



OROVILLE CITY COUNCIL
Council Chambers
1735 Montgomery Street
Oroville, CA. 95965

JUNE 19, 2018
REGULAR MEETING

CLOSED SESSION 5:30 P.M.
OPEN SESSION 6:30 P.M.
AGENDA

1. CALL TO ORDER

1.1 ROLL CALL

CITY COUNCIL MEMBERS: Jack Berry, Marlene Del Rosario, Linda Draper, Art Hatley, Scott Thomson, Vice Mayor Janet Goodson, Mayor Linda Dahlmeier.

2. COUNCIL WILL CONVENE TO CLOSED SESSION (5:30 p.m.)

- 2.1** Pursuant to Government Code Section 54957(b), the Council will meet with Acting City Administrator, Personnel Officer, and/or City Attorney to consider the employment related to the following positions: City Administrator.
- 2.2** Pursuant to Government Code section 54956.9(d)(2), the Council will meet with the Acting City Administrator and City Attorney regarding potential exposure to litigation – two cases.

3. COUNCIL WILL RECONVENE FOR OPEN SESSION (6:30 p.m.)

3.1 CLOSED SESSION ANNOUNCEMENT OF ACTION

3.2 PLEDGE OF ALLEGIANCE TO THE FLAG OF THE UNITED STATES OF AMERICA

4. PROCLAMATIONS / PRESENTATIONS

None.

5. PUBLIC COMMUNICATION - HEARING OF NON-AGENDA ITEMS

This is the time for members of the public to address the Council on matters not listed on the agenda. The City Council has established time limitations of three minutes per speaker and an overall time limit of thirty minutes. In the event that more than 10 speaker cards are submitted for non-agenda items, the time limitation will be reduced to two minutes per speaker, thus allowing up to 15 speakers. If more than 15 speaker cards were submitted for non-agenda items, the first 15 speakers would be randomly selected to speak at the beginning of the meeting.

The Mayor or presiding chair will call the names of persons who have submitted a speaker card to the City Clerk. Speakers are to step to the podium, state their name for the record, and make a brief presentation to the City Council. Pursuant to Government Code Section 54954.2, the Council is prohibited from taking action except for a brief response from the Council or staff to statements or questions relating to a non-agenda item.

For agenda items, citizens who have submitted a speaker card will be called to the podium by the Mayor or Presiding Chair after which the public discussion will be closed for Council debate and decision. Speaker cards are to be presented to the City Clerk prior to roll call.

- 6. CONSENT CALENDAR** - Consent calendar items are adopted in one action by the Council. Items that are removed will be discussed and voted on immediately after adoption of consent calendar items.

STAFF RECOMMENDATION – APPROVE CONSENT CALENDAR ITEMS 6.1 THROUGH 6.7 AS PRESENTED.

6.1 MINUTES - NOT AVAILABLE.

6.2 ADOPT RESOLUTION NO. 8707 AUTHORIZING AND DIRECTING THE MAYOR TO EXECUTE A LETTER OF AUTHORIZATION TO THE BUTTE COUNTY PUBLIC WORKS DEPARTMENT FOR THE CALIFORNIA DEPARTMENT OF RESOURCES RECYCLING AND RECOVERY FISCAL YEAR 2018-2019 AND FOR FOUR (4) YEARS FROM THE DATE OF ADOPTION OF THIS RESOLUTION FOR THE USED OIL PAYMENT PROGRAM.

NO FISCAL IMPACT.

6.3 APPROVE EXPENDITURE OF \$7,000 FOR ACTUARIAL SERVICES FROM DEMSEY, FILLIGER & ASSOCIATES, LLC TO COMPLY WITH GOVERNMENTAL ACCOUNTING STANDARDS BOARD (GASB) REQUIREMENT FOR VALUATION OF THE CITY'S LIABILITY FOR RETIREE HEALTHCARE PLAN OR OTHER POST EMPLOYMENT BENEFITS PLAN (OPEB).

FISCAL IMPACT - \$7,000 COST.

6.4 ADOPT RESOLUTION NO. 8708 AUTHORIZING AND DIRECTING THE MAYOR TO EXECUTE AN AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT WITH CALIFORNIA STATE UNIVERSITY, CHICO, EXTENDING THE TERM FOR FISCAL YEAR 2018/2019 .

FISCAL IMPACT - \$10,000 COST.

6.5 AUTHORIZE THE YMCA TO UTILIZE TWO (2) OF THE CITY'S CONTRACTUALLY AGREED UPON DAYS FOR THE USE OF THE STATE THEATRE - JUN 27 AND JUN 28, 2018.

NO FISCAL IMPACT.

- 6.6 **ADOPT RESOLUTION NO. 8709 AUTHORIZING AND DIRECTING THE MAYOR TO EXECUTE AN AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT BETWEEN THE CITY OF OROVILLE AND TOM LANDO TO SERVE AS INTERIM CITY ADMINISTRATOR – Extends term through October 31, 2018**

FISCAL IMPACT - \$30,400 COST

- 6.7 **ADOPT RESOLUTION NO. 8710 AUTHORIZING AND DIRECTING THE MAYOR TO EXECUTE AN AIRPORT GROUND LEASE AGREEMENT WITH NLC CA, INC. DEB: NORTHWEST LINEMAN COLLEGE FOR AN EXPANSION OF THEIR FACILITES – AGREEMENT NO. 3250.**

**FISCAL IMPACT- \$1,846 QUARTERLY REVENUE
SUBJECT TO AN ANNUAL 2% INCREASE**

7. PUBLIC HEARINGS

The Public Hearing Procedure is as follows:

- **Mayor opens the public hearing.**
- **Staff presentation & answers questions from Mayor & Council Members.**
- **Hearing is opened for public comment.**
- **Public comment session is closed and discussion returns to Council for debate and decision.**

7.1 CANNABIS BUSINESS TAX

COUNCIL WILL CONDUCT A PUBLIC HEARING TO SOLICIT INPUT FROM THE PUBLIC RELATING TO THE ORDINANCE PROPOSED FOR IMPLEMENTATION OF A CANNABIS BUSINESS TAX IN THE CITY OF OROVILLE.

AFTER THE CLOSE OF THE HEARING, COUNCIL WILL CONSIDER THE FOLLOWING:

INTRODUCING ORDINANCE NO. _____, AN ORDINANCE OF THE PEOPLE OF THE CITY OF OROVILLE, CALIFORNIA ADDING TO CHAPTER 3 OF THE OROVILLE MUNICIPAL CODE APPROVING AND IMPLEMENTING A CANNABIS BUSINESS TAX IN THE CITY OF OROVILLE; and,

ADOPTING RESOLUTION NO. 8711 APPROVING BALLOT MEASURE TEXT TO BE SUBMITTED TO THE VOTERS OF THE CITY IMPOSING A CANNABIS BUSINESS TAX; REQUESTING THE ASSISTANCE OF THE COUNTY OF BUTTE IN CONNECTION WITH THAT ELECTION; AND, REQUESTING CONSOLIDATION OF THAT ELECTION WITH ANY OTHER ELECTION HELD ON THAT DATE

FISCAL IMPACT FOR BALLOT MEASURE - \$10,000 ESTIMATED COST

8. REGULAR BUSINESS – Action Calendar

8.1 CITY ENGINEERING SERVICES

CONSIDER APPROVING A SUPPLEMENTAL APPROPRIATION IN THE AMOUNT OF \$30,000 FOR PROFESSIONAL SERVICES AGREEMENT WITH BENNETT ENGINEERING FOR CITY ENGINEER SERVICES

FISCAL IMPACT - \$30,000 COST

8.2 SCHOOL RESOURCE OFFICER SERVICES

CONSIDER ADOPTING RESOLUTION NO. 8712 APPROVING A THREE-YEAR MEMORANDUM OF UNDERSTANDING WITH THE OROVILLE SCHOOL DISTRICT FOR SCHOOL RESOURCE OFFICER SERVICES

FISCAL IMPACT: \$175,000 ANNUAL REVENUE

\$525,000 THREE-YEAR REVENUE

8.3 LEAGUE OF CALIFORNIA CITIES ANNUAL CONFERENCE

CONSIDER AUTHORIZING ATTENDANCE AT THE LEAGUE OF CALIFORNIA CITIES ANNUAL CONFERENCE AND DESIGNATING VOTING DELEGATE AND TWO (2) ALTERNATES' OR, CONSIDER ALTERNATE ACTION.

**FISCAL IMPACT - \$1,339 COST PER
TRAINING FUND BALANCE FOR 2018/2019 IS \$60,000**

9. COUNCIL ANNOUNCEMENTS/COMMITTEE REPORTS

10. CITY ADMINISTRATOR/ ADMINISTRATION REPORTS

11. CORRESPONDENCE

12. ADJOURNMENT

Accommodating Those Individuals with Special Needs – In compliance with the Americans with Disabilities Act, the City of Oroville encourages those with disabilities to participate fully in the public meeting process. If you have a special need in order to allow you to attend or participate in our public meetings, please contact the City Clerk at (530) 538-2535, well in advance of the regular meeting you wish to attend, so that we may make every reasonable effort to accommodate you. Documents distributed for public session items, less than 72 hours prior to meeting, are available for public inspection at City Hall, 1735 Montgomery Street, Oroville, California.

**OROVILLE CITY COUNCIL
STAFF REPORT**

TO: MAYOR AND COUNCIL MEMBERS

**FROM: RICK FARLEY, ENTERPRISE ZONE AND BUSINESS
ASSISTANCE COORDINATOR (530) 538-4307
BUSINESS ASSISTANCE & HOUSING DEVELOPMENT
DEPARTMENT**

**RE: SUBMITTAL OF A REGIONAL USED OIL PAYMENT PROGRAM
GRANT APPLICATION WITH BUTTE COUNTY TO
CALRECYCLE**

DATE: JUNE 19, 2018

SUMMARY

The Council may consider submitting a letter to the County of Butte authorizing the Butte County Public Works to submit a CalRecycle Regional Used Oil Payment Program Application (OPP), and authorizing the County to act as the Lead Agency, on behalf of the City of Oroville.

DISCUSSION

The City of Oroville has jointly participated in the Used Oil Payment Program with Butte County since at least 1999 or earlier. The FY 2018-2019 CalRecycle program application is due by June 28, 2018. The County of Butte is once again willing to be the lead agency on a joint application with the City of Oroville to pool the funds and reduce administration costs. Counties are eligible for \$10,000 and small cities eligible for \$5,000 which results in a total of \$15,000 if the joint application is successful. Gridley and Biggs have been included in the past and may do so again this year which would increase the amount by another \$10,000. CalRecycle administers the OPP program that provided \$11 million annually in payments to local governments for implementation of local oil and filter collection programs. The OPP must have a public education component that informs the public of locally available used oil recycling opportunities.

The OPP is a per capita allocation of oil funds collected when oil is purchased. The focus of the program is to increase the collection of used oil and used oil filters. Participants in the OPP subject to a governing body must provide a Letter of Authorization to the Lead authorizing the Lead to act on its behalf for this FY 2018-2019 cycle and for up to four (4) more cycles.

Oroville businesses that participate in the OPP are:
AutoZone, Averys Lube and Oil, Jiffy Lube and the O'Reillys Auto Parts stores.

If pre-approved, expenditures include, but are not limited to:

- Maintaining a used oil and filter program.
- Developing, purchasing and/or distributing the following Used Oil Program materials that have a functional purpose associated with an environmental benefit: marine absorbent bilge pads, oil funnels, oil drain containers, oil change rags, new oil filters for exchanges, Ziploc-type filter bags, cardboard creepers, filter wrenches, dirty filter recycling containers, maps of collection centers, and tide charts. OPP funding can be for oil change kits, but each kit cannot exceed \$25 (excluding sales tax) and each item, whether it is included in the kit or distributed separately, cannot exceed \$12 (excluding sales tax). Program Advisor approval is required for items not on this pre-approved list.
- Tablet electronic devices (typically seven inches or more in diameter measured diagonally) with a maximum price of \$500, used primarily for the purposes of public education or outreach. Additional costs can be spent on accessories for charging, item protection, and security at events.
- Certified Unified Program Agency (CUPA) or other agency inspection fees directly related to establishing and maintaining an effective oil and oil filter collection and recycling program.
- All lab fees related to testing oil samples for contamination in used oil tanks.
- Test kits and other equipment related to monitoring the contaminants in oil tanks.
- HAZWOPER 8-hour refresher course.
- Indirect/overhead costs up to 10 percent of the OPP eligible expenditures. **(Note:** This limitation applies to recipients and consultants/contractors who administer and/or implement a program.)
- Purchase or rental of storage containers or portable sheds dedicated to oil-related activities and supplies.
- Cost of Installation of storage containers or sheds solely for protection of oil related equipment and/or supplies.

FISCAL IMPACT

None, the County of Butte handles the administration of the joint OPP grant.

RECOMMENDATION

Adopt Resolution No. 8707 - A RESOLUTION OF THE OROVILLE CITY COUNCIL AUTHOTIZING AND DIRECTING THE MAYOR TO EXECUTE A LETTER OF AUTHORIZATION TO THE BUTTE COUNTY PUBLIC WORKS DEPARTMENT FOR THE CALIFORNIA DEPARTMENT OF RESOURCES RECYCLING AND RECOVERY FISCAL YEAR 2018-2019 AND FOR FOUR (4) YEARS FROM THE DATE OF ADOPTION OF THIS RESOLUTION FOR THE USED OIL PAYMENT PROGRAM.

ATTACHMENTS

A - Resolution No. 8707

B - Letter to Butte County Public Works

FOR MAYOR LETTERHEAD

June 19, 2018

Steve Rodowick
Recycling Coordinator
Butte County Public Works Department
7 County Center Drive
Oroville, CA 95965

RE: Letter of Authorization

I am the Mayor of the City of Oroville. I am authorized to contractually bind subject to approval of the Oroville City Council. Pursuant to this authority, I hereby authorize the Butte County Department Works to submit a regional Used Oil Payment Program (OPP9) application and act as Lead Agency on behalf of the City of Oroville for five (5) years starting with the 2018-2019 grant. The Butte County Department of Public Works is hereby authorized to execute all documents necessary to implement and secure payments under the OPP.

Linda L. Dahlmeier, Mayor
City of Oroville

**OROVILLE CITY COUNCIL
RESOLUTION NO. 8707**

A RESOLUTION OF THE OROVILLE CITY COUNCIL AUTHOTIZING AND DIRECTING THE MAYOR TO EXECUTE A LETTER OF AUTHORIZATION TO THE BUTTE COUNTY PUBLIC WORKS DEPARTMENT FOR THE CALIFORNIA DEPARTMENT OF RESOURCES RECYCLING AND RECOVERY FISCAL YEAR 2018-2019 AND UP TO FIVE ADDITIONAL YEARS FOR THE USED OIL PAYMENT PROGRAM

NOW THEREFORE, BE IT HEREBY RESOLVED by the Oroville City Council as follows:

1. The Mayor is hereby authorized and directed to execute a Letter of Authorization to Butte County Public Works for the CalRecycle Fiscal Year 2018-2019 and up to four (4) additional years for the Used Oil Payment Program. A copy of the Letter of Authorization is attached as Exhibit "A".
2. The City Clerk shall attest to the adoption of this Resolution.

PASSED AND ADOPTED by the Oroville City Council at a regular meeting held on June 19, 2018, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Linda L. Dahlmeier, Mayor

APPROVED AS TO FORM:

ATTEST:

Scott E. Huber, City Attorney

Joanna Gutierrez, Interim City Clerk

**OROVILLE CITY COUNCIL
STAFF REPORT**

TO: MAYOR AND COUNCIL MEMBERS
FROM: RUTH WRIGHT, FINANCE DIRECTOR
RE: ACTUARIAL SERVICES
DATE: JUNE 19, 2018

SUMMARY

The Council may consider approval of the expenditure for actuarial services to comply with Government Accounting Standards Board pronouncements 68 and 75.

