wednesday, August 16, 2017 8:48 AM
To: Bret Rinehart
Subject: RE: Rio Dell Metro Wells Additional 4" Spools

Will do Bret...Thanks...Pete

From: Bret Rinehart [mailto:bret@wahlcon.com]
Sent: Tuesday, August 15, 2017 3:28 PM
To: Gray, Peter
Subject: Rio Dell Metro Wells Additional 4" Spools

Pete,

Please send me a quote and go ahead and order the following for Rio Dell Metro Wells:

4" DIP Spool FxF 12" Long red prime (qty 4)**\$237.00 ea**
4" Flange Bolt Kit 304 SS (qty 4)**\$14.17 ea**
4" Flange gasket red rubber (qty 8)**\$2.52 ea.**

Thanks,

Bret Rinehart, PE
Wahlund Construction, Inc.
bret@wahlcon.com
(707) 498-3414



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

September 5, 2017

TO: Rio Dell City Council

FROM: Kyle Knopp, City Manager *3*

SUBJECT: Update on City Hall Architectural Barrier Removal and Americans With Disabilities Act Porch Project

IT IS RECOMMENDED THAT THE CITY COUNCIL:

Provide direction to staff.

BACKGROUND AND DISCUSSION

Staff will provide an update to the Council including efforts to save Rhododendron bushes in front of City Hall.

///



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riodellcity.com*

September 5, 2017

TO: Rio Dell City Council

FROM: Kyle Knopp, City Manager 

SUBJECT: Update on Sculpture Exhibit

IT IS RECOMMENDED THAT THE CITY COUNCIL:

Provide direction to staff

BACKGROUND AND DISCUSSION

Staff will provide an update on the Wildwood Avenue Sculpture exhibit and project.

///



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(707) 764-3532
riodellcity.com*

September 5, 2017

TO: Rio Dell City Council
FROM: Kyle Knopp, City Manager *3*
SUBJECT: Discussion and Possible Action on Street Trees

IT IS RECOMMENDED THAT THE CITY COUNCIL:

Provide direction to staff.

BACKGROUND AND DISCUSSION

The City has been in discussions with the owner of Root 101 to plant 5 replacement trees somewhere in the City as a result of the removal of the median on Wildwood Avenue.

Staff has invited Mr. Doug Duppe to advise the Council and he has responded through a letter which is attached. Mr. Deppe toured the Gateway in July and does not recommend planting trees in the gateway unless they are Cypress or Palm trees or there is a significant modification to the soils in the area that would support other tree types (see the attached letter).

Staff and members of the public have made suggestions for where the trees could be located, including:

The Community Garden
CalTrans right-of-ways on Painter Street
The School District property
Fireman's Park
City Hall or Blue Star Park*
City Owned Properties on Monument and Belleview*

*It is important to note that only the last two suggestions involve properties that the City owns. All other suggested properties will require outside approval and coordination.

///

Miller Farms

NURSERY INC.

1828 CENTRAL AVENUE • (P.O. BOX 2145) • MCKINLEYVILLE, CALIF. 95519 • 707-839-1571 • FAX 707-839-2563

"Grow With Us"

July 27, 2017

City of Rio Dell

Kevin Caldwell and City Board

This is an analysis of the trees in the center divider on Wildwood Ave., from the North 101 off ramp to City Hall.

The photo of excavation for Root 101 nursery access show around one foot of topsoil over compacted river base. The compacted river base is allowing water to leave the topsoil at an increased rate. Roots of trees find it too dry and nutrient lacking. Any dry spell due to irrigated water interruption will harm the trees.

The care needed for these trees that exists (in the divider) is excessive and costly.

The Planters could be modified by digging 9'x9' tree planters that area 3-5' deep, mixing in topsoil and mulch then plant trees in these beds. This would allow trees to grow larger and with less care and water. Root liners could be added on the sides to conserve water. Lawns could stay in between the beds as grass roots are shallow and just need fertilization.

The lawns could be removed and replaced with cobble rock in-between tree planters. This would reduce maintenance and costs of fertilization, mowing and watering.

This project could be a yearly one with one center divide done each year.

Another option would be to plant trees that could grow with little topsoil such as Cypress and Palms.

This is a preliminary analysis, I can be available to help with design, installation and/or answer any questions that have to do with this project. Please feel free to contact me 707-845-6906.