DISCUSSION

As required by the Government Accounting Standards Board (GASB) the City is required to have a valuation of the City's liability for our Retiree Healthcare Plan or Other Post-Employment Benefits Plan (OPEB). The City is required to utilize the services of trained actuarial services to meet these reporting requirements in order to comply with these standards. The actuarial values are used in our comprehensive annual financial statements.

The City received 2 proposals as follows:

	GASB	GASB
	68/73	75
Demsey, Filliger, & Associates, LLC	1,500	5,500
Bartel Associates Inc.	1,575	11,500 to 13,500

FISCAL IMPACT

Appropriation is available in the Finance Department budget (outside services) for this expenditure. 2001-6340

RECOMMENDATION

Direct staff to move forward with the lowest proposal from Demsey, Filliger & Associates, LLC.

ATTACHMENTS

Fee letters from Bartel and Associates and Demsey Filliger and Associates.



April 12, 2018

Ruth Wright
Finance Director
City of Oroville
1735 Montgomery Street
Oroville, CA 95965

Re: 2018 GASBS 68 Actuarial Information for CalPERS Cost-Sharing (Risk Pool) Plans

Dear Ms. Wright:

Bartel Associates is available to assist the City of Oroville with 6/30/2018 GASB Statement 68 reporting. Based on your participation in the both risk pools, our base fee of \$1,575 includes:

- Your proportionate share of net pension liability, NPL sensitivity, and deferral amounts
- All employer-specific deferrals and associated amortization schedules
- Net pension expense
- All actuarial amounts required for the note disclosures and RSI
- Up to 1 hour review/discussion of the report with you and/or your auditors.

To complete the report we need:

- FY 2018 CalPERS contributions by rate group (available on MyCalPERS)
- FY 2018 covered payroll (available on MyCalPERS)
- Link to your 2017 CAFR or financial statements.

This data won't be available until after June 30, 2018. We expect turnaround for the reports to be 2-3 weeks after we receive all data. We also can prepare an earlier preliminary report using estimated amounts for an additional fee. Extra work or schedules not in our standard report are available at an additional charge.

To authorize us to begin this engagement, please complete the information on the following page or contact me or Kateryna Doroshenko, actuarial analyst, by email as listed below. We look forward to assisting you with this important reporting requirement.

Sincerely,

A handwritten signature in cursive script that reads "Mary Beth Redding".

Mary Beth Redding
Vice President & Actuary
mbredding@bartel-associates.com; 650/377-1617
kdoroshenko@bartel-associates.com; 650/377-1663



I accept Bartel Associates' proposal to prepare GASBS 68 information for our CalPERS cost sharing plans. Reports will be completed 2-3 weeks after receipt of final June 30, 2018 data.

Agency: City of Oroville
Risk Pool: both risk pools
Base Fee: \$1,575

Additional services requested:

_____ Preliminary report using estimated data (projected fee \$300).
Please provide estimated CalPERS FY2018 contributions, separately by rate group.
Date preliminary report required _____.

_____ Other: Please list any special request:

Accepted by:

Signature

Name

Date

City of Oroville

Agency

Title

Address/Email/Phone:

April 24, 2018

Ruth Wright
Finance Director
City of Oroville
1735 Montgomery Street
Oroville, CA 95965

Re: GASBS 75 OPEB Actuarial Valuation Fee Estimate & Data Request

Dear Ms. Wright:

Bartel Associates would be pleased to provide the City of Oroville actuarial consulting services. This letter summarizes the project scope and our fee estimate for a June 30, 2017 actuarial valuation on the City's retiree healthcare plan.

Background

The June 30, 2017 valuation will provide GASBS 75 accounting information for 2017/18 and 2019/20. The timing in this proposal assumes the City selects a measurement date one year before the fiscal year end. Other measurement dates are possible and could impact our proposed timing.

As required by actuarial standards and GASB Statement 75, this valuation will include the implied subsidy: the amount by which active employee premiums subsidize retiree healthcare costs. This subsidy occurs because active employees are, on the whole, younger than retirees with lower health care costs and the City is overpaying for its active employees' health insurance in return for permitting its retirees to self-pay at the active employee rate.

Revised OPEB accounting rules were approved by the GASB in June 2015 under *Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. This statement replaces GASBS 45, effective for the City's 2017/18 fiscal year. Note that GASBS 75 requires valuations at least every 2 years.

Estimated Fees

We can offer the City a choice of two approaches for the actuarial valuation:

■ **Compliance-only Valuation**

A compliance-only valuation will include a summary of the plan provisions, census data, actuarial methods and assumptions, valuation results, and all of the information required under GASBS 75. It will include a phone call to discuss results. Information provided under the compliance-only actuarial valuation, timing, and fees are as follows:

Project	Approximate Start/Completion Date	Fees	
		Estimate	Cap
GASBS 75 disclosure report for 17/18 (including 6/30/17 valuation)	June 2018/ August 2018	\$9,500	\$11,000
GASBS 75 disclosure report for 18/19 (based on rollforward of 6/30/17 valuation)	July 2019	2,000	2,500
Total for 2 reports		11,500	13,500

Fees for the compliance-only valuation include, like all of our valuations, Bartel Associates high quality review process, with all work prepared being checked by a 2nd person, and peer reviewed by a senior actuary.



■ **Full Consulting Valuation**

A full consulting valuation will include a meeting with the City to review the plan provisions, census data, actuarial methods and assumptions, and valuation results. Our discussion outline for the meeting will include:

- 1) Recommended contribution levels;
- 2) Implied subsidy results;
- 3) Breakdown of results by employee group, if applicable;
- 4) 10-year projection of benefit payments;
- 5) Statistical comparison of City results with other Bartel Associates valuations;
- 6) Detailed participant statistics, including summary of healthcare plan and coverage elections; and
- 7) Summary of upcoming OPEB and CalPERS issues.

The additional fee for a consulting valuation is \$3,000.

Please note that our fee estimate assumes:

- We will bill the City at the following hourly rates:

Position	Hourly Rate
Partner & President	\$ 310
Partner & Vice President	280
Assistant Vice President	250
Associate Actuary	200
Senior Actuarial Analyst	180
Actuarial Analyst	150

- While the estimated fees represent the likely cost of the valuation, it is possible the valuation may require additional time. We understand the City's budgeting needs and agree not to bill more than the cap amounts above unless the project scope changes.
- Participant census data requested will be provided completely and accurately in an Excel workbook with one record per participant.
- All plan, financial, and census information requested will be provided and is internally consistent.
- There will be no additional charges for expenses (e.g., travel, telephone, copying, etc.). The hourly rates above include our costs for these items.
- We will invoice the City monthly based on time incurred, subject to the above maximum fees.

Please note that our fee estimate will be higher if:

- Results are needed separately for employee groups.
- Results are needed for alternative plan designs.
- The City requests a meeting. We will base our fee for additional meetings on our billing rates and the time needed for the meetings and preparation.
- The City requests an executive summary or a draft financial statement footnote.

Data Requirements

In order for us to begin the OPEB valuation, please provide:

- Summary of plan provisions or copies of the most recent MOUs for bargained employee groups and agreements for unrepresented groups.
- Medical insurance premium rates for 2018 and 2019 (if available) for active employees and retirees.
- Total OPEB retiree pay-as-you-go cost for 2016/17 and 2018/19.
- Active and retired participant data as of the June 30, 2017 valuation date in an Excel workbook format.



- Active Data - name, employee number (not Social Security number), gender, birth date, hire date, accrued sick leave hours, annual sick leave accrual, medical plan, medical coverage (single/2-party/family), CalPERS pension tier (e.g. 2.7%@57, 2%@62), total CalPERS service including service at other agencies (if available), bargaining or employee group, and annual PERSable compensation. Indicate the pay period for the compensation reported. Include any active employees who have waived healthcare coverage.
- Retiree Data - name, employee number (not Social Security number), gender, birth date, remaining sick leave hours, retirement type (service retirement, disability retirement, surviving spouse), retirement date, medical plan, medical coverage (single/2-party/family), spouse's birth date (if available), portion of premium paid by the City, and portion of premium paid by the retiree. Include any retirees or surviving spouses of retirees who have waived coverage.
- To prepare the 2018 report (attached is a generic sample report), we need the following (an additional year will be needed for the 2019 report):
 - The number of actives and number of retirees as of June 30, 2018
 - Pay-go (benefits paid to retirees) during 2016/17 and 2017/18.
 - Covered payroll for 2016/17 and 2017/18.
- Regarding the census data, please note:
 - The census data provided should be a snapshot of the City's active employees and retirees as of the June 30, 2017 valuation date. If the City provides census data as of a different date, it should verify it is acceptable to its auditors.
 - In lieu of individual PERSable compensation, the City can provide the current average PERS pay rate for employees and for each bargaining unit or employee group if results are needed by employee group. Indicate the pay period for the compensation reported.
 - In order to maintain confidentiality, please do not provide Social Security numbers for the employee number. We will delete any files that include Social Security numbers and request a revised file.
 - Our fee estimate assumes that the City will merge and reconcile all data files and provide one census file with one complete record for each employee and eligible retiree in an Excel workbook. If the City needs our help to merge and reconcile data, our fees will be higher.
 - We may need additional data depending on our review of the City's retiree medical plan design.

Timing

Normally, the valuation results are available about 4 to 6 weeks after we receive all the requested information and the City replies to any questions we may have after our initial review of the requested data.

Please call me (650-377-1602) with any questions.

Sincerely,

A handwritten signature in blue ink that reads 'Doug Pryor'.

Doug Pryor
Vice President

c: Kateryna Doroshenko, Bartel Associates, LLC

O:\Clients\City of Oroville\Proposals\2017\BA Oroville\17-06-30 OPEB GASBS 75 fee letter 18-04-24.docx



May, 2018

DFA will provide Sample School District (“the District”) with the following services relating to the District’s employee retirement systems.

June 30, 2018 GASB 68/73 Disclosure Information

Scope

DFA can assist in the preparation of the District’s GASB 68/73 footnote as of June 30, 2018.

We will gather and review public information related to the District’s participation in the California State Teachers’ Retirement Systems (CalSTRS) and the California Public Employees’ Retirement System (CalPERS).

DF&A will prepare an executive summary providing information for the following disclosure requirements:

- Pension plan description
- Information about the District’s proportionate share of the collective net pension liability
 - Assumptions and other inputs
 - Pension plan’s fiduciary net position
- Other
 - District’s proportionate share of the collective net pension liability
 - Amount of expense recognized
 - District’s balance of deferred outflows/inflows
- Required supplementary information.

Fees

Our flat fee for the services listed above (including telephone support to explain and discuss the summary) will be \$1,500, and is all-inclusive based on the scope of the project outlined above.

The \$1,500 does not include the cost (including any direct expenses) of an on-site presentation to the District, if requested. No on-site presentation is anticipated.

Data Request (Information Needed from the District)

To complete the above scope, DF&A will need the following information from the District:

1. A copy of the Annual Financial and Compliance Report for the Year Ended June 30, 2017;
2. The amount of contributions attributed to the District and identified as follows:

	Paid during Fiscal Year		
	July 1, 2016 to June 30, 2017	July 1, 2017 to June 30, 2018	July 1, 2018 to June 30, 2019
District-paid contributions to CalSTRS			
Employee contributions to CalSTRS			
State’s On-Behalf (of District) to CalSTRS			
District-paid contributions to CalPERS			
Employee contributions to CalPERS			



April 21 2018

Scope of Work

Demsey, Filliger & Associates (DF&A) will provide **City of Oroville** with an actuarial report as of July 1, 2017, setting forth all City liabilities of the postretirement health benefit program, including a projection of City expenditures under the plan. Our report will contain the following information:

- Disclosure of the postretirement benefit obligations and components of expense in accordance with the Statement No. 75 of the Governmental Accounting Standards Board for fiscal year beginning July 1, 2017.
- Recommended level annual funding amounts, to pre-fund the obligations as a percent of covered employee payroll;
- Reconciliation of Total OPEB Liability with the prior actuarial report;
- Roll-forward of Net OPEB Liability to June 30, 2018;
- Summary of plan provisions, actuarial assumptions, and certification.

The Scope of Work also includes assistance in the preparation (or review) of the GASB 75 footnote disclosures at the time the District prepares its financial statements for fiscal years ending June 30, 2017 and June 30, 2018.

Fees

Our flat fee, for services listed above (including telephone support to explain and discuss the report) will be as follows:

Actuarial Report as of July 1, 2017	\$4,000
GASB 75 footnote information for fiscal year ending June 30, 2018	\$750
GASB 75 footnote information for fiscal year ending June 30, 2019	\$750
Total Fee	\$5,500

The fee is all-inclusive based on the scope of the project outlined above. The fee does not include the cost (including any direct expenses) of an on-site presentation. An on-site presentation is not anticipated at this time.

City of Oroville
GASB 75 DISCLOSURE DATA REQUEST

April 21, 2018

Dear Ruth:

We are requesting the information required for the July 1, 2017, GASB 75 disclosure valuation of the retiree health insurance program.

We have included a workbook of Excel sheets that contains the information we need to value the GASB 75 liabilities and prepare the required disclosure.

The workbook includes the following tabs:

- Legend
Please use as a guide to complete the workbook. Modify as necessary to correspond with the data included in the census.
- Employee and Retiree participant membership data tabs
Please update the lists with the requested information, using the format provided. The exhibit attached to this letter summarizes the format and data requested in the workbook.
- Premium structure
Schedule of premiums for both retirees and active employees, for each applicable coverage (e.g., medical, pharmacy, dental, or vision) for the current and most recent prior plan years.
- Additional information on benefit
 - Relevant sections of collective bargaining agreements (Retirees' Health Insurance) (via separate pdf attachments).
 - Documents governing health benefits of all non-represented groups (e.g., Management, Classified, Certificated, Confidential, Board) (via separate pdf attachments).
 - Current employee booklets, open enrollment materials for retirees, etc., memoranda of understanding (via separate pdf attachments).
 - GASB disclosures from most recent audited financial statements.
 - Aggregate payroll delineated by participant group listed in the Legend of the census workbook.
 - Projected Total contribution for the fiscal year ending June 30, 2018.
 - Projected Amount of assets for the fiscal year ending June 30, 2018.
 - Summary of benefit changes since the most recent actuarial valuation.
 - Comments – any other information that client thinks relevant to valuation.

Please email the updated workbook and attachments to Katie Barger: kbarger@dfa-actuaries.com.

After you have had a chance to review this information, please let us know if you have any questions.

Regards,

Katie

Format and Data Requested in Workbook

Employees (Active Members)

Division or Bargaining Unit*

Status Active

A-Active in Med Plan,

N – Eligible but not Participating in Med Plan,

T-No longer Active in Med Plan,

R-Retired & Covered in Med Plan

ID Number**

Last Name

First Name and Middle Initial

Sex

Date of Birth (MM/DD/YYYY)

Date of Hire (MM/DD/YYYY)

Full Time Equivalent

Medical Plan* (attach legend)

Medical Coverage* (i.e., single, employee + spouse, employee + family)

Monthly Medical Premium - employee

Monthly Medical Premium - employer

Retirees (Inactive Members)

Division or Bargaining Unit*

Status Retired

R - Retired & Covered in Medical Plan

N – Retired but not Participating in Med Plan,

T - No longer Active in Medical Plan

C - Status change (coverage)

ID Number**

Last Name

First Name and Middle Initial

Sex

Date of Birth (MM/DD/YYYY)

Date of Hire (MM/DD/YYYY)

Date of Retirement (MM/DD/YYYY)

Spouse Date of Birth if covered (MM/DD/YYYY)

Number of non-spousal Dependents

Medical Plan* (attach legend)

Medical Coverage* (i.e., single, employee + spouse, employee + family)

Monthly Medical Premium - employee

Monthly Medical Premium – employer

* Please provide a legend to fully explain wording.

** This should be a unique ID number that is not reassigned, or we can use the last 4 digits of the member's social security number.

**OROVILLE CITY COUNCIL
STAFF REPORT**

TO: MAYOR DAHLMEIER AND COUNCIL MEMBERS

**FROM: TYSON PARDEE, INFORMATION TECHNOLOGY MANAGER
JESSE SMITH, GIS SPECIALIST
ADMINISTRATION DEPARTMENT**

**RE: AMENDMENT TO PROFESSIONAL SERVICES AGREEMENT WITH
CALIFORNIA STATE UNIVERSITY, CHICO**

DATE: JUNE 19, 2018

SUMMARY

The Council may consider an Amendment to the Professional Services Agreement with the California State University, Chico (CSU Chico), relating to their Geographical Information Center (GIC) which hosts the City's Geographic Information Systems (GIS).

BACKGROUND

In June of 2015, the Council authorized an agreement with the CSU Chico GIC to host the City's GIS data. Staff is requesting to Amendment to the contract to carry it forward for the 2017-18 Fiscal Year.

Utilization of the GIC has been a successful endeavor even in the short amount of time the City has been utilizing their services. GIS data has been integrated into Trakit, which has provided the City with the most up-to-date data and improved mapping details. City mapping details have also been able to be shared with a wider audience than just City employees.

FISCAL IMPACT

The funds for this Contract have been approved in 2018-2019 budget at a cost of \$10,000.

RECOMMENDATION

Adopt Resolution No. 8708 – A RESOLUTION OF THE OROVILLE CITY COUNCIL AUTHORIZING AND DIRECTING THE MAYOR TO EXECUTE AN AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT WITH CALIFORNIA STATE UNIVERSITY, CHICO, EXTENDING THE TERM FOR FISCAL YEAR 2018/2019 – (Agreement No. 3130-3).

ATTACHMENTS

Resolution No. 8708
Agreement No. 3130-2

**CITY OF OROVILLE
RESOLUTION NO. 8708**

A RESOLUTION OF THE OROVILLE CITY COUNCIL AUTHORIZING AND DIRECTING THE MAYOR TO EXECUTE AN AMENDMENT TO THE PROFESIONAL SERVICES AGREEMENT WITH CALIFORNIA STATE UNIVERSITY, CHICO, IN THE AMOUNT OF \$10,000, RELATING TO THE HOSTING OF THE CITY'S GEOGRAPHICAL INFORMATION SYSTEMS

(Agreement No. 3130-3)

1. The Mayor is hereby authorized and directed to execute an Amendment to the Professional Services Agreement with California State University, Chico relating to the hosting of the City's Geographical Information Systems. A copy of the Amendment is attached to this Resolution.

2. The City Clerk shall attest to the adoption of this Resolution.

PASSED AND ADOPTED by the Oroville City Council at a regular meeting on June 19, 2018, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Linda L. Dahlmeier, Mayor

APPROVED AS TO FORM:

ATTEST:

Scott E. Huber, City Attorney

Joanna Gutierrez, Acting City Clerk

AGREEMENT WITH THE CSU, CHICO RESEARCH FOUNDATION

Agreement is hereby made between The CSU, Chico Research Foundation (FOUNDATION), on behalf of the Geographical Information Center (GIC), and the City of Oroville (CLIENT) according to the following terms, conditions and provisions:

Identity of Client:

Don Rust, Acting City Administrator
City of Oroville
1735 Montgomery St.
Oroville, CA 95965
530.538.2433 (office)
rustdl@cityoforoville.org

Foundation:

The CSU, Chico Research Foundation
Office of Research and Sponsored Programs
25 Main Street, Suite 103
Chico, CA 95928-5388

Contact person for Contractual Matters:

Matthew Bently, ESQ, Director of Contracts and Development
Office of Research and Sponsored Programs
25 Main Street, Suite 103
Chico, CA 95928-5388
530.898.5700 (office)

Contact person for Project Matters:

Jason Schwenkler, Director
Geographical Information Center
530.898.4372 (office)
530.898.6317 (fax)
jschwenkler@csuchico.edu

*Agreement with CSU, Chico Research Foundation (City of Oroville)
GIS Maintenance*

City of Oroville GIS Maintenance Workscope:

CLIENT desires that FOUNDATION perform, and FOUNDATION agrees to perform, the following:

FOUNDATION will:

Scope:

The Geographical Information Center (GIC), a program of the non-profit CSU, Chico Research Foundation, agrees to maintain an ArcSDE Enterprise RDBMS, maintain a public Planning Information Lookup web mapping application, maintain a Notification Mailings web mapping application, maintain various web services in support of the City's TRAKiT permitting system, maintain various web services in support of the City's in-field data collection and maintenance efforts, maintain various web services in support of the City's website, maintain custom scripts and data processing tools, and provide general GIS support for the period July 1, 2018 through June 30, 2019.

The specific tasks are as follows:

- *Maintain ArcSDE Enterprise RDBMS for data storage and access;*
- *Maintain the City's public facing GIS Planning Information Lookup web viewer layers to include addresses, parcels, land use, zoning, and infrastructure information as provided by the City;*
- *Maintain the City's Notification Mailings web application layers to include addresses, roads and parcels;*
- *Maintain various web services in support of the City's TRAKiT permitting system;*
- *Maintain various web services in support of the City's in-field data collection and maintenance efforts;*
- *Maintain various web services in support of the City's website;*
- *Maintain various custom scripts and data processing tools;*
- *Provide miscellaneous GIS support on an as-needed basis;*

FOUNDATION's work shall be completed by **June 30, 2019.**

Contact Information:

GIC:

Jason Schwenkler, Director, Geographical Information Center, California State University, Chico, CA 95929-0327; 530.898.4372; jschwenkler@csuchico.edu.

City of Oroville:

Don Rust, Acting City Administrator; 1735 Montgomery St, Oroville, CA, 95965; 530.538.2433 (office); rustdl@cityoforoville.org.

Terms of Payment:

*Agreement with CSU, Chico Research Foundation (City of Oroville)
GIS Maintenance*

As compensation for FOUNDATION's service, CLIENT shall pay FOUNDATION a fixed price amount of **\$10,000** 100% due upon completion of services.

Independence:

FOUNDATION understands FOUNDATION is not the CLIENT's employee and is not entitled to any benefits provided by CLIENT to its employees. FOUNDATION will perform all services in an independent capacity, subject to the CLIENT's direction and control only as to the result and not the manner or means of accomplishing that result. Except as specified above, FOUNDATION shall, at FOUNDATION's sole expense, provide all instrumentalities or supplies, any required licenses or permits, additional helpers or subcontractors, and any other expense incurred by FOUNDATION except as otherwise specified herein.

Insurance:

FOUNDATION assumes all risks as an independent contractor, and agrees to obtain all insurance necessary for FOUNDATION's protection in connection with work under this Agreement.

Indemnity:

Each party agrees to indemnify, defend, and hold harmless the other from any injuries, property damage, or other claims and losses resulting from the activities of each party or the party's agents in performance of this Agreement. FOUNDATION as indemnitee also includes California State University, Chico, The Trustees of the CSU, and the State of California.

Ownership:

CLIENT will assume ownership of deliverables upon delivery by FOUNDATION. FOUNDATION may use deliverables and any working papers for its own purposes.

Termination Without Cause:

With reasonable cause, either party may terminate this Agreement effective immediately upon giving written notice of termination for cause. Reasonable cause shall include material violation of this Agreement and any act exposing the other party to liability to others for personal injury or property damage. The failure of either party to exercise any of its rights under this Agreement for a breach thereof shall not be deemed to be a waiver of such rights or a waiver of any subsequent breach.

Choice of Law:

Any dispute related to this Agreement shall be decided in accordance with the laws of the State of California.

**OROVILLE CITY COUNCIL
STAFF REPORT**

TO: MAYOR DAHLMEIER AND COUNCIL MEMBERS

FROM: BILL LAGRONE, ASSISTANT CITY ADMINISTRATOR

**RE: AUTHORIZATION TO ALLOW THE YMCA TO UTILIZE (2) TWO CITY
EVENTS AT THE STATE THEATRE**

DATE: JUNE 19, 2018

SUMMARY

The Council may consider authorizing the YMCA to use (2) two of the City's contractually agreed upon days for the use of the State Theatre.

DISCUSSION

The City has received a request from the YMCA to use the State Theatre for their live production of Disney's Beauty and Beast. See attached request. The program will be on June 29, 2018, June 30, 2018 and July 1, 2018. The YMCA is asking to use the State Theatre on June 27, 2018 and June 28, 2018 for rehearsing on the actual stage the performs will be performing.

Each year STAGE has agreed to allow the City 6 events at the State Theatre at no cost. The City has not used all 6 events this fiscal year. It is unlikely the City will use any of our remaining event allotment this fiscal year.

Staff has contacted STAGE and STAGE is agreeable to this proposal. I have attached an email correspondence.

FISCAL IMPACT

No Fiscal Impact

RECOMMENDATIONS

Authorize the YMCA to use (2) two days of the City allotment as requested

ATTACHMENTS

- A Letter from the YMCA
- B Email from STAGE

Bill LaGrone

From: Nancy Weston <ouisa.nw@gmail.com>
Sent: Thursday, June 7, 2018 4:51 PM
To: Bill LaGrone
Cc: Jim Moll
Subject: Re: FW: Attached Image

Absolutely. We waived fees for their movie day last month and endorse their use. How great that City is willing to do this. Yes. You still have days.

On Thu, Jun 7, 2018, 4:47 PM Bill LaGrone <blagrone@oropd.org> wrote:

Good Afternoon Nancy

Is STAGE in agreement with this request? If so how many days does the City have on the books for 17/18? I think it is a great combination of local services and would be a great event.

Please let me know what is STAGES position on this. It is not that I disbelieve the writer of the email, just want to cover my bases.

Thanks

Bill LaGrone

City of Oroville

From: Jackie Glover [mailto:jglover@ymcasuperiorcal.org]
Sent: Thursday, June 7, 2018 4:42 PM
To: Bill LaGrone <blagrone@oropd.org>
Subject: Fwd: Attached Image

Hi,

Thank you for your help in supporting the YMCA Theatre program and putting our agenda request item on the consent calendar. Attached is the letter for the council meeting on June 19th. If you need more information please contact me.

Thank you,

Jackie Glover

Program Coordinator Oroville YMCA

YMCA OF SUPERIOR CALIFORNIA

1684 Robinson Street

Oroville, CA 95965

(p) 530.533.9622 Ext. 122

(w) [YMCA Superior California](#)

(o) [Oroville YMCA on Facebook](#)

The Y: We're for youth development, healthy living and social responsibility.

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**FOR YOUTH DEVELOPMENT
FOR HEALTHY LIVING
FOR SOCIAL RESPONSIBILITY**

January 18, 2018

Oroville city Council
1735 Montgomery Street
Oroville, CA 95966

Dear Council,

The Oroville YMCA is presenting a Family Theatre Production of Disney's Beauty and the Beast June 29th, 30th, and July 1st at the State Theatre. This program is free for kids and families to participate in and we charge the public for admission to the show. Our large cast has been practicing since March and is really excited for the production.

With your fiscal year coming to an end, and having a few days left available for use at the State theatre the YMCA is asking to have 2 of the days for practice before the performance. This would allow us to save over \$800 and give us 5 days in the theatre. June 27th and June 28th are the days requested.

We have spoken to STAGE and they offered to waive fees for one day if the city is unable to help us. We really could use two days on the stage for practice though as 60% of our cast are under age 10.

Being a non-profit our goal with this program is for it to break even. Without the help of these two days we are worried that we will not break even with this program. Thank you for your time and consideration and we hope to see you at the show.

Thanks you,

Jackie Glover
Program Director

YMCA OF SUPERIOR CALIFORNIA
Oroville Branch
1684 Robinson Street, Oroville, CA 95965
P: 530.533.9622 F: 530.534.7755 W: YMCASUPERIORCAL.ORG

**OROVILLE CITY COUNCIL
STAFF REPORT**

TO: MAYOR AND COUNCIL MEMBERS

FROM: BILL LAGRONE, ASSISTANT CITY ADMINISTRATOR

**RE: AMENDMENT TO PROFESSIONAL SERVICES AGREEMENT BETWEEN
THE CITY OF OROVILLE AND TOM LANDO TO SERVE AS INTERIM CITY
ADMINISTRATOR**

DATE: JUNE 19, 2018

SUMMARY:

The City Council will consider an amendment to the agreement for Professional Services between the City and Tom Lando for service as Interim City Administrator.

DISCUSSION:

In March, Council approved a professional services agreement with Tom Lando for his service as Interim City Administrator through June 30, 2018, while the City searches for a candidate for City Administrator.

As the June 30, 2018 date approaches the City has not hired a new City Administrator. It will be necessary to extend the term of this contract for 120 days from July 1, 2018 to October 31, 2018 or upon successful hiring of a new full time City Administrator whichever occurs first. This contract will be for 20 hours per week or as necessary. No other changes are contemplated by this Amendment.

FISCAL IMPACT:

Funding is currently in the 2018/19 budget for a City Administrator.

Funding for salary and benefit available	\$241,364.00
Cost of this Amendment	<u>\$30,400.00</u>
Total funding remaining	\$210,964.00

RECOMMENDATIONS

1. Adopt Resolution No. 8709 - A RESOLUTION OF THE OROVILLE CITY COUNCIL AUTHORIZING AND DIRECTING THE MAYOR TO EXECUTE AN AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT BETWEEN THE CITY OF OROVILLE AND TOM LANDO TO SERVE AS INTERIM CITY ADMINISTRATOR.

ATTACHMENTS

- Resolution No. 8709
- Amendment to Professional Services Agreement

**OROVILLE CITY COUNCIL
RESOLUTION NO. 8709**

A RESOLUTION OF THE OROVILLE CITY COUNCIL AUTHORIZING AND
DIRECTING THE MAYOR TO EXECUTE A PROFESSIONAL SERVICES
AGREEMENT BETWEEN THE CITY OF OROVILLE AND TOM LANDO TO SERVE AS
INTERIM CITY ADMINISTRATOR

**(Agreement No. 3246)
Amendment 2**

BE IT HEREBY RESOLVED by the Oroville City Council as follows:

1. The Mayor is hereby authorized and directed to execute a professional services agreement, amendment 2 between the City of Oroville and Tom Lando for service as Interim City Administrator. A copy is attached hereto as Exhibit "A".
2. The City Clerk shall attest to the adoption of this Resolution.

PASSED AND ADOPTED by the Oroville City Council at a regular meeting held on June 19, 2018 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Linda Dahlmeier, Mayor

APPROVED AS TO FORM:

ATTEST:

Scott E. Huber, City Attorney

Bill LaGrone, Assistant City
Administrator

**AMENDMENT TO THE PROFESSIONAL SERVICES
AGREEMENT BETWEEN THE CITY OF OROVILLE AND TOM LANDO**

(Agreement No. 3246-2)

This Amendment, dated June 19, 2018, is to the Professional Services Agreement between the City of Oroville ("City") and Tom Lando. ("Lando").

In consideration of the terms and conditions herein, the City and Lando agree that the amendment to the agreement is effective July 1, 2018, and shall be amended as follows:

1. SECTION 1 IS REPLACED WITH THE FOLLOWING:

Scope of Services

The Consultant shall furnish management consultant services in a professional manner. Consultant shall perform the scope of services described as Interim City Administrator of City to perform the functions and duties specified for the position in the Oroville City Charter, The Code of the City of Oroville and such other legally permissible and proper duties and functions as the Council shall from time to time assign to him. Consultant shall have the rights and responsibilities of the City Administrator during the term of this Agreement. Consultant shall provide 20 hours per week of Management Consulting Services to the City during the time this Agreement is in effect.