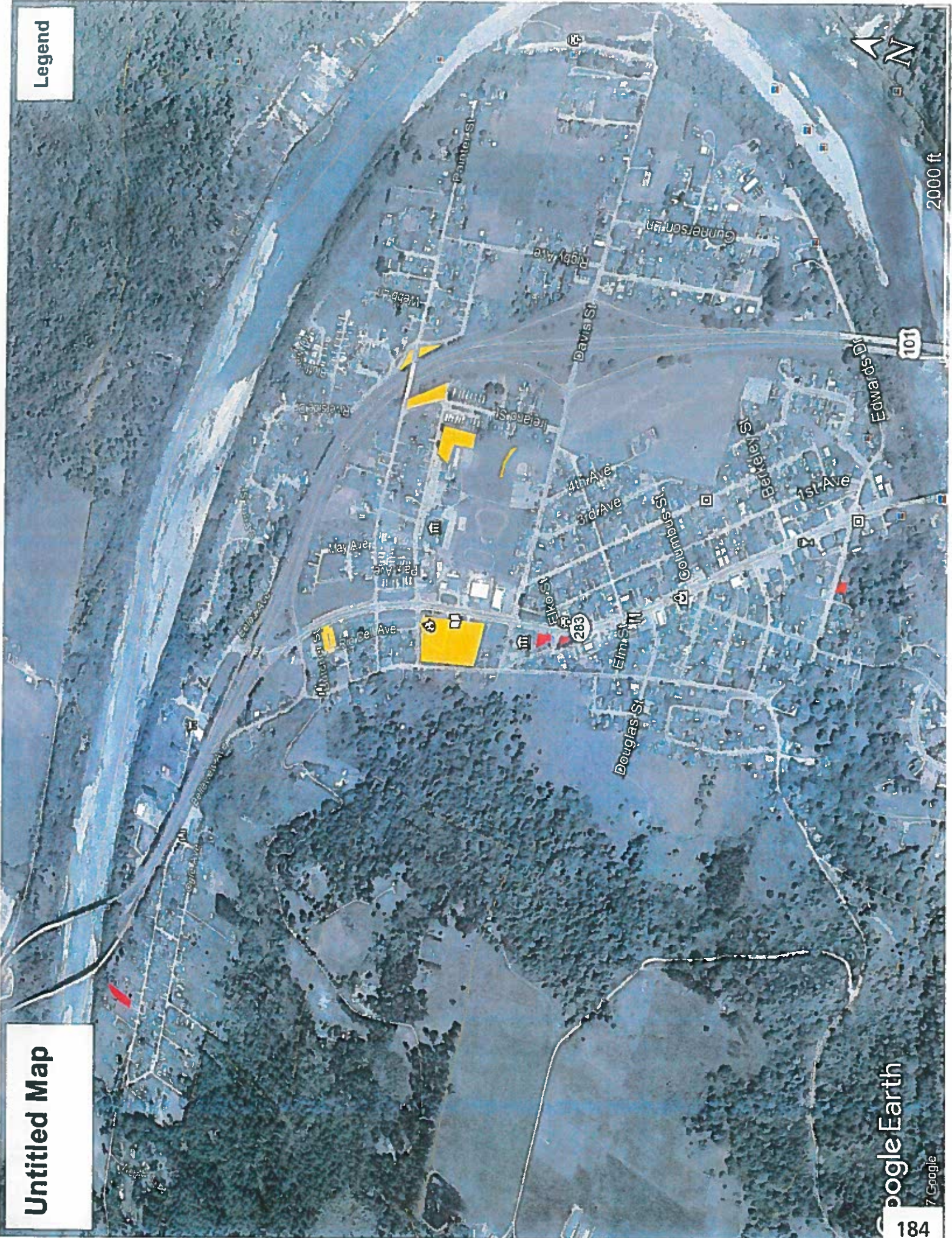
Sincerely,

Doug Deppe, ASAL

Miller Farms Nursery, Inc.

• Landscape • Excavation • Fencing • Power Equipment Sales & Service • Irrigation Systems •
• Nursery & Landscape Materials •



CONTRACTORS LICENSE NO. 365302
CLASS A, B, C-13 & C27



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



For Meeting of: September 5, 2017

To: City Council
From: Kevin Caldwell, Community Development Director 
Through: Kyle Knopp, City Manager 
Date: August 30, 2017
Subject: Adoption of Ordinance No. 361-2017 prohibiting the sales of recreational cannabis within the City.