2. SECTION 2 IS REPLACED WITH THE FOLLOWING:

Time of Performance

The services shall commence July 1, 2018 and shall continue through October 31, 2018, or until the City has hired a full time City Administrator. Under no circumstance will this agreement extend beyond October 31, 2018 without City Council approval.

3. Conflicts between this Amended Agreement and Agreement No. 3246 shall be controlled by this Amendment. All other provisions within Agreement No. 3246 shall remain in full force and effect.

This Amendment to Agreement 3246 is approved by the City Council of the City of Oroville at a regular meeting held on June 19, 2018.

CITY OF OROVILLE

TOM LANDO

By: _____
Linda L. Dahlmeier, Mayor

By: _____
Tom Lando, Interim City
Administrator

APPROVED AS TO FORM:

By: _____
Scott E. Huber, City Attorney

**CITY OF OROVILLE
STAFF REPORT**

TO: MAYOR AND CITY COUNCIL MEMBERS

**FROM: RICK FARLEY, ENTERPRISE ZONE AND BUSINESS
ASSISTANCE COORDINATOR (530) 538-4307**

**RE: OROVILLE AIRPORT GROUND LEASE AGREEMENT WITH NLC CA,
INC. DBA: NORTHWEST LINEMAN COLLEGE - FACILITIES
EXPANSION**

DATE: JUNE 19, 2018

SUMMARY

The Council may consider an additional Airport Ground Lease Agreement with NLC CA, Inc. dba: Northwest Lineman College for an expansion of their existing facilities.

BACKGROUND

First Ground Lease:

The Northwest Lineman College (NLC) has been leasing 9.8 acres of land within the Oroville Airport Business Park since October 3, 2006. This original lease agreement was extended, with modifications, by the City Council on January 18, 2011 for another five years and due to expire on October 3, 2016 (Resolution No. 7670; Agreement No. 1983). On May 27, 2016 at a special City Council meeting, the Council extended the Agreement through October 31, 2026 (Resolution No. 8504; Agreement No. 1983-2). The Agreement provides two 5-year options, which if executed will extend the Agreement through October 2036. At the time of execution of the options, the rent will be reassessed to adjust for fair market value at the time.

The primary use of the premises is for the erection of utility poles for lineman training, with all poles meeting the applicable height limitations imposed by the Federal Aviation Administration (FAA). Other approved uses of the premises include: 1) the use of a lineman tower to conduct wind power generation and other renewable energy research, and 2) the construction of a mock subdivision for residential utility training for the students. Other additional uses of the premises shall not be allowed without prior approval by the City.

Second Ground Lease:

In May 2017, the Council approved a second ground lease with The Northwest Lineman College that allowed them to expand onto 2.52 acres of empty land (APN: 030-260-060) located directly north of their currently leased area for telecom training. That approved Agreement is effective through October 31, 2026 with two 5-year options, which if executed will extend the Agreement through October 2036. Monthly rent is \$253.37 per

month, with the rent subject to a 2% annual inflation factor increase. Use of the premises will be the same as the uses identified in the Agreement No. 1983-2, as identified above.

This third ground lease request is for six acres of vacant airport land directly across Challenger Avenue from the other leased parcels. The new 6-acre parcel would primarily be used to train their students on natural gas installation but would not exclude any of the other uses they are approved for on the other two leased parcels. The parcel will be fenced with chain link at the expense of NLC.

DISCUSSION

Northwest Lineman College (NLC) was purchased by Quanta Services earlier this year. Quanta Services is a Fortune 500 company with a \$5.6 billion market capitalization. The stock symbol is PWR. The ownership change did not result in any changes to the management but it provides NLC with access to substantial resources and tools. Quanta is a growing company that needs additional trained employees for both itself and the energy industry. Quanta also operates a 2,100-acre training facility in LaGrange, Texas. This world class training facility in LaGrange is named Lazy Q Ranch and was started in August 2015.

Quanta Services wants the NLC to expand their training programs to 6.00 acres of empty land located directly north of their currently leased areas across Challenger Avenue for natural gas training purposes. No natural gas will be used. See the attached map. If approved, the Agreement would start August 1, 2018 and be effective through July 31, 2028 with two 5-year options, which if executed will extend the Agreement through July 2038. Monthly rental amount would be \$615.30 but paid quarterly at \$1,846.00 (rounded up), with the rent subject to a 2% annual inflation factor increase every July 1st. Use of the premises will be the same as the uses identified in the Agreement No. 1983-2, as identified above but with the addition of the natural gas installation training.

FISCAL IMPACT

The City will receive quarterly rent in the amount of \$1,846.00, subject to an annual 2% increase. This rental rate was arrived at by using the per acre rental rate established one year ago of \$100.54 per acre for the 2.5-acre parcel and adding a 2% CPI ($\$100.54 \times 1.02 = \102.55 per acre $\times 6$ acres = \$615.30 per month or \$1,846.00 per quarter, rounded to the nearest dollar.

RECOMMENDATIONS

Adopt Resolution No. 8710 – A RESOLUTION OF THE OROVILLE CITY COUNCIL AUTHORIZING AND DIRECTING THE MAYOR TO EXECUTE AN AIRPORT GROUND LEASE AGREEMENT WITH NLC CA, INC. DBA: NORTHWEST LINEMAN COLLEGE FOR AN EXPANSION OF THEIR FACILITIES – (Agreement No. 3250).

ATTACHMENTS

- A – Resolution No. 8710
- B – Agreement No. 3250
- C – Site Map

**OROVILLE CITY COUNCIL
RESOLUTION NO. 8710**

A RESOLUTION OF THE OROVILLE CITY COUNCIL AUTHORIZING AND DIRECTING THE MAYOR TO EXECUTE AN AIRPORT GROUND LEASE AGREEMENT WITH NLC CA, INC. DBA: NORTHWEST LINEMAN COLLEGE FOR AN EXPANSION OF THEIR FACILITIES

(Agreement No. 3250)

BE IT HEREBY RESOLVED by the Oroville City Council as follows:

1. The Mayor is hereby authorized and directed to execute an Airport Ground Lease Agreement with NLC CA, Inc. dba Northwest Lineman College. The agreement is attached hereto as Exhibit "B".
2. The City Clerk shall attest to the adoption of this Resolution.

PASSED AND ADOPTED by the Oroville City Council at a regular meeting held on June 19, 2018, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

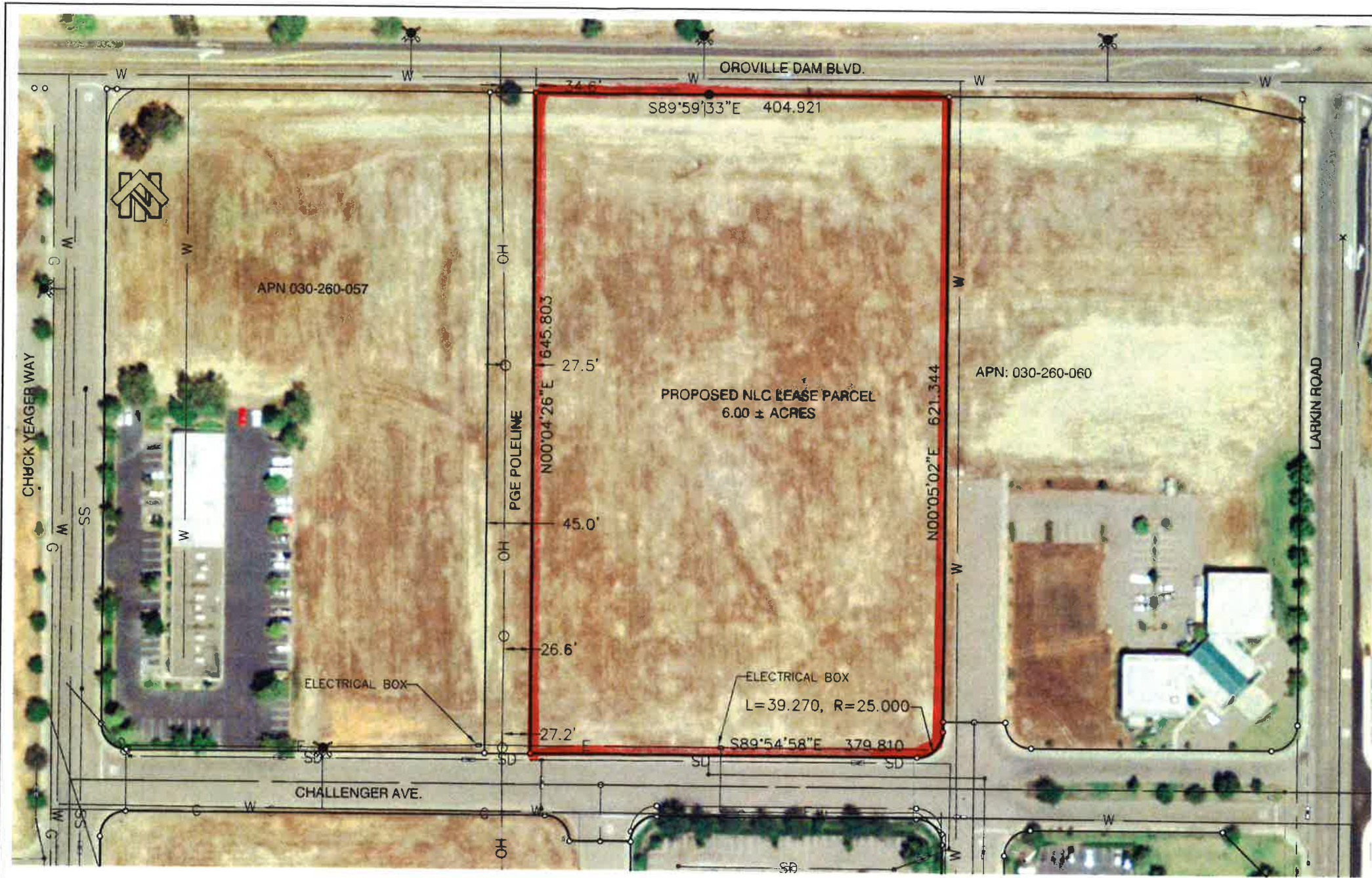
Linda L. Dahlmeier, Mayor

APPROVED AS TO FORM:

ATTEST:

Scott E. Huber, City Attorney

Joanna Gutierrez, Interim City Clerk



- LEGEND**
- EXISTING FIRE HYDRANT
 - EXISTING SEWER MH
 - FOUND MONUMENT
 - EXISTING UNDERGROUND SANITARY SEWER
 - EXISTING UNDERGROUND STORM DRAIN
 - EXISTING UNDERGROUND WATER LINE
 - EXISTING UNDERGROUND GAS LINE
 - EXISTING UNDERGROUND TELECOMMUNICATION LINE
 - EXISTING OVERHEAD UTILITY
 - PROPOSED LEASE BOUNDARY LINE
 - OUTSIDE PROPERTY LINE
 - CENTERLINE OF ROAD WAY

NOTE:
 THE TYPES, LOCATIONS, SIZES AND/OR DEPTHS OF EXISTING UNDERGROUND UTILITIES AS SHOWN ON THIS TOPOGRAPHIC SURVEY WERE OBTAINED FROM SURFACE FEATURES AND SOURCES OF VARYING RELIABILITY. ONLY ACTUAL EXCAVATION WILL REVEAL THE TYPES, EXTENT, SIZES, LOCATIONS AND DEPTHS OF SUCH UNDERGROUND UTILITIES. NORTHSTAR ASSUMES NO RESPONSIBILITY FOR THE COMPLETENESS OR ACCURACY OF THE DELINEATION OF SUCH UNDERGROUND UTILITIES WHICH MAY BE ENCOUNTERED.



Designed:	MLM
Drawn By:	FRW
Approved:	
Date:	05-31-2018

NORTHSTAR
 ... Designing Solutions
 111 MISSION RANCH BLVD. SUITE 100, CHICO, CA 95926
 PHONE: (530) 893-1600 www.northstareng.com

PRELIMINARY

NORTHWEST LINEMAN COLLEGE
 2009 CHALLENGER AVE.
 OROVILLE, CALIFORNIA 95965

NORTHWEST LINEMAN COLLEGE			
6 AC. LEASE PARCEL EXHIBIT			
APN Number 030-260-060	Job Number 18-011	Scale 1" = 100' Horz. NA Verf.	Sheet 1 of 1

EXHIBIT A

Legal Description
Oroville Airport Business Park

Northwest Lineman College
6 Acre Lease Parcel

All that real property situate in the City of Oroville, County of Butte, State of California, lying in Section 14, Township 19 North, Range 3 East, Mount Diablo Meridian, being a portion of that 11.66+/- acre parcel as shown on that map entitled "Record of Survey Oroville Airport Business Park", filed for record in the office of the Butte County Recorder on September 9, 2011, in Book 182 of Maps, at page 28, and more particularly described as follows:

Commencing at the southwest corner of said 11.66+/- acre parcel, said corner being on the north line of Challenger Way, as shown on said Record of Survey;

Thence along the south boundary of said 11.66+/- acre parcel, South 89°54'58" East 45.00 feet to the Point of Beginning;

Thence continuing along said south boundary the following three (3) courses:

1. South 89°54'58" East 379.68 feet to the beginning of a 25.00 foot radius curve, concave northwesterly;
2. Thence northeasterly along said curve, through a central angle of 90°00'00", for an arc length of 39.27 feet;
3. Thence North 00°05'02" East 10.00 feet to an angle point in said south boundary;

Thence continuing North 00°05'02" East 611.34 feet to the north boundary of said 11.66+/- acre parcel;

Thence along said north boundary the following two (2) courses:

1. North 89°58'48" West 234.79 feet to an angle point in said north boundary;
2. Thence North 89°59'24" East 170.00 feet;

Thence South 00°04'26" West 645.80 feet to said Point of Beginning.

Containing 6.00 acres, more or less.

The basis of bearings for this description is that same as that used for said Record of Survey filed in the office of the Butte County Recorder on September 9, 2011, in Book 182 of Maps, at page 28.



Michael L. Mays, PLS 6967
NorthStar



Date: 6/6/18

**OROVILLE CITY COUNCIL
STAFF REPORT**

TO: MAYOR AND CITY COUNCIL MEMBERS
FROM: TOM LANDO, INTERIM CITY ADMINISTRATOR
**RE: FIRST READING OF AN ORDINANCE ADDING CHAPTER 3.XX TO
THE CITY OF OROVILLE MUNICIPAL CODE, APPROVING AND
IMPLEMENTING A CANNABIS BUSINESS TAX**
DATE: JUNE 19, 2018

BACKGROUND

On November 5, 1996, the California State election passed ballot measure Proposition 215, known as the “Compassionate Use Act,” legalizing medical use of cannabis. In September 2015, the State enacted the Medical Cannabis Regulation and Safety Act (“MCRSA”), establishing a state licensing framework and authorizing local regulation of medicinal cannabis.

On November 8, 2016, the California State election passed ballot measure Proposition 64, known as the “Adult Use of Marijuana Act” or “AUMA.” Proposition 64 legalizes adult recreational use of cannabis, brings businesses that support adult recreational cannabis use into a regulated market, and allows local municipalities to enact local regulations and to tax commercial cannabis-related businesses in addition to the regulations and taxes that will be imposed by the State.

In July 2017, the Governor signed Senate Bill 94, entitled the Medical and Adult-Use Cannabis Regulation and Safety Act (“MAUCRSA”), which took effect immediately. MAUCRSA reconciles the State’s MCRSA with AUMA’s nonmedical/recreation adult-use cannabis regulations. The State issued the revised regulations on November 16, 2017 under their emergency rule making process.

On February 20, 2018, the City Council hired SCI Consulting Group to assist City staff with the development of a cannabis health and safety regulatory ordinance for medicinal and adult-use cannabis uses and a cannabis business tax ballot measure for the November 2018 general election.

DISCUSSION

General Tax Election

In accordance with the California Government Code Section 37101 and 37100.5, the City is required to submit to the voters, the approval of all taxes to be imposed in the City of Oroville. The City proposes to submit the question of whether to impose a cannabis business tax on commercial cannabis businesses in the City of Oroville. The tax would be a general tax requiring simple majority approval (50% +1) that could be used to pay general municipal expenses such as police, fire, roads and recreation. The funds can be used for one-time expenses such as equipment and vehicles or ongoing expenses such as salaries.

Staff is proposing a general tax, rather than a special tax measure, because of the budgetary flexibility this method allows the Council. A special tax requires the City to commit to certain uses for any tax revenue generated. As many potential impacts are currently unknown, and will likely change over time, a general tax is recommended.

Cannabis Business Tax Ordinance

Other jurisdictions have proposed tax measures that include a tax on square footage for cultivation and nurseries or manufacturers. These taxes are due regardless of revenue generated. Because of this, they place the risk entirely on the cannabis businesses and do not take into account the possibility of crop failure, natural disaster, or other unanticipated occurrences. Because of this apparent unfairness, staff is not recommending a tax based on square footage. Instead, staff is recommending a tax based on gross receipts. A tax based on gross receipts is in proportion to revenue generated, including being due only after revenue is realized.

The proposed ordinance would authorize the City Council to implement a business tax on commercial cannabis businesses of up to 10% of gross receipts, with initial tax rates at the rates as shown below:

- Retail Dispensary: 5% of gross receipts
- Manufacturing: 5% of gross receipts
- Cultivation: 5% of gross receipts
- Distribution: 3% of gross receipts
- Nurseries: 3% of gross receipts
- Testing: 0% of gross receipts
- Microbusiness: 8% of gross receipts

The City recognizes that businesses will be bearing many initial costs as they adjust to the new legal environment and adhere to State of California regulations. As such, imposed tax rates are intended to secure funding for the needs of the community, while not overburdening the market. Staff will continue to monitor the economic impact of the industry and its effect on overall business climate in the city to evaluate and report to Council. In the coming years, tracking and tracing industry trends will provide crucial data on gross revenues generated at various points within the supply chain, thereby enabling Council to better inform what taxation rates are the most appropriate.

Finally, to give the Council the ability to make future adjustments to the implementation and enforcement provisions of its business tax provisions, and to respond to changes in state law governing the businesses operating in Oroville, without putting additional measures on the ballot, the proposed ordinance gives the Council the authority to adopt, by resolution, limited changes to cannabis business tax provisions. Council can adjust these rates up or down at any time in the future, so long as the tax rates do not exceed the maximum tax rate of 10% of gross receipts authorized by the voters.

The intent of staff's proposed cannabis tax is to levy a tax on all commercial cannabis businesses that operate in the City, regardless of whether such businesses were legal at the time the ordinance was adopted. Nothing in the ordinance is intended to authorize or permit otherwise illegal business activity.

Potential Revenue

There is a degree of uncertainty in the industry regarding potential revenue. Considerable variation in forecasts may result from changes in important assumptions, including: the number and type of Cannabis Business permits that are issued, the variance in wholesale prices, and the productivity/yield of individual plants, changes in other jurisdictions' approach to cannabis businesses, and the amount sold through retailers in the City.

Based on the initial tax rates proposed above and estimates provided SCI Consulting, which takes into account industry trends, the population of the City and surrounding areas, and reports from other jurisdictions, adoption of a cannabis business tax is anticipated to create increased revenue, in the range shown below:

Low end: \$300,000
High End: \$600,000

It should be noted that it may be one to three years before the licensed businesses are generating revenue at the levels assumed above. If the market becomes saturated, economics suggests that the price per pound of cannabis will drop, which would have a proportional effect on tax revenue.

FISCAL IMPACT

The anticipated cost to file a ballot measure for the November 2018 election is **\$10,200**. The amount of revenue generated for the General Fund is approximately \$300,000 - \$600,000 per year according to industry trends, however, impacted by considerable variations including the number and types of issued licenses, pricing, and productivity of operators.

RECOMMENDATIONS

1. Consider a proposed Cannabis Business Tax Ordinance, entitled, "Ordinance No. ____ An Ordinance of the People of City of Oroville, California, Adding Chapter

3.XX to the City of Oroville Municipal Code, Approving and Implementing a Cannabis Business Tax”;

2. Adoption resolution NO. XXXX, which would place the proposed tax on the November 2018 ballot; request election consolidation and services from the County of Butte and direct the City Attorney to provide an impartial analysis.

ATTATCHMENTS

Attachment 1: Cannabis Business Tax Ordinance

Attachment 2: Resolution to place the Cannabis Business Tax General Tax Measure on the November 2018 General Election Ballot

ORDINANCE NO. _____

**AN ORDINANCE OF THE PEOPLE OF CITY OF OROVILLE, CALIFORNIA, ADDING
CHAPTER 3.XX TO THE CITY OF OROVILLE MUNICIPAL CODE, APPROVING
AND IMPLEMENTING A CANNABIS BUSINESS TAX**

THE PEOPLE OF CITY OF OROVILLE ORDAIN:

SECTION 1. Chapter 3.XX is added to the City of Oroville Municipal Code to read as follows:

Sections:

- 3.XX.010 Title.
- 3.XX.020 General tax.
- 3.XX.030 Purpose.
- 3.XX.040 Intent.
- 3.XX.050 Cannabis-related definitions.
- 3.XX.060 Tax imposed.
- 3.XX.070 Reporting and remittance of tax.
- 3.XX.080 Delinquencies.
- 3.XX.090 Penalties and interest.
- 3.XX.100 Action to collect.
- 3.XX.110 Appeal process.
- 3.XX.120 Refunds.
- 3.XX.130 Administration.
- 3.XX.140 Audit and examination of records.
- 3.XX.150 Payment of tax does not authorize unlawful business or activity.
- 3.XX.160 Severability.
- 3.XX.170 Modification, amendment or repeal.

3.XX.010 Title.

This ordinance shall be known as the Cannabis Business Tax Ordinance.

3.XX.020 General Tax.

The cannabis business tax is a general tax enacted solely for general governmental purposes for the City and not for specific purposes. All the proceeds from the tax imposed by this Chapter shall be placed in the City's general fund and can be used for general governmental purposes.

3.XX.030 Purpose

- A. To impose a tax on the privilege of cultivating, manufacturing, processing, storing, laboratory testing, labeling, packaging, transporting, distributing, delivering, or sale of commercial cannabis and cannabis products and accessories by cannabis businesses in the City of Oroville.
- B. To impose a tax on lawful cannabis business pursuant to Sections 37101 and 37100.5 of the California Government Code.

- C. To specify the type of tax and rate of tax to be levied and the method of collection.
- D. To comply with all requirements for imposition of a general tax, such tax to become operative only if submitted to the electorate and approved by a majority vote of the voters voting in an election on the issue.
- E. To specify the Cannabis Business Tax is not a sale and use tax, a tax upon income, or a tax upon real property.

3.XX.040 Intent.

The intent of this Ordinance is to levy a tax on all cannabis businesses that operate in the City. Nothing in this Ordinance shall be interpreted to authorize or permit any business activity that would not otherwise be legal or permissible under laws applicable to the activity at the time the activity is undertaken.

3.XX.050 Definitions

For the purposes of this Chapter.

- A. "Business" shall include all activities engaged in or caused to be engaged in within the City, including any commercial or industrial enterprise, trade, profession, occupation, vocation, calling, or livelihood, whether or not carried on for gain or profit, but shall not include the services rendered by an employee to his or her employer.
- B. "Calendar year" means January 1 through December 31 of the following calendar year.
- C. "Cannabis" means all parts of the 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 marijuana. "Cannabis" also means marijuana as defined by Section 11018 of the California Health and Safety Code and is not limited to medicinal 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 chapter, "cannabis" does not mean industrial hemp as that term is defined by Section 81000 of the California Food and Agricultural Code or Section 11018.5 of the California Health and Safety Code.
- D. "Cannabis product" means raw cannabis that has undergone a process whereby the raw agricultural product has been transformed into a concentrate, an edible product, or a topical product. "Cannabis product" also means marijuana products as defined by Section 11018.1 of the California Health and Safety Code and is not limited to medicinal cannabis products.
- E. "Cannabis business" means any commercial business activity relating to cannabis, including but not limited to cultivating, manufacturing, processing, storing, laboratory testing, labeling, packaging, transporting, distributing, delivering or sale of adult-use

and medicinal cannabis or cannabis product, except as related to Business and Professions Code Section 19319, and as they may be amended or Health and Safety Code Sections 11362.1 through 11362.45 and as they may be amended.

- F. “Cannabis cultivation” means any activity involving the planting, growing, harvesting, drying, curing, grading, or trimming of cannabis.
- G. “Cannabis distribution” means the procurement, sale, and transport of cannabis or cannabis products between entities licensed pursuant to the Medical and Adult Use of Cannabis Regulation and Safety Act and any subsequent State of California legislation regarding the same.
- H. “Cannabis manufacturing” means any aspect of the cannabis extraction and infusion processes, including processing, preparing, holding, storing, packaging, or labeling of cannabis products. Cannabis manufacturing also includes any processing, preparing, holding, or storing of components and ingredients.
- I. “Cannabis nursery” means a facility that produces only clones, immature plants, seeds, and other agricultural products used specifically for the planting, propagation, and cultivation of cannabis.
- J. “Cannabis retail” means business, other than a business all of whose sales constitute Cannabis Distribution, where medicinal and adult-use cannabis, cannabis products, or devices for the use of cannabis or cannabis products are offered, either individually or in any combination for sale, including an establishment that delivers cannabis or cannabis products as part of a sale.
- K. “Cannabis testing” means a facility, entity, or site that offers or performs tests of cannabis or cannabis products, and that is accredited as operating to ISO standard 17025 by an accrediting body and registered with the State Department of Public Health.
- L. “Distributor – Transport Only” means a person involved in Distribution as limited by Title 16 California Code of Regulations Section 5315, as may be amended.
- M. “Engaged in business” means the commencing, conducting, operating, managing or carrying on of a cannabis business and the exercise of corporate or franchise powers, whether done as owner, or by means of an officer, agent, manager, employee, or otherwise, whether operating from a fixed location in the incorporated area of the City or coming into the incorporated area of the City from an outside location to engage in such activities. A person shall be deemed engaged in business within the city if:
 - 1. Such person or person's employee maintains a fixed place of business within incorporated area of the City for the benefit or partial benefit of such person;
 - 2. Such person or person's employee owns or leases real property within the incorporated area of City for business purposes;
 - 3. Such person or person's employee regularly maintains a stock of tangible personal property in the incorporated area of City for sale in the ordinary course of business;

4. Such person or person's employee regularly conducts solicitation of business within the incorporated area of City;
5. Such person or person's employee performs work or renders services in the incorporated area of City; and
6. Such person or person's employee utilizes the streets within the incorporated area of City in connection with the operation of motor vehicles for business purposes.

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

N. "Gross receipts", except as otherwise specifically provided, means the total amount actually received or receivable from all sales; the total amount or compensation actually received or receivable for the performance of any act or service, of whatever nature it may be, for which a charge is made or credit allowed, whether or not such act or service is done as a part of or in connection with the sale of materials, goods, wares or merchandise; discounts, rents, royalties, fees, commissions, dividends, and gains realized from trading in stocks or bonds, any excise tax included within the purchase price however designated. Included in "gross receipts" shall be all receipts, cash, credits and property of any kind or nature, without any deduction therefrom on account of the cost of the property sold, the cost of materials used, labor or service costs, interest paid or payable, or losses or other expenses whatsoever, except that the following shall be excluded therefrom:

7. Cash discounts where allowed and taken on sales;
8. Credit allowed on property accepted as part of the purchase price and which property may later be sold, at which time the sales price shall be included as gross receipts;
9. Sales tax required by law to be added to the purchase price and collected from the consumer or purchaser;
10. Such part of the sale price of any property returned by purchasers to the seller as refunded by the seller by way of cash or credit allowances or return of refundable deposits previously included in gross receipts;
11. Receipts from investments where the holder of the investment receives only interest and/or dividends, royalties, annuities and gains from the sale or exchange of stock or securities solely for a person's own account, not derived in the ordinary course of a business;
12. Receipts derived from the occasional sale of used, obsolete or surplus trade fixtures, machinery or other equipment used by the taxpayer in the regular course of the taxpayer's business;
13. Cash value of sales, trades or transactions between departments or units of the same business;

14. Whenever there are included within the gross receipts amounts which reflect sales for which credit is extended and such amount proved uncollectible in a subsequent year, those amounts may be excluded from the gross receipts in the year they prove to be uncollectible; provided, however, if the whole or portion of such amounts excluded as uncollectible are subsequently collected they shall be included in the amount of gross receipts for the period when they are recovered;
 15. Transactions between a partnership and its partners;
 16. Receipts from services or sales in transactions between affiliated corporations. An affiliated corporation is a corporation:
 - a. The voting and non-voting stock of which is owned at least eighty (80) percent by such other corporation with which such transaction is had; or
 - b. Which owns at least eighty (80) percent of the voting and non-voting stock of such other corporation; or
 - c. At least eighty (80) percent of the voting and non-voting stock of which is owned by a common parent corporation which also has such ownership of the corporation with which such transaction is had.
 17. Transactions between a limited liability company and its member(s), provided the limited liability company has elected to file as a Subchapter K entity under the Internal Revenue Code and that such transaction(s) shall be treated the same as between a partnership and its partner(s) as specified in Subsection 9. above;
 18. Receipts of refundable deposits, except that such deposits when forfeited and taken into income of the business shall not be excluded when in excess of one dollar (\$1.00);
 19. Amounts collected for others where the business is acting as an agent or trustee and to the extent that such amounts are paid to those for whom collected. These agents or trustees must provide the finance department with the names and the addresses of the others and the amounts paid to them. This exclusion shall not apply to any fees, percentages, or other payments retained by the agent or trustees.
- O. "Person" includes any individual, firm, partnership, joint venture, association, corporation, limited liability company, estate, trust, business trust, receiver, syndicate, or any other group or combination acting as a unit, and the plural as well as the singular.
- P. "Sale" means and includes any sale, exchange, or barter.
- Q. "State" means the State of California.

- R. "State license", "license", or "registration" means a State license issued pursuant to California Business and Professions Code Section 26000 et seq. or other applicable State law.
- S. "Tax Administrator" means the Finance Director of the City of Oroville or his or her designee.

3.XX.060 Tax Imposed.

- A. Tax on Cannabis Businesses by Gross Receipts:
 - 1. Every person who is engaged in a cannabis business in the City of Oroville shall pay to the City an annual cannabis business tax at a rate of up to 10 percent (10%) of gross receipts per year. The initial rates established as follows should the City allow such activity:
 - a. Retail: 5% of gross receipts; and
 - b. Manufacturing: 5% of gross receipts; and
 - c. Cultivation: 5% of gross receipts; and
 - d. Distribution: 3% of gross receipts; and
 - e. Nurseries: 3% of gross receipts; and
 - f. Testing: 0% of gross receipts.
 - g. Microbusiness: 10% of gross receipts.
- B. The City Council may at its discretion, at any time by resolution, increase or decrease the rates for the different categories of cannabis business. However, in no event may the City Council set any adjusted rate that exceeds the maximum rate. The maximum rate for all commercial cannabis businesses shall be set at ten percent (10%) of gross receipts.
- C. Revenue from the cannabis business tax can be spent for unrestricted general revenue purposes.