Recommendation:

That the City Council:

1. Open the public hearing, receive staff's report regarding Ordinance No. 361-2017 establishing Chapter 5.40 of the Rio Dell Municipal Code (RDMC) prohibiting recreational cannabis sales within the City; and
2. Discuss, Deliberate and Make a Motion and a Second; and
3. Take Public Comment; and
4. Find that the proposed amendment has been processed in accordance with the California Environmental Quality Act (CEQA); and
6. Adopt Ordinance No. 361-2017 establishing Chapter 5.40 of the Rio Dell Municipal Code (RDMC) prohibiting recreational cannabis sales within the City.

Discussion

As reported at your meeting of August 15, 2017, beginning on January 1, 2018, AUMA makes it legal to sell and distribute cannabis through a regulated business, unless local jurisdictions adopt regulations to prohibit the sale and distribution of recreational cannabis.

Staff introduced Ordinance No. 361-2017 establishing Chapter 5.40 of the Rio Dell Municipal Code (RDMC) which would prohibit recreational cannabis sales within the City at your meeting of August 15, 2017. There was very little discussion and the draft Ordinance as presented was continued to this meeting for the second reading and adoption.

Attachments

Attachment 1: Draft Ordinance No. 361-2017 prohibiting the sales of recreational cannabis within the City.

ORDINANCE NO. 361-2017



**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF RIO DELL
PROHIBITING RECREATIONAL CANNABIS SALES,
CHAPTER 5.40 OF THE RIO DELL MUNICIPAL CODE:**

THE CITY COUNCIL OF THE CITY OF RIO DELL DOES ORDAIN AS FOLLOWS:

WHEREAS Proposition 64, the Adult Use of Marijuana Act (AUMA) was approved and became effective November 9, 2016; and

WHEREAS AUMA legalizes the use of recreational cannabis and creates a State regulatory and licensing system for commercial cultivation, testing, manufacturing and distribution of nonmedical cannabis; and

WHEREAS AUMA allows local jurisdictions to ban the sale of recreational cannabis; and

WHEREAS AUMA requires that local jurisdictions who choose to ban the sales of recreational cannabis, adopt such regulations prohibiting the sale of recreational cannabis prior to January 1, 2018; and

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

WHEREAS the City has determined that the proposed Ordinance is Statutorily Exempt pursuant to Section 15061(b) (3) of the CEQA Guidelines, Title 14, Chapter 3 of the California Code of Regulations.

NOW, THEREFORE BE IT RESOLVED that the City Council of the City of Rio Dell:

1. Finds that based on the nature of the project, 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.
4. Approves and adopts the proposed Ordinance.

BE IT FURTHER RESOLVED, that the City Council of the City of Rio Dell does hereby ordain as follows:

Section 1. Chapter 5.40 Recreational Cannabis Sales

5.40.010 Purpose.

The purpose of this Chapter is to enact and enforce a ban on the retail sale of recreational cannabis within the City.

5.40.020 Definitions.

“Cannabis” means all parts of the plant *Cannabis sativa* Linnaeus, *Cannabis indica*, or *Cannabis ruderalis*, whether growing or not; the seeds thereof; the resin, whether crude or purified, extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds, or resin. “Cannabis” also means the separated resin, whether crude or purified, obtained from cannabis. “Cannabis” does not include the mature stalks of the plant, fiber produced from the stalks, oil or cake made from the seeds of the plant, any other compound, manufacture, salt, derivative, mixture, or preparation of the mature stalks (except the resin extracted therefrom), fiber, oil, or cake, or the sterilized seed of the plant which is incapable of germination. For the purpose of this division, “cannabis” does not mean “industrial hemp” as defined by Section 11018.5 of the Health and Safety Code.

“Recreational Cannabis Sales” means a facility or location which provides, makes available, sells or distributes cannabis.

5.40.030 Prohibited within the City of Rio Dell.

Recreational cannabis sales as defined in this chapter shall be prohibited within the City limits.

Section 2. 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 3. 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 4. CEQA Compliance

The City Council has determined that the adoption of this ordinance is exempt from review under the California Environmental Quality Act (CEQA), subject to Section 15061 of the CEQA Guidelines. Due to the nature of the proposed code revisions, there is no evidence that any significant impact to the environment would occur as a result of adoption of the 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 August 15, 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 September 5, 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. 361-2017 which was passed, approved and adopted at a regular meeting of the City Council of the City of Rio Dell, held on September 5, 2017.

Karen Dunham, City Clerk, City of Rio Dell