3.XX.070 Reporting and Remittance.

- A. The cannabis business tax imposed by this chapter is an annual tax payable in monthly installments. The tax year for purposes of this chapter runs from January 1 through December 31 of each calendar year. No later than the last day of each month, each taxpayer shall file with the Tax Administrator a statement of the tax owed for that month and the basis for calculating that tax. The tax shall be due and payable on the same date that the statement for the calendar month is due.
- B. If the due date would fall on a Saturday, Sunday or a holiday observed by the City, the due date shall be the next regular business day on which the City is open to the public.

- C. The monthly installment shall be no less than the amount calculated by applying the relevant tax rate to the paid based on the actual gross receipts for the month.
- D. No later than January 31 of each year, each taxpayer shall file with the city their final tax statement with respect to all commercial cannabis business activities during the prior calendar year. If the total of all installment payments made for the tax year is less than the final annual tax due, the difference shall be remitted to the city along with the tax statement. If the total of all installment payments exceeds the final annual tax due, then the excess payment shall be applied as a credit against the subsequent year's installment payments.
- E. Any monthly installment or final tax payment that is not timely made shall be subject to the penalties set forth in Section 3.XX.090.

3.XX.080 Delinquencies.

The taxes required to be paid pursuant to this Chapter shall be deemed delinquent if not received by the Tax Administrator on or before the due date as specified in Section 3.XX.070.

3.XX.090 Penalties and interest.

- A. Any person who fails or refuses to pay the cannabis business tax pursuant to this Chapter on or before the due date shall pay penalties and interest as follows:
 - 1. A penalty equal to ten percent (10%) of the amount of the tax, in addition to the amount of the tax, plus interest on the unpaid tax calculated from the due date of the tax at the rate of one percent (1.0%) per month.
 - 2. If the tax remains unpaid for a period exceeding one calendar month beyond the due date, an additional penalty equal to twenty-five percent (25%) of the amount of the tax, plus interest at the rate of one percent (1.0%) per month on the unpaid tax and on the unpaid penalties.
 - 3. Interest shall be applied at the rate of one percent (1.0%) per month on the first day of the month for the full month and will continue to accrue monthly on the tax and penalty until the balance is paid in full.
- B. Whenever a check or electronic payment is submitted in payment of a cannabis business tax and the payment is subsequently returned unpaid by the bank for any reason, the taxpayer will be liable for the tax amount due plus any fees, penalties and interest as provided for in this Section, and any other amount allowed under state law.

3.XX.100 Action to collect.

Any taxes, penalties and/or fees required to be paid under the provisions of this Chapter shall be deemed a debt owed to the City. Any person owing money to the City under the provisions of this Chapter shall be liable in an action brought in the name of the City for the recovery of such debt. The provisions of this Section shall not be deemed a limitation upon the right of the City to bring any other action including criminal, civil and equitable actions, based upon the failure to pay the tax, penalties

and/or fees imposed by this Chapter or the failure to comply with any of the provisions of this Chapter.

3.XX.110 Appeal process.

Any taxpayer aggrieved by any decision of the Tax Administrator with respect to the amount of tax, interest, penalties and fees, if any, due under this Chapter may appeal to the City Council by filing a notice of appeal with the City Clerk within thirty (30) calendar days of the serving or mailing of the determination of tax due. The City Clerk, or his or her designee, shall fix a time and place for hearing such appeal, and the City Clerk, or his or her designee, shall give notice in writing to such operator at the last known place of address. The finding of the City Council shall be final and conclusive and shall be served upon the appellant in the manner prescribed by this Chapter for service of notice of hearing. Any amount found to be due shall be immediately due and payable upon the service of the notice.

3.XX.120 Refunds.

- A. Whenever the amount of any cannabis business tax, delinquency amount or interest has been overpaid, paid more than once, or has been erroneously collected or received by the City under this Chapter, it may be refunded to the claimant who paid the tax provided that a written claim for refund is filed with the Treasurer-Tax Collector within one (1) year of the date the tax was originally due and payable.
- B. The Tax Administrator, his or her designee or any other City officer charged with the administration of this Chapter shall have the right to examine and audit all the books and business records of the claimant in order to determine the eligibility of the claimant to the claimed refund. No claim for refund shall be allowed if the claimant refuses to allow such examination of claimant's books and business records after request by the Tax Administrator to do so.
- C. In the event that the cannabis operations tax was erroneously paid, and the error is attributable to the City, the City shall refund the amount of tax erroneously paid up to one (1) year from when the error was identified.
- D. No refund of any tax collected pursuant to this Chapter shall be made because of the discontinuation, dissolution, or other termination of a business or operation.

3.XX.130 Administration.

- A. The Tax Administrator is authorized to collect the taxes, delinquency amounts, interest, penalties and fees, and perform the duties required by this Chapter.
- B. The Tax Administrator shall promulgate administrative interpretations, rules, and procedures consistent with the purpose, intent, and express terms of this Chapter to ensure the efficient and timely collection of the cannabis business tax.
- C. The Tax Administrator may take such administrative actions as needed to administer the tax, including but not limited to:
 - 1. Provide to all cannabis business tax payers forms for the reporting of the tax;

2. Provide information to any taxpayer concerning the provisions of this Chapter;
3. Receive and record all taxes remitted to the city as provided by this Chapter;
4. Maintain records of taxpayer reports and taxes collected pursuant to this Chapter;
5. Assess delinquency amounts and interest to taxpayers pursuant to this Chapter;
and
6. Determine amounts owed and enforce collection pursuant to this Chapter.

3.XX.140 Audit and examination of records.

- A. Any taxpayer aggrieved by any decision of the Tax Administrator with respect to the amount of tax, interest, penalties and fees, if any, due under this Chapter may appeal to the City Council by filing a notice of appeal with the City Clerk within thirty (30) calendar days of the serving or mailing of the determination of tax due. The City Clerk, or his or her designee, shall fix a time and place for hearing such appeal, and the City Clerk, or his or her designee, shall give notice in writing to such operator at the last known place of address. The finding of the City Council shall be final and conclusive and shall be served upon the appellant in the manner prescribed by this Chapter for service of notice of hearing. Any amount found to be due shall be immediately due and payable upon the service of the notice.
- B. It shall be the duty of every person liable for the collection and payment to the City of any tax imposed by this Chapter to keep and preserve, for a period of at least three (3) years, all records as may be necessary to determine the amount of such tax as he or she may have been liable for the collection of and payment to the City, which records the Tax Administrator or his/her designee shall have the right to inspect at all reasonable times.

3.XX.150 Payment of tax does not authorize unlawful business or Activity.

The payment of a cannabis business tax required by this Chapter, and its acceptance by the City, shall not entitle any person to carry on any cannabis business unless the person has complied with all of the requirements of this Code and all other applicable state laws. No tax paid under the provisions of this Chapter shall be construed as authorizing the conduct or continuance of any illegal or unlawful business, or any business in violation of any local or state law.

3.XX.160 Severability.

If any provision of this Chapter or the application thereof to any person or circumstances is held invalid, the remainder of the Chapter and the application of such provisions to other persons or circumstances shall not be affected thereby.

3.XX.170 Modification, amendment or repeal.

This Chapter may be repealed or amended by the City Council without a vote of the people to the extent allowed by law. However, as required by Article XIII C of the

California Constitution, voter approval is required for any amendment that would increase the rate of any tax levied pursuant to this Chapter above the maximum rates established by this Chapter. The people of the City of Oroville affirm that the following actions shall not constitute an increase of a tax:

- A. Any restoration or adjustment of the rate of the tax to a rate that is no higher than that maximum rate set by this Chapter, if the City Council has acted to reduce the rate of the tax; or
- B. An action that interprets or clarifies the methodology of the tax, or any definition applicable to the tax, so long as interpretation or clarification (even if contrary to some prior interpretation or clarification) is not inconsistent with the language of this Chapter; or
- C. The collection of the tax imposed by this Chapter, even if the City had, for some period of time, failed to collect the tax.

SECTION 2. This Ordinance shall take effect immediately upon its approval of a majority of the votes cast by voters voting upon the Ordinance at the November 6, 2018 election.

SECTION 3. The City Clerk shall publish this ordinance as required by applicable law. Upon approval by the voters, the City Clerk shall certify the passage of this ordinance by the voters and cause the ordinance to be codified in the City of Oroville Municipal Code.

PASSED, APPROVED, AND ADOPTED BY THE PEOPLE OF THE CITY OF OROVILLE AT THE STATEWIDE ELECTION HELD THE 6TH DAY OF NOVEMBER 2018, by the following vote tally:

AYES:

NOES:

OTHER:

APPROVED:

Mayor
ATTEST:
CITY CLERK

BY: _____
Assistant/Deputy City Clerk

(SEAL)

APPROVED AS TO FORM

City Attorney

RESOLUTION NO. 8711

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OROVILLE, CALIFORNIA APPROVING BALLOT MEASURE TEXT TO BE SUBMITTED TO THE VOTERS OF THE CITY IMPOSING A CANNABIS BUSINESS TAX; REQUESTING THE ASSISTANCE OF THE COUNTY OF BUTTE IN CONNECTION WITH THAT ELECTION; AND REQUESTING CONSOLIDATION OF THAT ELECTION WITH ANY OTHER ELECTION HELD ON THAT DATE

WHEREAS, Sections 37101 and 37100.5 of the California Government Code authorize the City to levy a license tax, for revenue purposes, upon business transacted in the City; and

WHEREAS, as a result of recent voter-approved changes to state law, there has been a very strong interest by cannabis businesses to open in the City; and

WHEREAS, cannabis businesses create demands upon City services that are not covered by the fees paid by such businesses for operating permits, and the City does not currently impose any taxes upon cannabis businesses, aside from generally applicable municipal taxes; and

WHEREAS, the City Council desires to seek to impose a business license tax upon cannabis businesses, to be known as the “Cannabis Business Tax”; and

WHEREAS, the Cannabis Business Tax cannot be imposed without voter approval; and

WHEREAS, the City Council desires to submit a Cannabis Business Tax measure to the voters of the City at the General Municipal Election to be held on Tuesday, November 6, 2018, and to be consolidated with any other election to be held on that date; and

WHEREAS, the proposed Cannabis Business Tax is more completely described in the ordinance attached hereto as Attachment “A” and incorporated herein by reference (the “Tax Ordinance”).

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF OROVILLE AS FOLLOWS:

Section 1. Recitals. The City Council hereby finds and determines that the foregoing recitals are true and correct.

Section 2. Proposal. The City Council hereby proposes the Cannabis Business Tax.

Section 3. Election. The City Council hereby calls a General Municipal Election for Tuesday November 6, 2018 (the “Election”) and orders, pursuant to Section 9222 of the Elections Code, that the Tax Ordinance be submitted to the voters at that election.

Section 4. Ballot Question. The question submitted by Section 3 of this Resolutions shall appear on the ballot as follows:

To fund general municipal expenses such as police, fire, roads and recreation, shall the City of Oroville adopt an ordinance authorizing an annual Cannabis Business Tax on cannabis businesses upon their gross receipts at a rate not to exceed 10%, with initial rates of 5% on retailers, manufacturers, and cultivators; 3% on distributors and nurseries; 0% on testing laboratories; and 8% on microbusiness estimated to generate \$300,000 to \$600,000 annually until repealed by the voters?	YES	
	NO	

Section 5. Approval. Pursuant to Section 2(b) of Article XIII A of the Constitution, this measure requires approval by a majority of those casting ballots on the measure.

Section 6. Consolidation. Pursuant Section 10400 et seq. of the Elections Code, the Board of Supervisors of Butte County is requested to consolidate the Election with other elections held on the same day in the same territory or in the territory that is in part the same.

Section 7. Canvass. The Board of Supervisors is authorized to canvass the returns of the Election pursuant to Section 10411 of the Elections Code.

Section 8. Conduct of Election. Pursuant to Section 10002 of the Elections Code, the Board of Supervisors is requested to permit the County Clerk to render all services specified by Section 10418 of the Elections Code relating to the election, for which services the City agrees to reimburse the County, in accordance with current County pro-rations and allocation procedures.

Section 9. Filing with County. The City Clerk shall file a certified copy of this Resolution with the County Clerk.

Section 10. Analysis and Argument. The City Attorney shall prepare an impartial analysis of the measure. Any person or persons may file an argument either for or against the ballot measure. An argument for or against the measure shall not exceed 500 words in length. If more than one argument is submitted for the measure, or more than one argument against the measure, the City Clerk shall select the argument to be included with the ballot materials. Rebuttal arguments shall be permitted pursuant to applicable law.

Section 11. Effective Date. This Resolution shall be effective immediately upon adoption.

PASSED, ADOPTED AND APPROVED this 19^h day of June 2018 by the following vote:

AYES: _____ NOES: _____

ABSTAIN: _____

**NOTICE OF PUBLIC HEARING
CITY OF OROVILLE
CITY COUNCIL CHAMBERS, 1735 MONTGOMERY ST,
OROVILLE, CALIFORNIA, 95965**

NOTICE IS HEREBY GIVEN that the Oroville City Council will conduct a public hearing and introduce and consider an Ordinance entitled "AN ORDINANCE OF THE PEOPLE OF CITY OF OROVILLE, CALIFORNIA, ADDING TO CHAPTER 3.0 OF THE CITY OF OROVILLE MUNICIPAL CODE, APPROVING AND IMPLEMENTING A CANNABIS BUSINESS TAX" ON **TUESDAY, JUNE 19, 2018 AT 6:30 P.M. or as soon thereafter as possible.**

INVITATION TO BE HEARD: All interested persons will be given an opportunity to comment on this item at the public hearing and at subsequent public hearings, if any, conducted related to this item. In addition, written comments may be submitted to the City Council prior to the public hearing, to the attention of City Clerk's office, City of Oroville, 1735 Montgomery St, Oroville, California 95965. Please reference the hearing title and date of hearing in any correspondence. If you wish to challenge the above item in court, the challenge may be limited only to those issues you or someone else raised at the public hearing or in written correspondence delivered to the city at or prior to the public hearing as described in this notice.

THE FULL TEXT OF THE PROPOSED ORDINANCE IS AVAILABLE FOR REVIEW IN THE CITY CLERKS OFFICE AT 1735 Montgomery Street, Oroville, CA.

Dated: June 9, 2018

Joanna Gutierrez, Interim City Clerk

**OROVILLE CITY COUNCIL
STAFF REPORT**

TO: MAYOR AND CITY COUNCIL MEMBERS

FROM: BILL LAGRONE, ASSISTANT CITY ADMINISTRATOR

RE: SUPPLEMENTAL APPROPRIATION FOR PROFESSIONAL SERVICES AGREEMENT WITH BENNETT ENGINEERING

DATE: JUNE 19, 2018

SUMMARY

The Council will consider a supplemental appropriation of \$30,000.00 for the professional services agreement with Bennett Engineering.

DISCUSSION

The City Charter requires the City to have a City Engineer. On March 7, 2017 the City of Oroville entered into an agreement with Bennett Engineering to provide professional engineering services for at least the next five (5) years. The contract with Bennett Engineering is in the amount not to exceed \$120,000 per year.

Due to a miscommunication at the onset of this contract, Bennett Engineering was under the belief that \$30,000.00 would be carried over in the first year of the contract resulting in an annual budget for the first year of \$150,000.00. Bennett Engineering has provided quality and timely service, however did exceed the actual annual budget of \$120,000.00. This was an honest misunderstanding that will not be repeated. Both parties have discussed the issue and understand the others position.

FISCAL IMPACT

General Fund will be impacted by \$30,000.00, these monies will come from savings in other areas.

RECOMMENDATIONS

1. Authorize budget amendment and supplemental appropriation of \$30,000.00 for fiscal year 2017/18 for City Engineering Services to Bennett Engineering Services per agreement 3212.

ATTACHMENTS

1. Bennett Engineering Recap of Expenditures

**CITY OF OROVILLE
STAFF REPORT**

TO: MAYOR DAHLMEIER AND COUNCIL MEMBERS

FROM: BILL LA GRONE, DIRECTOR OF PUBLIC SAFETY

**RE: MEMORANDUM OF UNDERSTANDING WITH OROVILLE
UNION HIGH SCHOOL DISTRICT**

DATE: JUNE 19, 2018

SUMMARY

The Council may consider a Memorandum of Understanding with the Oroville Union High School District (OUHSD) for a full-time School Resource Officers (SRO).

DISCUSSION

The Oroville Police Department has successfully partnered with the Oroville Union High School District to establish the School Resource Officer (SRO) Program. This Program provides for dedicated full-time Police Officer to serve the Oroville Union High School District campuses. A School Resource Officer will be provided for the Oroville High School Campus, The Las Plumas High School Campus and the two alternative campuses. This Contract is for two (2) School Resource Officers. This contract is for three years, and was approved by the Oroville Union High School District at their June 13, 2018 meeting.

The Oroville Union High School District will contribute One Hundred and Seventy-Five Thousand Dollars (\$175,000) per year for the salary and benefits of an Oroville Police Officers necessary for the role of School Resource Officers for the 2018/19, 2019/20 and 2020/21 school years.

The Oroville Police Department will provide the Oroville Union High School District with an invoice quarterly for \$43750.00 for a total of \$175,000.00 dollars per year. For additional details see attached contract.

FISCAL IMPACT

Expenditure reimbursement of \$175,000 will be included in the 2018/2019 Budget.

RECOMMENDATION

Adopt Resolution No. 8712 - A RESOLUTION OF THE OROVILLE CITY COUNCIL AUTHORIZING AND DIRECTING THE MAYOR TO EXECUTE A MEMORANDUM OF UNDERSTANDING WITH THE OROVILLE UNION HIGH SCHOOL DISTRICT FOR FULL-TIME SCHOOL RESOURCE OFFICERS FOR THE 2018/2019, 2019/2020, and 2020/2021 SCHOOL YEARS– (Agreement No. 3751).

ATTACHMENTS

Resolution No. 8712
Agreement No. 3251

**CITY OF OROVILLE
RESOLUTION NO. 8712**

A RESOLUTION OF THE OROVILLE CITY COUNCIL AUTHORIZING AND DIRECTING THE MAYOR TO EXECUTE A MEMORANDUM OF UNDERSTANDING WITH THE OROVILLE UNION HIGH SCHOOL DISTRICT FOR FULL-TIME SCHOOL RESOURCE OFFICERS FOR THE 2018/2019, 2019/2020, 2020/2021 SCHOOL YEARS

(Agreement No. 3251)

NOW THEREFORE, be it hereby resolved by the Oroville City Council as follows:

1. The Mayor is hereby authorized and directed to execute a Memorandum of Understanding with Oroville Union High School District for full-time School Resource Officers. A copy of the Agreement is attached hereto.

2. The City Clerk shall attest to the adoption of this Resolution.

PASSED AND ADOPTED by the Oroville City Council at a regular meeting on June 19, 2018 by the following vote:

AYES: Council Members

NOES: None

ABSTAIN: None

ABSENT: None

Linda L. Dahlmeier, Mayor

APPROVED TO AS FORM:

ATTEST:

Scott E. Huber, City Attorney

Joanna Gutierrez, Interim City Clerk

**MEMORANDUM OF UNDERSTANDING
BETWEEN THE
OROVILLE POLICE DEPARTMENT
AND THE
OROVILLE UNION HIGH SCHOOL DISTRICT**

This Memorandum of Understanding will start on August 15th, 2018 will remain in effect until June 10th, 2021. The following is agreed to by the Oroville Police Department and the Oroville Union High School District:

- 1. Independent Contractor.** Contractor, in the performance of this Agreement, shall be and act as an independent contractor with the sole authority for controlling and directing the performance of the details of the Services, District being interested only in the results obtained. Contractor understands and agrees that he/she and all of his/her employees shall not be considered officers, employees, agents, partner, or joint venture of the District, and are not entitled to benefits of any kind or nature normally provided employees of the District and/or to which District's employees are normally entitled, including, but not limited to, State Unemployment Compensation or Worker's Compensation. Contractor shall assume full responsibility for payment of all federal, state and local taxes with respect to Contractor's employees. If Contractor is not a resident of California and is not exempt from withholding, the District shall withhold California income taxes as required by the Revenue & Taxation Code. The Contractor shall still be responsible for payment of all state and federal taxes.
- 2. Standard of Care.** Contractor represents that Contractor has the qualifications and ability to perform the Services in a professional manner, without the advice, control or supervision of the District. If any of the Services are performed by any of the Contractor Parties, such work shall only be performed by competent personnel under the supervision of and in the employment of Contractor. Contractor's services will be performed, findings obtained, reports and recommendations prepared in accordance with generally and currently accepted principles and practices of his/her profession for services to California school districts.
- 3. Equipment and Materials.** Contractor shall furnish, at his/her own expense, all tools, labor, materials, equipment, supplies, transportation services and any other items (collectively, "Equipment") necessary to complete the Services in a manner which is consistent with Generally accepted standards of the profession for similar services. Notwithstanding the foregoing, District shall not be responsible for any damages to persons or property as a result of the use, misuse or failure of any equipment used by Contractor of the Contractor's agents, personal employee(s), and/or subcontractor(s) ("Contractor Parties"), even if such Equipment is furnished, rented or loaned to Contractor or Contractor Parties by District. All original curricular materials provided in conjunction with Contractor services must be authorized for use by the District only and remain exclusively the intellectual property of the authors.

4. Confidentiality. The Contractor and all Contractor Parties shall maintain the confidentiality of all information received in the course of performing the Services. This requirement to maintain confidentiality shall extend beyond the termination of this Agreement.

5. Termination.

5.1 With Cause by District. District may terminate this Agreement upon giving of written notice of intention to terminate for cause. Cause shall include:

- 5.1.1.** material violation of this Agreement by the Contractor; or
- 5.1.2.** any act by Contractor Exposing the District to liability to others for personal injury or property damage; or
- 5.1.3.** Contractor is adjudged a bankrupt, Contractor makes a general assignment for the benefit of creditors or a receiver is appointed on account of Contractor's insolvency.

Written notice by the District shall contain the reasons for such intention to terminate and unless within three (3) calendar days after that notice the condition or violation shall cease, or satisfactory arrangements for the correction thereof be made, this Agreement shall upon the expiration of the three (3) calendar days cease and terminate. In the event of this termination, the District may secure the required services from another Contractor. If the expense, fees, and costs to the District exceed the cost of providing there service pursuant to this Agreement, the Contractor shall immediately pay the excess expense, fees, and/or costs to the District upon the receipt of the District's notice of these expense, fees, and/or costs. The foregoing provisions are in addition to and not a limitation of any other rights or remedies available to District.

5.2. Reduction in District Funding. If the District has an unforeseen reduction in state funding, the District may, at any time, with or without reason, terminate this Agreement upon fifteen (15) days written notice and compensate Contractor only for services satisfactorily rendered to the date of termination. Written notice by District shall be sufficient to stop further performance of services by Contractor. Notice shall be deemed given when received by the Contractor or no later than three days after the day or mailing, whichever is sooner. In the event that District terminates this Agreement pursuant to this section, District shall compensate Contractor for Services completed to date.

6. Indemnification. To the furthest extent permitted by California law, Contractor shall, at its sole expense, indemnify, and hold harmless the District, the State of California, and their agents, representatives, officers, Contractors, employees, trustees, and volunteers (the "District Parties") from any and all demands, losses, liabilities, claims, suits, and actions (the "Claims") of any kind, nature, and description, including, but not limited to, personal injury, death, property damage, and Contractors and/or attorneys' fees and costs, directly or

indirectly arising out of, connected with, or resulting from the performance of the Agreement or from any activity, work, or thing done, permitted or suffered by the Contractor under or in conjunction with this agreement, unless the Claims are caused wholly by the sole negligence or willful misconduct or the District Parties. Contractor shall, to the furthest extent permitted by California law, defend the District at the Contractor's own expense, from any and all Claim(s) and allegations relating thereto with counsel approved by District where such approval is not to be unreasonably withheld. Whereas the cost to defend the District Parties charged to the Contractor shall not exceed the Proportionate percentage of Contractor's fault as determined by a court of competent Jurisdiction, any amounts paid in excess of such established fault will be reimbursed by the District. Notwithstanding the previous sentence, in the event one or more defendants is unable to pay its share of defense costs due to bankruptcy or dissolution of the business, such defendant shall meet and confer with other parties regarding unpaid defense costs. The District shall have the right to accept or reject any legal representation that Contractor proposes to defend the indemnified parties.

- 7. Insurance.** The contractor shall procure and maintain at all times it performs any portion of the Services the following insurance:

7.1. General Liability. One Million Dollars (\$1,000,000) per occurrence and two Million Dollars (\$2,000,000) general aggregate for bodily injury, personal injury and property damage in the form of Comprehensive General Liability and Contractual Liability.

7.2. Automobile Liability Insurance. One Million Dollars (\$1,000,000) per occurrence and One Million Dollars (\$1,000,000) general aggregate for automobile liability insurance that shall protect the Contractor and the District from all claims of Bodily injury, property damage, personal injury, death, and medical payments arising performing any portion of the Services by Contractor.

7.3. Workers' Compensation and Employers' Liability Insurance. For all the Contractor's employees who are subject to this Agreement and to the extent required by the applicable state or federal law, Contractor shall keep in full force and effect, a Workers' Compensation policy. That policy shall provide employers' liability coverage with minimum liability coverage of One Million Dollars (\$1,000,000) per accident for bodily injury or disease. Contractor shall provide an endorsement that the insurer waives the right of Subrogation against the District and its respective elected officials, officers, employees, agents, representatives, Contractors, Trustees, and Volunteers.

7.4. Other Insurance Provisions:

- 7.4.1.** The general liability and automobile liability policies are to contain, or be endorsed to contain, the following provisions:

7.4.1.1. The District, its representatives, Contractors, trustees, officers, officials, employees, agents, and volunteers (“Additional Insureds”) are to be covered as additional insureds as respects liability arising out of activities performed by or on behalf of the Contractor; instruments of Service and completed operation of the Contractor; premises owned, occupied or used by the Contractor; or automobiles owned, leased, hired or borrowed by the contractor. The coverage shall contain no special limitations on the scope of protection afforded to the Additional Insureds.

7.4.1.2. For any claims related to the projects, the Contractor’s insurance coverage shall be primary insurance as respects the Additional Insureds. Any insurance or self-insurance maintained by the Additional Insureds shall be in excess of the Contractor’s insurance and shall not contribute with it.

7.4.1.3. Any failure to comply with reporting or other provisions of the policies including breaches of warranties shall not affect coverage provided to the Additional Insureds.

7.4.2. The Contractor’s Insurance shall apply separately to each insured against who claim is made of suit is brought, except with respect to the limits of the insurer’s liability.

7.4.3. Each insurance policy required by this clause shall be endorsed to state that coverage shall not be canceled except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the District.

7.4.4. Contractor shall furnish the District with Certificates of insurance showing maintenance of the required insurance coverage and original endorsements affecting general liability and automobile liability coverage. The endorsements are to be signed by a person authorized by that insurer to bind coverage on its behalf. All endorsements are to be received and approved by the District before Services commence.

8. Limitation of District Liability. Other than as provided in this Agreement, District’s financial obligations under this Agreement shall be limited to the payment of the compensation provided in this Agreement. Notwithstanding any other provision of this Agreement, in no event, shall District be liable, regardless of whether any claim is based on contract or tort, for any special, consequential, indirect or incidental damages, including but not limited to, lost profits or revenue, arising out of or in connection with this Agreement for the services performed in connection with this Agreement.

EXHIBIT A

Scope of Services

This agreement is made between the Oroville Police Department and the Oroville Union High School District hereafter to be referred to as the "School District."

The Oroville Police Department and the Oroville Union High School District recognize the need for School Resource Officer's (SRO's) to be directly involved with the youth on the campus of Oroville High School, Las Plumas High School, and Prospect Alternative Center for Education. The School District is very aware of the potential for violence on school campuses; the widespread drug and alcohol use by students, both on and off school campuses; and the gang mentality sweeping the youth of today toward criminal behavior.

The purpose of the School Resource Officers is to be a liaison between the staff, faculty, students, and parents of the students at Oroville High School, Las Plumas High School, and Prospect Alternative Center for Education to promote a safe environment where an orderly educational process can take place.

The School Resource Officer Program will receive support beginning August 15, 2018 through June 10, 2021 or until 30-day written notice of termination is given by either party. This MOU is subject to review upon request by either party. The School Resource Officers will be available to the School District every regular day School is in session. When School is not in regular session, the School Resource Officers will be assigned to the Oroville Police Department.

The Oroville Police Department will provide the following services:

Under the Oroville Police Department Supervision, dedicate one full time Officer to Oroville High School and Prospect Alternative Center for Education. The Oroville Police Department will dedicate one full time officer to Las Plumas High School. The schedules will be coordinated between the Oroville Police Department and Principal of Oroville High School, Principal of Prospect Alternative Center for Education, and Principal of Las Plumas High School.

1. The officer's will coordinate enforcement details targeting truancy and assist faculty and staff in the development of a proactive truancy enforcement program.
2. The Oroville Police Department will provide all necessary training that would improve the effectiveness of the officer.
3. The officer's will participate in home visits to student truants along with outreach workers and monthly meetings of the Truancy Team to Coordinate with other Truancy prevention related services.

4. The officer's will coordinate enforcement details with campus staff targeting students and problem areas involving vandalism, narcotics, fighting, reckless driving, loitering etc. The officer's will work with staff and the surrounding business community to target problems on or off campus involving students.
5. The officer's will assist school staff with the development of yearly update, practice drills and implementation of the school's safety plan.
6. The officer's may participate in the weekly school meetings and have weekly contact with school administrators.
7. The officer's may also participate in other activities not specifically covered in the MOU such as the Every 15 Minutes Program that are mutually agreed upon by the Participating Agencies that fall within the total authorized hours/cost.
8. The Officer's will provide quarterly reports regarding the number of citations, home visits/Probation sweeps, student and parent contacts, staff and classroom presentations, attend coalition meeting, and other related activities.
9. The term of this contract is (3) Three years beginning August 2018.
10. The Oroville Police Department will provide a quarterly invoice to OUHSD for 43,750.00 dollars for a total of 525,000.00 dollars by June 30, 2021 and the final invoice will include the End of Year Report. The billing to OUHSD shall be invoiced reflecting the total number of hours worked by the Officer's for duties requested or required as overtime or straight-time assignments.
11. Overtime will be contracted on an as needed basis.

The Oroville Union High School District agree to the following:

1. To provide the officer's with office space and the necessary officer furniture to conduct interviews, write reports, etc. Prepare a work schedule for the SRO's that is agreeable to the Oroville Police Department. The schedule may be modified with agreement by both the Oroville Police Department and the Oroville Union High School District.

Financial Commitment:

The Oroville Union High School District will contribute 525,000.00 dollars towards a 3 year contract and the cost of the Oroville Police Officers in the role of School Resource and Truancy Officer.

The Foregoing has been agreed upon by the following:

**Dr. Corey Willenberg, Superintendent
Oroville Union High School District**

Date

**Bill LaGrone, Chief
Oroville Police Department**

Date

**Linda Dahlmeier, Mayor
City of Oroville**

Date

**OROVILLE CITY COUNCIL
STAFF REPORT**

TO: MAYOR DAHLMEIER AND COUNCIL MEMBERS

FROM: BILL LAGRONE, ASSISTANT CITY ADMINISTRATOR

RE: REQUEST FOR DESIGNATION OF VOTING DELEGATE AND ALTERNATES FOR LEAGUE OF CALIFORNIA CITIES ANNUAL CONFERENCE

DATE: JUNE 19, 2018

SUMMARY

The Council may consider the appointment of (1) one Council Member to serve as the City of Oroville’s voting delegate and (2) two Council Members to serve as alternates for the 2018 League of California Cities Conference.

DISCUSSION

The City has received a letter from the League of California Cities requesting the City to designate a member of the City Council as the voting member for the City of Oroville at the annual California League of Cities Conference. The League of California Cities has also requested the Council designate two alternates in the event the Designated Voting member is unavailable to attend the Conference. The Conference is intended to provide members with professional development programs, information and resources to best represent their individual communities. This Conference allows each City a vote for policies for the League that will determine future advocacy efforts on behalf of member Cities by the League of California Cities.

The League of California Cities 2018 Annual Conference will be held in Long Beach, September 12-14. Cost for registration for the Conference if paid prior to July 18, 2018 is \$525.00 per attendee. The recommended Hotels average in price from \$199.00 to \$219.00 per night.

Approximate Conference Cost

Attendees	Registration	Accommodations	Airfare	Total
Voting Member	\$525.00	\$657.00	\$157.00	\$1339.00
Alternate	\$525.00	\$657.00	\$157.00	\$1339.00
Alternate	\$525.00	\$657.00	\$157.00	\$1339.00

Approximate cost does not include any taxes or fees for Lodging or Air Fare. Meals will be reimbursed with appropriate receipts submitted for payment. If approved final total cost will be forwarded to Council after Conference via Council correspondence.

FISCAL IMPACT

Training fund balance for 2018/2018 fiscal year is \$60,000.
Cost of Conference depends on number of members in attendance.

RECOMMENDATIONS

Provide direction as necessary

Option A: Authorize (1) one to (3) three attendees, Authorize Mayor to sign form affirming names provided are those selected to represent the City of Oroville at the 2018 League of California Cities Conference.

Option B: Do not attend Conference

ATTACHMENTS

- A Letter from League of California Cities
- B Conference Schedule
- C Recommended Accommodations list
- D Conference Registration



1400 K Street, Suite 400 • Sacramento,
California 95814
Phone: 916.658.8200 Fax: 916.658.8240
www.cacities.org

Council Action Advised by July 31, 2018

May 17, 2018

TO: Mayors, City Managers and City Clerks

**RE: DESIGNATION OF VOTING DELEGATES AND ALTERNATES
League of California Cities Annual Conference – September 12 - 14, Long Beach**

The League's 2018 Annual Conference is scheduled for September 12 – 14 in Long Beach. An important part of the Annual Conference is the Annual Business Meeting (during General Assembly), scheduled for 12:30 p.m. on Friday, September 14, at the Long Beach Convention Center. At this meeting, the League membership considers and takes action on resolutions that establish League policy.

In order to vote at the Annual Business Meeting, your city council must designate a voting delegate. Your city may also appoint up to two alternate voting delegates, one of whom may vote in the event that the designated voting delegate is unable to serve in that capacity.

Please complete the attached Voting Delegate form and return it to the League's office no later than Friday, August 31, 2018. This will allow us time to establish voting delegate/alternate records prior to the conference.

Please note the following procedures are intended to ensure the integrity of the voting process at the Annual Business Meeting.

- **Action by Council Required.** Consistent with League bylaws, a city's voting delegate and up to two alternates must be designated by the city council. When completing the attached Voting Delegate form, please attach either a copy of the council resolution that reflects the council action taken, or have your city clerk or mayor sign the form affirming that the names provided are those selected by the city council. Please note that designating the voting delegate and alternates must be done by city council action and cannot be accomplished by individual action of the mayor or city manager alone.
- **Conference Registration Required.** The voting delegate and alternates must be registered to attend the conference. They need not register for the entire conference; they may register for Friday only. To register for the conference, please go to our website: www.cacities.org. In order to cast a vote, at least one voter must be present at the

Business Meeting and in possession of the voting delegate card. Voting delegates and alternates need to pick up their conference badges before signing in and picking up the voting delegate card at the Voting Delegate Desk. This will enable them to receive the special sticker on their name badges that will admit them into the voting area during the Business Meeting.

- **Transferring Voting Card to Non-Designated Individuals Not Allowed.** The voting delegate card may be transferred freely between the voting delegate and alternates, but *only* between the voting delegate and alternates. If the voting delegate and alternates find themselves unable to attend the Business Meeting, they may *not* transfer the voting card to another city official.
- **Seating Protocol during General Assembly.** At the Business Meeting, individuals with the voting card will sit in a separate area. Admission to this area will be limited to those individuals with a special sticker on their name badge identifying them as a voting delegate or alternate. If the voting delegate and alternates wish to sit together, they must sign in at the Voting Delegate Desk and obtain the special sticker on their badges.

The Voting Delegate Desk, located in the conference registration area of the Sacramento Convention Center, will be open at the following times: Wednesday, September 12, 8:00 a.m. – 6:00 p.m.; Thursday, September 13, 7:00 a.m. – 4:00 p.m.; and Friday, September 14, 7:30 a.m. – 11:30 a.m.. The Voting Delegate Desk will also be open at the Business Meeting on Friday, but will be closed during roll calls and voting.

The voting procedures that will be used at the conference are attached to this memo. Please share these procedures and this memo with your council and especially with the individuals that your council designates as your city's voting delegate and alternates.

Once again, thank you for completing the voting delegate and alternate form and returning it to the League's office by Friday, August 31. If you have questions, please call Kayla Curry at (916) 658-8254.

Attachments:

- Annual Conference Voting Procedures
- Voting Delegate/Alternate Form

Annual Conference Voting Procedures

1. **One City One Vote.** Each member city has a right to cast one vote on matters pertaining to League policy.
2. **Designating a City Voting Representative.** Prior to the Annual Conference, each city council may designate a voting delegate and up to two alternates; these individuals are identified on the Voting Delegate Form provided to the League Credentials Committee.
3. **Registering with the Credentials Committee.** The voting delegate, or alternates, may pick up the city's voting card at the Voting Delegate Desk in the conference registration area. Voting delegates and alternates must sign in at the Voting Delegate Desk. Here they will receive a special sticker on their name badge and thus be admitted to the voting area at the Business Meeting.
4. **Signing Initiated Resolution Petitions.** Only those individuals who are voting delegates (or alternates), and who have picked up their city's voting card by providing a signature to the Credentials Committee at the Voting Delegate Desk, may sign petitions to initiate a resolution.
5. **Voting.** To cast the city's vote, a city official must have in his or her possession the city's voting card and be registered with the Credentials Committee. The voting card may be transferred freely between the voting delegate and alternates, but may not be transferred to another city official who is neither a voting delegate or alternate.
6. **Voting Area at Business Meeting.** At the Business Meeting, individuals with a voting card will sit in a designated area. Admission will be limited to those individuals with a special sticker on their name badge identifying them as a voting delegate or alternate.
7. **Resolving Disputes.** In case of dispute, the Credentials Committee will determine the validity of signatures on petitioned resolutions and the right of a city official to vote at the Business Meeting.



CITY: _____

2018 ANNUAL CONFERENCE
VOTING DELEGATE/ALTERNATE FORM

Please complete this form and return it to the League office by Friday, August 31, 2018. Forms not sent by this deadline may be submitted to the Voting Delegate Desk located in the Annual Conference Registration Area. Your city council may designate one voting delegate and up to two alternates.

In order to vote at the Annual Business Meeting (General Assembly), voting delegates and alternates must be designated by your city council. Please attach the council resolution as proof of designation. As an alternative, the Mayor or City Clerk may sign this form, affirming that the designation reflects the action taken by the council.

Please note: Voting delegates and alternates will be seated in a separate area at the Annual Business Meeting. Admission to this designated area will be limited to individuals (voting delegates and alternates) who are identified with a special sticker on their conference badge. This sticker can be obtained only at the Voting Delegate Desk.

1. VOTING DELEGATE

Name: _____

Title: _____

2. VOTING DELEGATE - ALTERNATE

Name: _____

Title: _____

3. VOTING DELEGATE - ALTERNATE

Name: _____

Title: _____

PLEASE ATTACH COUNCIL RESOLUTION DESIGNATING VOTING DELEGATE AND ALTERNATES.

OR

ATTEST: I affirm that the information provided reflects action by the city council to designate the voting delegate and alternate(s).

Name: _____ E-mail _____

Mayor or City Clerk _____ Phone: _____
(circle one) (signature)

Date: _____

Please complete and return by Friday, August 31, 2018

League of California Cities
ATTN: Kayla Curry
1400 K Street, 4th Floor
Sacramento, CA 95814

FAX: (916) 658-8240
E-mail: kcurry@cacities.org
(916) 658-8254

[Home](#) > [Education & Events](#) > [Annual Conference](#) > [For Attendees](#) > Hotel & Travel

For Attendees

For Exhibitors

Reduced room rates are available for registered attendees/exhibitors at the 2018 Annual Conference & Expo. Reserve your hotel nights while space is available. Phone reservations will not be accepted. The discounted hotel rate cut-off is Tuesday, August 21, and the hotels are subject to sell out prior to the reservation deadline – reserve early.

STEP ONE: [Register for the Conference](#)

STEP TWO: Book hotel room

After your registration for the conference is received and processed, a confirmation email will be sent containing the links for housing reservations.

Predatory Housing Warning

Beware of unauthorized housing and hotel reservation services that may solicit your business. All legitimate communications regarding housing will come directly from the League of California Cities or ConferenceDirect. If you receive a suspicious email or phone call asking to book your hotel room for the conference, please let us know immediately.

[Hyatt Regency Long Beach](#)

200 S Pine Avenue
\$219.00 single/double*

[The Westin Long Beach](#)

333 East Ocean Boulevard
\$215.00 single/double*

[Renaissance Long Beach](#)

111 East Ocean Boulevard
\$199.00 single/double*

[Hilton Long Beach](#)

701 W. Ocean Boulevard
\$199.00 single/double*

[Hyatt Centric The Pike Long Beach](#)

285 Bay Street

\$219.00 single/double*

*Plus occupancy taxes and fees.

Hotel Changes or Cancellations

Hotel reservation changes, date modifications, early check-out, or cancellations made prior to Tuesday, August 21, must be done through the online reservation link you received when registering for the conference. Use your confirmation/acknowledgement number to access your reservation and make any necessary changes. Once the August 21 deadline has passed, please contact the hotel directly with any changes or cancellations. Please note that after the housing deadline has passed, you may incur a financial penalty and minimum one-night room charge or attrition fees.

PLEASE NOTE: The information you provide to the League when registering for a League conference or meeting may be shared with the conference or meeting hotel(s). The hotel(s) will also share with the League the information you provide to the hotel(s) when you make your hotel reservation for the conference or meeting. The information shared between the League and the hotel(s) will be limited to your first name, last name and dates/length of stay in the hotel.



CAUTION! You must be registered for the conference prior to booking a hotel room. Do not make a hotel reservation unless you are sure it is needed. Your city/company will be financially responsible for all cancellation/attrition fees. If you are making hotel reservations for others, please confirm with each individual, in advance, that they actually need hotel accommodations and intend to use them on the dates you are reserving..

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For Attendees

For Exhibitors

Program at a Glance

As of May 23, 2018 (subject to change)

Wednesday, September 12

8:00 a.m. - 6:00 p.m.	Registration Open
9:00 - 11:00 a.m.	Policy Committees; AB 1234 Ethics Training
9:00 - 11:00 a.m.	AB 1234 Ethics Training
8:30 a.m. - 1:00 p.m.	City Clerks Workshop (additional registration required)
11:00 a.m. - 12:00 p.m.	Department Business Meetings
12:45 - 1:15 p.m.	First Time Attendee Orientation
1:30 - 3:30 p.m.	Opening General Session
3:45 - 5:00 p.m.	Educational Sessions
5:00 - 7:00 p.m.	Grand Opening Expo Hall & Host City Reception (exhibitor exclusive; no competing events)
7:00 - 10:00 p.m.	CitiPAC Leadership Reception

Thursday, September 13

7:00 a.m. - 4:00 p.m.	Registration Open
8:15 - 9:30 a.m.	Educational Sessions
9:00 a.m. - 4:00 p.m.	Expo Open
9:45 - 11:45 a.m.	General Session
11:30 a.m. - 1:00 p.m.	Attendee Lunch in Expo Hall
1:00 - 2:15 p.m.	General Resolutions Committee
1:00 - 5:30 p.m.	Educational Sessions
2:15 - 2:45 p.m.	Caucus Board Meetings
4:00 - 5:30 p.m.	Board of Directors Meeting
Evening	Caucus Events

Friday, September 14

7:30 a.m. - 12:00
p.m. Registration Open

8:00 a.m. - 12:15
p.m. Educational Sessions

12:30 - 2:30 p.m. Closing Luncheon & General Assembly

NOTE: Conference Registration is required to attend all conference activities including Department and Division meetings and the General Assembly.

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For Attendees

For Exhibitors

Full Registration Includes:

- Admission to Expo and education sessions (unless otherwise indicated)
- Wednesday host city reception; Thursday grab-and-go breakfast; Thursday lunch with exhibitors; Friday closing luncheon
- Admission to CitiPAC and Diversity Caucus Receptions
- Electronic access to all program materials

Online Registration (credit card) - [Register Now](#)

Mail-in Registration (pay by check) - contact mdunn@cacities.org to request a registration form.

After your registration for the conference is received and processed, a confirmation email will be sent containing the links for housing reservations.

Full Conference Registration Fees

	EARLY BIRD through July 18	After July 18 and onsite
City Delegate		
Member City	\$ 525	\$ 575
Nonmember City	\$ 1525	\$ 1575
Public Official		
County/State	\$ 600	\$ 650
Partner/Exhibitor/All Others		
Company Representative	\$ 700	\$ 750

NOTE: Conference Registration is required to attend all conference activities including Department and Division meetings and the General Assembly.

One-Day Registration

Early bird rates are not available for one-day registration

City Delegate

Member City

\$ 300

Nonmember City	\$ 1300
Public Official	
County/State	\$ 350
Partner/Exhibitor/All Others	
Company Representative	\$ 400

Optional Registration Add-ons (non-refundable)

City Clerks Workshop (includes lunch) - \$150 member cities, \$300 non-member cities

Guest Registration - \$125

Guest rate is restricted to those who are not city/public officials, are not related to any Partner/Expo company, and would have no professional reason to attend for learning or business. Rate includes admission to the Expo and receptions only. Session seats are reserved for conference registrants. There is no refund for the cancellation of a guest registration. It is not advisable to use city funds to register a guest.

Onsite Badge Pick Up

2018 Annual Conference badges will be available at the registration desk in the Long Beach Convention Center.

Registration hours:

Wednesday, September 12 8:00 a.m. - 6:00 p.m.

Thursday, September 13 7:00 a.m. - 4:00 p.m.

Friday, September 14 7:30 a.m. - 12:00 p.m.



Questions or special needs? Contact our conference registrar at mdunn@cacities.org before Tuesday, August 21.

Refund Policy

Advance registrants unable to attend will receive a refund of rate paid, **minus a \$75 processing charge**, only when a written request is submitted to the League of California Cities, Conference Registration, 1400 K Street, Sacramento, CA, 95814 or mdunn@cacities.org and

received before **5:00 p.m. on Tuesday, August 21**. Refunds will not be available after this date. If you are unable to attend, you may substitute a colleague for your entire registration. Please note: sharing of registration is prohibited.

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